

## APPENDIX I

## ACCOUNTANTS’ REPORT

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

[Letterhead of PricewaterhouseCoopers]

[Draft]

### ACCOUNTANT’S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF JUHUI FOOD TECHNOLOGY CO., LTD. AND CHINA SECURITIES (INTERNATIONAL) CORPORATE FINANCE COMPANY LIMITED

#### Introduction

We report on the historical financial information of Juhui Food Technology Co., Ltd (the “Company”) and its subsidiaries (together, the “Group”) set out on pages [I-4] to [I-77], which comprises the consolidated and company statements of financial position as at December 31, 2023, 2024 and 2025 and March 31, 2026, and the consolidated income statements, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026 (the “Track Record Period”), and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages [I-4] to [I-77] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the “Document”) in connection with the initial [REDACTED] of shares of the Company on the [REDACTED] of The [REDACTED] of Hong Kong Limited.

#### Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

#### Reporting accountant’s responsibility

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

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Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountant’s judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity’s preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

### Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountant’s report, a true and fair view of the financial position of the Company and the consolidated financial position of the Group as at December 31, 2023, 2024 and 2025 and March 31, 2026 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

### Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the three months ended March 31, 2025 and other explanatory information (the “Stub Period Comparative Financial Information”). The directors of the Company are responsible for the preparation of the Stub Period Comparative Financial Information in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the International Auditing and Assurance Standards Board (“IAASB”). A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountant’s report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

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### **Report on matters under the Rules Governing the [REDACTED] of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Companies (Winding Up and Miscellaneous Provisions) Ordinance**

#### ***Adjustments***

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

#### ***Dividends***

We refer to Note 13 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

#### ***No statutory financial statements for the Company***

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

**[PricewaterhouseCoopers]**  
*Certified Public Accountants*  
Hong Kong  
[Date]

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### **I HISTORICAL FINANCIAL INFORMATION OF THE GROUP**

#### **Preparation of Historical Financial Information**

Set out below is the Historical Financial Information which forms an integral part of this accountant’s report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with International Standards on Auditing issued by the IAASB (“Underlying Financial Statements”).

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

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### A. CONSOLIDATED INCOME STATEMENTS

|                                                                          | Note   | Year ended December 31, |                |                | Three months ended March 31, |               |
|--------------------------------------------------------------------------|--------|-------------------------|----------------|----------------|------------------------------|---------------|
|                                                                          |        | 2023                    | 2024           | 2025           | 2025                         | 2026          |
|                                                                          |        | RMB'000                 | RMB'000        | RMB'000        | RMB'000                      | RMB'000       |
|                                                                          |        |                         |                |                | (Unaudited)                  |               |
| Revenue                                                                  | 5      | 1,030,344               | 1,135,586      | 1,105,810      | 246,203                      | 297,032       |
| Cost of sales                                                            | 6      | (716,008)               | (756,808)      | (766,224)      | (171,475)                    | (207,323)     |
| <b>Gross profit</b>                                                      |        | <b>314,336</b>          | <b>378,778</b> | <b>339,586</b> | <b>74,728</b>                | <b>89,709</b> |
| Selling and marketing expenses                                           | 6      | (73,523)                | (109,066)      | (104,339)      | (24,870)                     | (25,269)      |
| Administrative expenses                                                  | 6      | (51,482)                | (57,908)       | (61,246)       | (14,621)                     | (15,608)      |
| Research and development expenses                                        | 6      | (29,074)                | (33,097)       | (31,514)       | (7,436)                      | (6,701)       |
| Net impairment losses on financial assets                                | 3.1(b) | (1,883)                 | (2,687)        | (2,483)        | (1,194)                      | (460)         |
| Other income                                                             | 8      | 11,591                  | 4,909          | 29,137         | 733                          | 433           |
| Other gains/(losses) – net                                               | 9      | (7,453)                 | 12,824         | 1,890          | (3,955)                      | (2,228)       |
| <b>Operating profit</b>                                                  |        | <b>162,512</b>          | <b>193,753</b> | <b>171,031</b> | <b>23,385</b>                | <b>39,876</b> |
| Finance income                                                           |        | 2,112                   | 3,540          | 704            | 262                          | 278           |
| Finance cost                                                             |        | (2,814)                 | (2,586)        | (4,757)        | (1,637)                      | (1,336)       |
| Finance income/(cost) – net                                              | 10     | (702)                   | 954            | (4,053)        | (1,375)                      | (1,058)       |
| <b>Profit before income tax</b>                                          |        | <b>161,810</b>          | <b>194,707</b> | <b>166,978</b> | <b>22,010</b>                | <b>38,818</b> |
| Income tax expense                                                       | 11     | (38,486)                | (41,834)       | (42,472)       | (4,633)                      | (9,086)       |
| <b>Profit for the year/period</b>                                        |        | <b>123,324</b>          | <b>152,873</b> | <b>124,506</b> | <b>17,377</b>                | <b>29,732</b> |
| <b>Profit for the year/period is attributable to:</b>                    |        |                         |                |                |                              |               |
| Owners of the Company                                                    |        | 123,104                 | 152,807        | 124,536        | 17,385                       | 29,740        |
| Non-controlling interests                                                |        | 220                     | 66             | (30)           | (8)                          | (8)           |
|                                                                          |        | <u>123,324</u>          | <u>152,873</u> | <u>124,506</u> | <u>17,377</u>                | <u>29,732</u> |
| <b>Earnings per share attributable to owners of the Company (in RMB)</b> |        |                         |                |                |                              |               |
| Basic earnings per share                                                 | 12     | 111                     | 138            | 112            | 16                           | 27            |
| Diluted earnings per share                                               | 12     | N/A                     | 121            | 110            | N/A                          | N/A           |

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### B. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

|                                                                                        | Year ended December 31, |                |                | Three months ended March 31, |               |
|----------------------------------------------------------------------------------------|-------------------------|----------------|----------------|------------------------------|---------------|
|                                                                                        | 2023                    | 2024           | 2025           | 2025                         | 2026          |
|                                                                                        | RMB'000                 | RMB'000        | RMB'000        | RMB'000                      | RMB'000       |
|                                                                                        |                         |                |                | (Unaudited)                  |               |
| <b>Profit for the year/period</b>                                                      | <b>123,324</b>          | <b>152,873</b> | <b>124,506</b> | <b>17,377</b>                | <b>29,732</b> |
| <b>Other comprehensive income</b>                                                      |                         |                |                |                              |               |
| <i>Item that may be reclassified to profit or loss</i>                                 |                         |                |                |                              |               |
| Exchange differences on translation of foreign operations                              | (6,603)                 | (7,511)        | (3,845)        | 317                          | (141)         |
| <i>Item that may not be reclassified to profit or loss</i>                             |                         |                |                |                              |               |
| Exchange differences on translation of foreign operations                              | 68                      | 127            | (319)          | (439)                        | (217)         |
| Fair value changes of financial liabilities attributable to changes in own credit risk | 450                     | 26             | (1,378)        | (13)                         | –             |
| <b>Other comprehensive loss for the year/period, net of taxes</b>                      | <b>(6,085)</b>          | <b>(7,358)</b> | <b>(5,542)</b> | <b>(135)</b>                 | <b>(358)</b>  |
| <b>Total comprehensive income for the year/period</b>                                  | <b>117,239</b>          | <b>145,515</b> | <b>118,964</b> | <b>17,242</b>                | <b>29,374</b> |
| <b>Total comprehensive income for the year/period is attributable to:</b>              |                         |                |                |                              |               |
| Owners of the Company                                                                  | 117,019                 | 145,449        | 118,994        | 17,250                       | 29,382        |
| Non-controlling interests                                                              | 220                     | 66             | (30)           | (8)                          | (8)           |
|                                                                                        | <b>117,239</b>          | <b>145,515</b> | <b>118,964</b> | <b>17,242</b>                | <b>29,374</b> |

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### C. CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

|                                                       | Note | As at December 31,      |                         |                       | As at                 |
|-------------------------------------------------------|------|-------------------------|-------------------------|-----------------------|-----------------------|
|                                                       |      | 2023                    | 2024                    | 2025                  | March 31,             |
|                                                       |      | RMB'000                 | RMB'000                 | RMB'000               | 2026                  |
|                                                       |      |                         |                         |                       | RMB'000               |
| <b>Assets</b>                                         |      |                         |                         |                       |                       |
| <b>Non-current assets</b>                             |      |                         |                         |                       |                       |
| Property, plant and equipment                         | 15   | 308,178                 | 313,820                 | 319,936               | 314,312               |
| Right-of-use assets                                   | 16   | 52,410                  | 53,031                  | 48,159                | 46,078                |
| Intangible assets                                     | 17   | 2,899                   | 2,093                   | 1,215                 | 1,028                 |
| Other non-current assets                              | 18   | 5,263                   | 24,381                  | 7,047                 | 8,484                 |
| Deferred income tax assets                            | 19   | 4,117                   | 6,232                   | 3,383                 | 3,456                 |
| Other receivables                                     | 23   | –                       | 49,338                  | –                     | –                     |
| Financial assets at fair value through profit or loss | 24   | –                       | 6,000                   | 27,227                | 25,946                |
|                                                       |      | <u>372,867</u>          | <u>454,895</u>          | <u>406,967</u>        | <u>399,304</u>        |
| <b>Current assets</b>                                 |      |                         |                         |                       |                       |
| Inventories                                           | 20   | 116,925                 | 196,875                 | 127,031               | 108,647               |
| Trade receivables                                     | 22   | 84,087                  | 80,368                  | 85,747                | 95,238                |
| Other receivables and prepayments                     | 23   | 35,840                  | 58,100                  | 115,218               | 118,978               |
| Financial assets at fair value through profit or loss | 24   | 220,115                 | 76,860                  | 28,869                | 27,911                |
| Restricted cash                                       | 25   | –                       | –                       | –                     | 8,693                 |
| Cash and cash equivalents                             | 25   | 257,449                 | 215,828                 | 132,881               | 164,896               |
|                                                       |      | <u>714,416</u>          | <u>628,031</u>          | <u>489,746</u>        | <u>524,363</u>        |
| <b>Total assets</b>                                   |      | <b><u>1,087,283</u></b> | <b><u>1,082,926</u></b> | <b><u>896,713</u></b> | <b><u>923,667</u></b> |
| <b>Equity</b>                                         |      |                         |                         |                       |                       |
| <b>Equity attributable to owners of the Company</b>   |      |                         |                         |                       |                       |
| Share capital                                         | 26   | 7                       | 7                       | 7                     | 7                     |
| Other reserves                                        | 27   | 30,246                  | 54,192                  | 62,375                | 62,017                |
| Retained earnings                                     |      | <u>302,844</u>          | <u>424,347</u>          | <u>535,158</u>        | <u>564,898</u>        |
|                                                       |      | <u>333,097</u>          | <u>478,546</u>          | <u>597,540</u>        | <u>626,922</u>        |
| Non-controlling interests                             |      | <u>358</u>              | <u>424</u>              | <u>394</u>            | <u>386</u>            |
| <b>Total equity</b>                                   |      | <b><u>333,455</u></b>   | <b><u>478,970</u></b>   | <b><u>597,934</u></b> | <b><u>627,308</u></b> |

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|                                                            |             | As at December 31,      |                         |                       | As at<br>March 31,    |
|------------------------------------------------------------|-------------|-------------------------|-------------------------|-----------------------|-----------------------|
|                                                            | <i>Note</i> | <b>2023</b>             | <b>2024</b>             | <b>2025</b>           | <b>2026</b>           |
|                                                            |             | <i>RMB'000</i>          | <i>RMB'000</i>          | <i>RMB'000</i>        | <i>RMB'000</i>        |
| <b>Liabilities</b>                                         |             |                         |                         |                       |                       |
| <b>Non-current liabilities</b>                             |             |                         |                         |                       |                       |
| Lease liabilities                                          | 16          | 33,136                  | 32,208                  | 26,241                | 24,936                |
| Deferred income tax liabilities                            | 19          | 35,831                  | 28,097                  | 13,575                | 16,581                |
| Deferred income                                            | 31          | 6,021                   | 6,653                   | 6,583                 | 6,326                 |
| Long term bank borrowing                                   | 29          | –                       | 9,487                   | –                     | –                     |
|                                                            |             | <u>74,988</u>           | <u>76,445</u>           | <u>46,399</u>         | <u>47,843</u>         |
| <b>Current liabilities</b>                                 |             |                         |                         |                       |                       |
| Trade payables                                             | 28          | 46,307                  | 81,339                  | 35,481                | 22,031                |
| Other payables and accrued charges                         | 28          | 66,829                  | 81,829                  | 62,381                | 59,080                |
| Lease liabilities                                          | 16          | 11,958                  | 18,769                  | 8,869                 | 8,445                 |
| Contract liabilities                                       | 5(c)        | 26,159                  | 31,392                  | 18,081                | 28,855                |
| Current income tax liabilities                             |             | 19,285                  | 9,399                   | 7,337                 | 6,660                 |
| Short-term bank borrowings – secured                       | 29          | –                       | 10,321                  | 120,231               | 123,445               |
| Financial liabilities at fair value through profit or loss | 30          | 508,302                 | 294,462                 | –                     | –                     |
|                                                            |             | <u>678,840</u>          | <u>527,511</u>          | <u>252,380</u>        | <u>248,516</u>        |
| <b>Total liabilities</b>                                   |             | <b><u>753,828</u></b>   | <b><u>603,956</u></b>   | <b><u>298,779</u></b> | <b><u>296,359</u></b> |
| <b>Total equity and liabilities</b>                        |             | <b><u>1,087,283</u></b> | <b><u>1,082,926</u></b> | <b><u>896,713</u></b> | <b><u>923,667</u></b> |

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### D. COMPANY STATEMENTS OF FINANCIAL POSITION

|                                                            |       | As at December 31, |         |         | As at March 31, |
|------------------------------------------------------------|-------|--------------------|---------|---------|-----------------|
|                                                            | Note  | 2023               | 2024    | 2025    | 2026            |
|                                                            |       | RMB'000            | RMB'000 | RMB'000 | RMB'000         |
| Assets                                                     |       |                    |         |         |                 |
| Non-current assets                                         |       |                    |         |         |                 |
| Investments in a subsidiary                                | 14(b) | 115,745            | 115,745 | 115,745 | 115,745         |
|                                                            |       | 115,745            | 115,745 | 115,745 | 115,745         |
| Current assets                                             |       |                    |         |         |                 |
| Other receivables                                          | 23    | 399,591            | 283,352 | 14,219  | 14,008          |
| Financial assets at fair value through profit or loss      | 24    | 81,512             | 20,429  | –       | –               |
| Cash and cash equivalents                                  | 25    | 25,453             | 4,784   | 1,130   | 1,056           |
|                                                            |       | 506,556            | 308,565 | 15,349  | 15,064          |
| Total assets                                               |       | 622,301            | 424,310 | 131,094 | 130,809         |
| Equity                                                     |       |                    |         |         |                 |
| Share capital                                              | 26    | 7                  | 7       | 7       | 7               |
| Other reserves                                             | 27    | 117,505            | 117,659 | 115,962 | 115,745         |
| Retained earnings                                          |       | (3,513)            | 12,182  | 13,740  | 13,694          |
|                                                            |       | 113,999            | 129,848 | 129,709 | 129,446         |
| Total equity                                               |       | 113,999            | 129,848 | 129,709 | 129,446         |
| Liabilities                                                |       |                    |         |         |                 |
| Current liabilities                                        |       |                    |         |         |                 |
| Other payables and accrued charges                         | 28    | –                  | –       | 1,385   | 1,363           |
| Financial liabilities at fair value through profit or loss | 30    | 508,302            | 294,462 | –       | –               |
|                                                            |       | 508,302            | 294,462 | 1,385   | 1,363           |
| Total liabilities                                          |       | 508,302            | 294,462 | 1,385   | 1,363           |
| Total equity and liabilities                               |       | 622,301            | 424,310 | 131,094 | 130,809         |

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### E. CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

|                                                                                                   | Note | Equity attributable to owners of the Company |                |                   |                | Non-controlling interests | Total equity   |
|---------------------------------------------------------------------------------------------------|------|----------------------------------------------|----------------|-------------------|----------------|---------------------------|----------------|
|                                                                                                   |      | Share capital                                | Other reserves | Retained earnings | Total          |                           |                |
|                                                                                                   |      | RMB'000                                      | RMB'000        | RMB'000           | RMB'000        | RMB'000                   | RMB'000        |
| <b>As at January 1, 2023</b>                                                                      |      | 7                                            | 1,790          | 214,281           | 216,078        | 138                       | 216,216        |
| <b>Comprehensive income</b>                                                                       |      |                                              |                |                   |                |                           |                |
| Profit for the year                                                                               |      | –                                            | –              | 123,104           | 123,104        | 220                       | 123,324        |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | 30   | –                                            | 450            | –                 | 450            | –                         | 450            |
| Exchange differences on translation of foreign operations                                         |      | –                                            | (6,535)        | –                 | (6,535)        | –                         | (6,535)        |
| <b>Total comprehensive income</b>                                                                 |      | –                                            | (6,085)        | 123,104           | 117,019        | 220                       | 117,239        |
| <b>Transactions with owners</b>                                                                   |      |                                              |                |                   |                |                           |                |
| Appropriation to statutory reserve                                                                | 29   | –                                            | 34,541         | (34,541)          | –              | –                         | –              |
| <b>Total transactions with owners</b>                                                             |      | –                                            | 34,541         | (34,541)          | –              | –                         | –              |
| <b>As at December 31, 2023</b>                                                                    |      | <b>7</b>                                     | <b>30,246</b>  | <b>302,844</b>    | <b>333,097</b> | <b>358</b>                | <b>333,455</b> |
| <b>As at January 1, 2024</b>                                                                      |      | 7                                            | 30,246         | 302,844           | 333,097        | 358                       | 333,455        |
| <b>Comprehensive income</b>                                                                       |      |                                              |                |                   |                |                           |                |
| Profit for the year                                                                               |      | –                                            | –              | 152,807           | 152,807        | 66                        | 152,873        |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | 30   | –                                            | 575            | (549)             | 26             | –                         | 26             |
| Exchange differences on translation of foreign operations                                         |      | –                                            | (7,384)        | –                 | (7,384)        | –                         | (7,384)        |
| <b>Total comprehensive income</b>                                                                 |      | –                                            | (6,809)        | 152,258           | 145,449        | 66                        | 145,515        |
| <b>Transactions with owners</b>                                                                   |      |                                              |                |                   |                |                           |                |
| Appropriation to statutory reserve                                                                | 29   | –                                            | 30,755         | (30,755)          | –              | –                         | –              |
| <b>Total transactions with owners</b>                                                             |      | –                                            | 30,755         | (30,755)          | –              | –                         | –              |
| <b>As at December 31, 2024</b>                                                                    |      | <b>7</b>                                     | <b>54,192</b>  | <b>424,347</b>    | <b>478,546</b> | <b>424</b>                | <b>478,970</b> |

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|                                                                                                   | Note | Equity attributable to owners of the Company |                |                   |                | Non-controlling interests | Total equity   |
|---------------------------------------------------------------------------------------------------|------|----------------------------------------------|----------------|-------------------|----------------|---------------------------|----------------|
|                                                                                                   |      | Share capital                                | Other reserves | Retained earnings | Total          |                           |                |
|                                                                                                   |      | RMB'000                                      | RMB'000        | RMB'000           | RMB'000        | RMB'000                   | RMB'000        |
| <b>As at January 1, 2025</b>                                                                      |      | 7                                            | 54,192         | 424,347           | 478,546        | 424                       | 478,970        |
| <b>Comprehensive income</b>                                                                       |      |                                              |                |                   |                |                           |                |
| Profit for the period                                                                             |      | –                                            | –              | 124,536           | 124,536        | (30)                      | 124,506        |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | 30   | –                                            | –              | (1,378)           | (1,378)        | –                         | (1,378)        |
| Exchange differences on translation of foreign operations                                         |      | –                                            | (4,164)        | –                 | (4,164)        | –                         | (4,164)        |
| <b>Total comprehensive income</b>                                                                 |      | –                                            | (4,164)        | 123,158           | 118,994        | (30)                      | 118,964        |
| <b>Transactions with owners</b>                                                                   |      |                                              |                |                   |                |                           |                |
| Appropriation to statutory reserve                                                                | 29   | –                                            | 12,347         | (12,347)          | –              | –                         | –              |
| <b>Total transactions with owners</b>                                                             |      | –                                            | 12,347         | (12,347)          | –              | –                         | –              |
| <b>As at December 31, 2025</b>                                                                    |      | <b>7</b>                                     | <b>62,375</b>  | <b>535,158</b>    | <b>597,540</b> | <b>394</b>                | <b>597,934</b> |
| <b>As at January 1, 2026</b>                                                                      |      | 7                                            | 62,375         | 535,158           | 597,540        | 394                       | 597,934        |
| <b>Comprehensive income</b>                                                                       |      |                                              |                |                   |                |                           |                |
| Profit for the period                                                                             |      | –                                            | –              | 29,740            | 29,740         | (8)                       | 29,732         |
| Exchange differences on translation of foreign operations                                         |      | –                                            | (358)          | –                 | (358)          | –                         | (358)          |
| <b>Total comprehensive income</b>                                                                 |      | –                                            | (358)          | 29,740            | 29,382         | (8)                       | 29,374         |
| <b>As at March 31, 2026</b>                                                                       |      | <b>7</b>                                     | <b>62,017</b>  | <b>564,898</b>    | <b>626,922</b> | <b>386</b>                | <b>627,308</b> |
| <b>(Unaudited)</b>                                                                                |      |                                              |                |                   |                |                           |                |
| <b>As at January 1, 2025</b>                                                                      |      | 7                                            | 54,192         | 424,347           | 478,546        | 424                       | 478,970        |
| <b>Comprehensive income</b>                                                                       |      |                                              |                |                   |                |                           |                |
| Profit for the period                                                                             |      | –                                            | –              | 17,385            | 17,385         | (8)                       | 17,377         |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | 30   | –                                            | (13)           | –                 | (13)           | –                         | (13)           |
| Exchange differences on translation of foreign operations                                         |      | –                                            | (122)          | –                 | (122)          | –                         | (122)          |
| <b>Total comprehensive income</b>                                                                 |      | –                                            | (135)          | 17,385            | 17,250         | (8)                       | 17,242         |
| <b>As at March 31, 2025</b>                                                                       |      | <b>7</b>                                     | <b>54,057</b>  | <b>441,732</b>    | <b>495,796</b> | <b>416</b>                | <b>496,212</b> |

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### F. CONSOLIDATED STATEMENTS OF CASH FLOWS

|                                                                                                |       | Year ended December 31, |           |           | Three months ended March 31, |          |
|------------------------------------------------------------------------------------------------|-------|-------------------------|-----------|-----------|------------------------------|----------|
|                                                                                                | Note  | 2023                    | 2024      | 2025      | 2025                         | 2026     |
|                                                                                                |       | RMB'000                 | RMB'000   | RMB'000   | RMB'000<br>(Unaudited)       | RMB'000  |
| <b>Cash flows from operating activities</b>                                                    |       |                         |           |           |                              |          |
| Cash generated from/(used in) operations                                                       | 33(a) | 161,725                 | 176,996   | 186,140   | 7,893                        | 55,724   |
| Income tax paid                                                                                |       | (15,597)                | (70,866)  | (59,506)  | (11,676)                     | (7,755)  |
| Net cash generated from/(used in) operating activities                                         |       | 146,128                 | 106,130   | 126,634   | (19,569)                     | 47,969   |
| <b>Cash flows from investing activities</b>                                                    |       |                         |           |           |                              |          |
| Purchase of property, plant and equipment                                                      |       | (20,796)                | (49,482)  | (24,188)  | (8,544)                      | (2,721)  |
| Purchase of intangible assets                                                                  |       | (146)                   | (194)     | –         | –                            | –        |
| Proceeds from disposal of property, plant and equipment                                        | 33(b) | 843                     | 196       | 748       | 750                          | 77       |
| Loans granted to related parties                                                               |       | –                       | (49,565)  | (15,100)  | (3,000)                      | (4,500)  |
| Investment in short-term investments measured at fair value through profit or loss             |       | (1,253,166)             | (798,775) | (68,820)  | (54,619)                     | –        |
| Proceeds from disposal of short-term investments measured at fair value through profit or loss |       | 1,320,680               | 939,619   | 97,982    | 59,872                       | 91       |
| Proceeds from government grants recognized as deferred revenue                                 |       | 168                     | 1,512     | 910       | –                            | –        |
| Net cash generated from/(used in) investing activities                                         |       | 47,583                  | 43,311    | (8,468)   | (5,541)                      | (7,053)  |
| <b>Cash flows from financing activities</b>                                                    |       |                         |           |           |                              |          |
| Proceeds from borrowings                                                                       | 33(c) | –                       | 19,288    | 106,887   | 78,630                       | 21,666   |
| Repayments of borrowings                                                                       | 33(c) | (43,625)                | –         | (9,487)   | (5,160)                      | (19,408) |
| Principal elements and interest of lease payments                                              |       | (3,433)                 | (4,837)   | (4,748)   | (963)                        | (2,110)  |
| Repurchase of preferred shares                                                                 | 30    | –                       | (205,398) | (294,726) | –                            | –        |
| Amounts advanced from a related party                                                          |       | –                       | –         | 1,385     | –                            | –        |
| Decrease/(increase) in restricted cash                                                         |       | 12,800                  | –         | –         | –                            | (8,693)  |
| Net cash (used in)/generated from financing activities                                         |       | (34,258)                | (190,947) | (200,689) | 72,507                       | (8,545)  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                                    |       |                         |           |           |                              |          |
|                                                                                                |       | 159,453                 | (41,506)  | (82,523)  | 47,397                       | 32,371   |
| Cash and cash equivalents at beginning of year/period                                          |       | 97,724                  | 257,449   | 215,828   | 215,828                      | 132,881  |
| Effect of foreign exchange rates changes                                                       |       | 272                     | (115)     | (424)     | (134)                        | (356)    |
| <b>Cash and cash equivalents at end of year/period</b>                                         |       |                         |           |           |                              |          |
|                                                                                                |       | 257,449                 | 215,828   | 132,881   | 263,091                      | 164,896  |

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### II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

#### 1 GENERAL INFORMATION OF THE GROUP

The Company was incorporated in the Cayman Islands on January 4, 2021 as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands. The address of its registered office is at the offices of Vistra (Cayman) Limited, P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The Company is an investment holding company and its subsidiaries (together, the “Group”) are principally engaged in the manufacturing and distributing compound condiments (the “[REDACTED] Business”) in the People’s Republic of China ( “PRC”). The Group’s headquarter is in Chongqing city of Sichuan province, the PRC.

Subsequent to incorporation in January 2021, the Company underwent a restructuring to transfer the companies engaging in the [REDACTED] Business to the Company. The Company became the holding company of the companies engaging in the [REDACTED] Business in March 2021, and the restructuring was completed in April 2021. In addition, in March 2021, the Company entered into share purchase agreements with certain investors, pursuant to which the Company allotted and issued in total 129,630 preferred shares to the investors. Subsequent to incorporation in January 2021, the Company underwent a restructuring to transfer the companies engaging in the Listing Business to the Company. The Company became the holding company of the companies engaging in the Listing Business in March 2021, and the restructuring was completed in April 2021. In addition, in March 2021, the Company entered into share purchase agreements with certain investors, pursuant to which the Company allotted and issued in total 129,630 preferred shares to the investors. Subsequently, pursuant to a series of repurchase agreements entered into by the Company and the investors from July 2022 to May 2025, the Company repurchased all the 129,630 preferred shares issued to the investors at considerations equal to their original sum of investments. The considerations for the share repurchase were settled by the Company by instalments with the last payment made in May 2025. The investments from the preferred share investors were accounted for as financial liabilities at fair value through profit or loss for accounting purpose. Further details of the share repurchase are set out in Note 30.

During the Track Record Period and as of the date of this report, the shareholders holding ordinary shares of the Company are:

- GOWL Investment Limited (“BVI-GOWL”), a company incorporated in the British Virgin Islands (“BVI”), ultimately beneficially owned by Mr. Gou Zhongjun (“Mr. Gou”) and holding 43.31% ordinary shares of the Company;
- Pepper Hometown Investment Limited (“BVI-Pepper”), a company incorporated in the BVI, ultimately beneficially owned by Mr. Wang Bin (“Mr. Wang”) and holding 35.44% ordinary shares;
- KY Investment Limited (“BVI-KY”), a company incorporated in the BVI, owned as to 55.00% and 45.00% by BVI-GOWL and BVI-Pepper, respectively, and holding 11.25% ordinary shares of the Company; and
- WAZS Holding Limited (“BVI-WAZS”), a company incorporated in the BVI, wholly owned by Mr. Wu Xu Nan (“Mr. Wu”) and holding 10.00% ordinary shares of the Company.

KY Investment Limited was formed to be a shareholding platform for the purpose of future grant of incentive shares to the eligible employees of the Group. Up to the date of this report, no incentive shares have been granted. Accordingly, during the Track Record Period and as of the date of this report, the Company is beneficially owned by Mr. Gou, Mr. Wang and Mr. Wu, holding 49.50%, 40.50% and 10.00% ordinary shareholding of the Company, respectively.

Pursuant to concert party agreements (the “Concert Party Agreements”), Mr. Gou and Mr. Wang have been acting in concert since December 31, 2017. Accordingly, Mr. Gou and Mr. Wang are regarded as the ultimate controlling shareholders of the Group (the “Controlling Shareholders”).

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### 2.1 BASIS OF PREPARATION

#### (i) Compliance with IFRS Accounting Standards

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (“IFRS Accounting Standards”). IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

#### (ii) Accounting policies

The accounting policies applied in the preparation of the financial information has been consistently applied to all the years presented, unless otherwise stated.

Other than those material accounting policies information as disclosed in the notes to the relevant financial line items or transactions in this historical financial information, a summary of the other accounting policies information has been set out in Note 38 to this Historical Financial Information.

#### (iii) Historical cost convention

The Historical Financial Information has been prepared under the historical cost convention, except that certain financial assets/liabilities (including derivative instruments) are carried at fair value.

The preparation of the Historical Financial Information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information, are disclosed in Note 4.

#### (iv) New standards, amendments to standards and interpretations

In preparation of the Historical Financial Information, all of the new standards, amendments to standards and interpretations that are effective during the Track Record Period have been adopted by the Group consistently throughout the Track Record Period

The following amended standards have been issued but not yet effective for the Track Record Period and not been early adopted by the Group:

|                                      |                                                                                           | <b>Effective for<br/>annual periods<br/>beginning on or after</b> |
|--------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Amendments to IAS 21                 | Translation to a Hyperinflationary Presentation<br>Currency                               | January 1, 2027                                                   |
| IFRS 18                              | Presentation and Disclosure in Financial<br>Statements                                    | January 1, 2027                                                   |
| IFRS 19                              | Subsidiaries without Public Accountability:<br>Disclosures                                | January 1, 2027                                                   |
| IFRS 20                              | Regulatory Assets and Regulatory Liabilities                                              | January 1, 2029                                                   |
| Amendments to IFRS 10<br>and IFRS 28 | Sales or Contribution of Assets between an<br>Investor and its Associate or Joint Venture | To be determined                                                  |

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The Group has already commenced an assessment of the impact of these new and amended standards and has concluded on a preliminary basis that adoption of these new and amended standards is not expected to have significant impacts on the financial performance and positions of the Group when they become effective, except for IFRS 18.

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

Management is currently assessing the detailed implications of applying the new standard on the Group’s consolidated financial statements. From the high-level preliminary assessment performed, although the adoption of IFRS 18 will have no impact on the Group’s net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported, such as foreign exchange gains/losses arising from intercompany loans and fair value gains/losses.

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.

From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest received will be presented as investing cash flows, which is a change from current presentation as part of operating cash flows.

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

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance. The Group does not use any derivative financial instruments to hedge certain risk exposures during the Track Record Period.

##### *(a) Market risk*

##### *(i) Foreign exchange risk*

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the group entities’ functional currency. The Group conducts its operations in the PRC with activities settled in RMB. During the Track Record Period, the Group did not have material foreign exchange risk.

##### *(ii) Cash flow and fair value interest rate risk*

The Group’s income and operating cash flows are substantially independent of changes in market interest rates and the Group has no significant interest-bearing assets except for cash and cash equivalents (Note 25). Management does not anticipate significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of wealth management products and bank deposits are not expected to change significantly.

The Group’s interest rate risk mainly arises from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest-rate risk. As at December 31, 2023, 2024 and 2025 and March 31, 2026, all of the Group’s borrowings had fixed interest rates, therefore there was no fair value interest rate risk.

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### *(b) Credit risk*

The Group is exposed to credit risk in relation to its (I) cash and cash equivalents and restricted cash, (II) trade receivables, (III) other financial assets at amortised cost including other receivables and amounts due from related parties, and (IV) financial assets measured at fair value through profit or loss (“FVPL”). The carrying amounts of these balances represent the Group’s maximum exposure to credit risk in relation to financial assets.

#### *(i) Risk assessment*

To manage credit risk arising from cash and cash equivalents, restricted cash (Note 25) and wealth management products issued by banks and other financial institutions included in financial assets at FVPL (Note 24), the Group transacts with state-owned or reputable financial institutions in the PRC and Hong Kong. There has been no recent history of default in relation to these financial institutions. These instruments are considered to have low credit risk because the counterparties have strong capacity to meet their contractual cash flow obligations in the near term. The expected credit loss is close to zero.

To manage credit risk arising from trade receivables, the Group has policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the counterparties. Trade receivables have been grouped based on shared credit risk characteristics and ageing to measure the expected credit losses. Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

For other receivables including receivables from related parties, if any, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experiences incorporating forward-looking information.

For the Group’s investments in private equity funds as at December 31, 2023, 2024 and 2025 and March 31, 2026, which were classified as financial assets at FVPL (Note 24), the Group monitors the credit rating of the issuers for credit deterioration.

#### *(ii) Impairment of financial assets*

The Group’s financial assets that are subject to the expected credit loss model include:

- Trade receivables;
- Other financial assets at amortised cost including other receivables and amounts due from related parties, if any; and
- Cash and cash equivalents and restricted cash.

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

#### *(1) Impairment of trade receivables*

The Group is engaged in manufacturing and sale of compound condiments. The Group’s customers are mainly catering companies. The credit terms grant to customers are generally within 30 to 60 days from the invoice date.

The ageing analysis of the trade receivables is based on the date of invoices. The Group assesses the credit quality of its customers by taking into account various factors such as their financial position, past experience and other factors on the customers. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management. The compliance with credit limits by customers is regularly monitored by the management.

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The Group applies IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on their credit risk characteristics for overall evaluation.

For trade receivable balances with objective evidence of impairment and significant different credit risk characteristics, individual provision was made based on the difference between contractual cashflows and the cash flows that were expected to be received, with the considerations on current and future economic situations.

The expected loss rates of the remaining trade receivables are based on the payment profiles of sales over a period of 36 months before the balance sheet date and the corresponding historical credit losses experienced within this period. The historical loss rates are further adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the Producer Price Index (PPI) and Industrial Value Added (IVA) to be the most relevant factors, and accordingly adjusted the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at December 31, 2023, 2024 and 2025 and March 31, 2026 was determined as follows for trade receivables:

|                         | 1-90 days | 91-180 days | 181-360 days | Over 360 days | Individual | Total   |
|-------------------------|-----------|-------------|--------------|---------------|------------|---------|
|                         | RMB'000   | RMB'000     | RMB'000      | RMB'000       | RMB'000    | RMB'000 |
| As at December 31, 2023 |           |             |              |               |            |         |
| Gross carrying amount   | 67,969    | 8,173       | 8,183        | 492           | 499        | 85,316  |
| Expected loss rate      | 0.22%     | 1.11%       | 4.66%        | 22.11%        | 100%       | 1.44%   |
| Total loss allowance    | 149       | 91          | 381          | 109           | 499        | 1,229   |
| As at December 31, 2024 |           |             |              |               |            |         |
| Gross carrying amount   | 71,990    | 3,746       | 3,397        | 2,273         | 626        | 82,032  |
| Expected loss rate      | 0.19%     | 1.17%       | 5.39%        | 29.74%        | 100%       | 2.03%   |
| Total loss allowance    | 135       | 44          | 183          | 676           | 626        | 1,664   |
| As at December 31, 2025 |           |             |              |               |            |         |
| Gross carrying amount   | 75,621    | 7,600       | 2,108        | 2,266         | 2,075      | 89,670  |
| Expected loss rate      | 0.28%     | 1.84%       | 9.20%        | 57.65%        | 100%       | 4.37%   |
| Total loss allowance    | 208       | 140         | 194          | 1,306         | 2,075      | 3,923   |
| As at March 31, 2026    |           |             |              |               |            |         |
| Gross carrying amount   | 85,694    | 6,718       | 2,844        | 2,279         | 2,075      | 99,610  |
| Expected loss rate      | 0.36%     | 2.62%       | 12.59%       | 63.71%        | 100%       | 4.39%   |
| Total loss allowance    | 311       | 176         | 358          | 1,452         | 2,075      | 4,372   |

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The movements on the Group’s allowance of impairment loss for trade receivables are as follows:

|                                                                    | Year ended December 31, |         |         | Three months ended March 31, |         |
|--------------------------------------------------------------------|-------------------------|---------|---------|------------------------------|---------|
|                                                                    | 2023                    | 2024    | 2025    | 2025                         | 2026    |
|                                                                    | RMB'000                 | RMB'000 | RMB'000 | RMB'000<br>(Unaudited)       | RMB'000 |
| As at January 1                                                    | –                       | 1,229   | 1,664   | 1,664                        | 3,923   |
| Loss allowance recognized in profit or loss during the year/period | 1,819                   | 2,504   | 2,259   | 933                          | 450     |
| Write off                                                          | (590)                   | (2,069) | –       | –                            | (1)     |
| As at December 31/March 31                                         | 1,229                   | 1,664   | 3,923   | 2,597                        | 4,372   |

(2) Impairment of other receivables and amounts due from related parties

Other receivables mainly comprise refundable deposits and advance to staff for business purpose and other (Note 23). The amounts due from related parties were amounts due from companies beneficially owned by Mr. Gou and Mr. Wu, the Controlling Shareholder of the Company.

In respect of other receivables, the Directors consider the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an ongoing basis during the Track Record Period. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial economic conditions that are expected to cause a significant change to the third party’s ability to meet its obligation;
- actual or expected significant changes in the operating results of the third party (if relevant); and
- significant changes in the expected performance and behaviour of the third party, including changes in the payment status of the third party.

As at December 31, 2023, 2024 and 2025 and March 31, 2026, management assessed the credit risk of other receivables and provided for a loss allowance for expected credit loss of RMB71,000, RMB254,000 and RMB479,000 and RMB489,000, respectively.

The movements on the Group’s allowance for impairment loss of other receivables are as follows:

|                                                                    | Year ended December 31, |         |         | Three months ended March 31, |         |
|--------------------------------------------------------------------|-------------------------|---------|---------|------------------------------|---------|
|                                                                    | 2023                    | 2024    | 2025    | 2025                         | 2026    |
|                                                                    | RMB'000                 | RMB'000 | RMB'000 | RMB'000<br>(Unaudited)       | RMB'000 |
| As at January 1                                                    | 7                       | 71      | 254     | 254                          | 478     |
| Loss allowance recognized in profit or loss during the year/period | 64                      | 183     | 224     | 261                          | 10      |
| As at December 31/March 31                                         | 71                      | 254     | 478     | 515                          | 488     |

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### (c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. Due to the dynamic nature of the underlying businesses, the policy of the Group is to regularly monitor the Group’s liquidity risk and to maintain adequate cash and cash equivalents to meet the Group’s liquidity requirements.

The table below analyses the Group’s financial liabilities into relevant maturity groupings based on their contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

|                             | Less than<br>1 year | Between<br>1 and 2<br>years | Between<br>2 and 5<br>years | Over<br>5 years | Total<br>contractual<br>cash flows | Carrying<br>amount |
|-----------------------------|---------------------|-----------------------------|-----------------------------|-----------------|------------------------------------|--------------------|
|                             | RMB’000             | RMB’000                     | RMB’000                     | RMB’000         | RMB’000                            | RMB’000            |
| <b>At December 31, 2023</b> |                     |                             |                             |                 |                                    |                    |
| Trade and other payables*   | 83,127              | –                           | –                           | –               | 83,127                             | 83,127             |
| Lease liabilities**         | 13,654              | 6,793                       | 19,447                      | 11,308          | 51,202                             | 45,094             |
|                             | <u>96,781</u>       | <u>6,793</u>                | <u>19,447</u>               | <u>11,308</u>   | <u>134,329</u>                     | <u>128,221</u>     |
| <b>At December 31, 2024</b> |                     |                             |                             |                 |                                    |                    |
| Trade and other payables*   | 122,691             | –                           | –                           | –               | 122,691                            | 122,691            |
| Borrowings**                | 10,885              | 9,843                       | –                           | –               | 20,728                             | 19,808             |
| Lease liabilities**         | 20,413              | 9,036                       | 21,185                      | 5,287           | 55,921                             | 50,977             |
|                             | <u>153,989</u>      | <u>18,879</u>               | <u>21,185</u>               | <u>5,287</u>    | <u>199,340</u>                     | <u>193,476</u>     |
| <b>At December 31, 2025</b> |                     |                             |                             |                 |                                    |                    |
| Trade and other payables*   | 74,250              | –                           | –                           | –               | 74,250                             | 74,250             |
| Borrowings**                | 121,434             | –                           | –                           | –               | 121,434                            | 120,231            |
| Lease liabilities**         | 10,070              | 8,817                       | 19,310                      | 245             | 38,442                             | 35,110             |
|                             | <u>205,754</u>      | <u>8,817</u>                | <u>19,310</u>               | <u>245</u>      | <u>234,126</u>                     | <u>229,591</u>     |
| <b>At March 31, 2026</b>    |                     |                             |                             |                 |                                    |                    |
| Trade and other payables*   | 61,940              | –                           | –                           | –               | 61,940                             | 61,940             |
| Borrowings**                | 124,721             | –                           | –                           | –               | 124,721                            | 123,445            |
| Lease liabilities**         | 10,034              | 8,624                       | 17,457                      | 123             | 36,238                             | 33,381             |
|                             | <u>196,695</u>      | <u>8,624</u>                | <u>17,457</u>               | <u>123</u>      | <u>222,899</u>                     | <u>218,766</u>     |

Please note that the Group did not include the financial liabilities related to preferred shares issued by the Company to certain investors which are measured at fair value and classified as liabilities throughout the Track Record Period in the above table as these rights are subject to certain conditions and scenarios. Details refer to Note 30.

\* Excluding staff salaries and welfare payables and taxes payables.

\*\* Including interests payables.

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### 3.2 Capital management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital (including share capital and other reserves) by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company’s shares. In the opinion of the directors of the Company, the Group’s capital risk is low. As a result, capital risk is not significant for the Group and measurement of capital management is not a tool currently used in the internal management reporting procedures of the Group.

|                                                                         | As at December 31, |           |           | As at<br>March 31, |
|-------------------------------------------------------------------------|--------------------|-----------|-----------|--------------------|
|                                                                         | 2023               | 2024      | 2025      | 2026               |
|                                                                         | RMB’000            | RMB’000   | RMB’000   | RMB’000            |
| Borrowings (note 29)                                                    | –                  | 19,808    | 120,231   | 123,445            |
| Lease liabilities (note 16)                                             | 45,094             | 50,977    | 35,110    | 33,381             |
| Amounts due to related parties<br>(note 34(c))                          | –                  | –         | 1,385     | 1,363              |
| Financial liabilities at fair value<br>through profit or loss (note 30) | 508,302            | 294,462   | –         | –                  |
| Total debt                                                              | 553,396            | 365,247   | 156,726   | 158,189            |
| Less: Cash and bank balances<br>(note 25)                               | (257,449)          | (215,828) | (132,881) | (173,589)          |
| Net debt                                                                | 295,947            | 149,419   | 23,845    | (15,400)           |
| Total equity                                                            | 333,455            | 478,970   | 597,934   | 627,308            |
| Total capital                                                           | 629,402            | 628,389   | 621,779   | 611,908            |
| Gearing ratio (net debt/<br>total capital)                              | 47%                | 24%       | 4%        | -3%                |

The decrease in gearing ratio from December 31, 2023 to March 31, 2026 was resulted from the redemption of financial liabilities at fair value through profit or loss in relation to preferred shares in 2024 and 2025 (Note 30) using internal generated funds of the Group.

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### 3.3 Fair value estimation

#### (a) Financial assets and liabilities

##### (i) Fair value hierarchy

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

|                                     | Level 1 | Level 2 | Level 3   | Total     |
|-------------------------------------|---------|---------|-----------|-----------|
|                                     | RMB'000 | RMB'000 | RMB'000   | RMB'000   |
| <b>As at December 31, 2023</b>      |         |         |           |           |
| Financial assets:                   |         |         |           |           |
| Short-term investments              |         |         |           |           |
| measured at fair value              |         |         |           |           |
| through profit or loss              |         |         |           |           |
| (note 24)                           |         |         |           |           |
| – Wealth management                 |         |         |           |           |
| products                            | –       | –       | 182,040   | 182,040   |
| – Investment funds                  | –       | 38,075  | –         | 38,075    |
|                                     | –       | 38,075  | 182,040   | 220,115   |
| Financial liabilities:              |         |         |           |           |
| Financial liabilities at fair value |         |         |           |           |
| through profit or loss              |         |         |           |           |
| (note 30)                           | –       | –       | (508,302) | (508,302) |
| <b>As at December 31, 2024</b>      |         |         |           |           |
| Financial assets:                   |         |         |           |           |
| Short-term investments              |         |         |           |           |
| measured at fair value              |         |         |           |           |
| through profit or loss              |         |         |           |           |
| (note 24)                           |         |         |           |           |
| – Wealth management                 |         |         |           |           |
| products                            | –       | –       | 47,794    | 47,794    |
| – Investment funds                  | –       | 35,066  | –         | 35,066    |
|                                     | –       | 35,066  | 47,794    | 82,860    |
| Financial liabilities:              |         |         |           |           |
| Financial liabilities at fair value |         |         |           |           |
| through profit or loss              |         |         |           |           |
| (note 30)                           | –       | –       | (294,462) | (294,462) |

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|                                | Level 1 | Level 2 | Level 3 | Total   |
|--------------------------------|---------|---------|---------|---------|
|                                | RMB’000 | RMB’000 | RMB’000 | RMB’000 |
| <b>As at December 31, 2025</b> |         |         |         |         |
| Financial assets:              |         |         |         |         |
| Short-term investments         |         |         |         |         |
| measured at fair value         |         |         |         |         |
| through profit or loss         |         |         |         |         |
| (note 24)                      |         |         |         |         |
| – Investment funds             | –       | 36,035  | 20,061  | 56,096  |
|                                |         |         |         |         |
| <b>As at March 31, 2026</b>    |         |         |         |         |
| Financial assets:              |         |         |         |         |
| Short-term investments         |         |         |         |         |
| measured at fair value         |         |         |         |         |
| through profit or loss         |         |         |         |         |
| (note 24)                      |         |         |         |         |
| – Investment funds             | –       | 33,680  | 20,177  | 53,857  |
|                                |         |         |         |         |

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted debt and equity investment.

There are no transfers of financial assets or liabilities between levels 2 and 3 during the Track Record Period.

For details of the financial assets and financial liabilities measured at fair value through profit or loss, please refer to Note 24 and Note 30, respectively.

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

The Group’s finance team manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the investments on a case by case basis. At least once a year, the team uses valuation techniques to determine the fair value of the Group’s level 3 instruments. External valuers will be involved when necessary.

As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including:

- expected rate of return;
- the discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate; and
- the backsolve method using the latest round financing, i.e. the prior transaction price or the third-party pricing information. Discounted cash flow model will be used if no recent transaction or third-party pricing information is available as at respective balance sheet date.

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### (iii) Fair value measurements using significant unobservable inputs (level 3)

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

| Description                                                                                  | Key assumptions/<br>Unobservable input      | Range of input     |          |          |                 | Relationship of key assumptions/unobservable input to fair value  |
|----------------------------------------------------------------------------------------------|---------------------------------------------|--------------------|----------|----------|-----------------|-------------------------------------------------------------------|
|                                                                                              |                                             | As at December 31, |          |          | As at March 31, |                                                                   |
|                                                                                              |                                             | 2023               | 2024     | 2025     | 2026            |                                                                   |
| Financial assets at fair value through profit or loss – Wealth management products (Level 3) | Expected rate of return                     | 0%–0.64%           | 0%–3.71% | 0%–0.30% | 0%–0.88%        | The higher the expected rate of return, the higher the fair value |
| Financial liabilities at fair value through profit or loss – Preferred shares                | Discount for lack of marketability (“DLOM”) | 22.0%              | 17.0%    | –        | –               | The higher the DLOM, the lower the fair value                     |
|                                                                                              | Expected volatility                         | 46.1%              | 44.6%    | –        | –               | Non linear relationship                                           |

### (iv) Sensitivity

#### Financial assets at fair value through profit or loss

The Group entered into contracts in respect of wealth management products and investment funds with expected but not guaranteed rates of return ranging as shown above. The Group managed and evaluated the performance of these investments on a fair value basis, in accordance with the Group’s risk management and investment strategy and hence they are designated as financial assets at FVPL. If the expected rate of return of investments held by the Group be 10 bases points higher/lower as at December 31, 2023, 2024 and 2025, and March 31, 2026, the Group’s profit before income tax for the years ended December 31, 2023, 2024 and 2025 and three months ended March 31, 2026, would be approximately RMB233,000, RMB97,000, RMB67,000 and RMB67,000 higher/lower, respectively.

#### Financial liabilities at fair value through profit or loss – preferred shares

The market approach is used to determine the total equity value of the Company, the option-pricing method and equity allocation model were adopted to determine the fair value of the financial instruments issued to investors. Key assumptions included DLOM and expected volatility.

DLOM was estimated based on the option-pricing method. Under option-pricing method, the cost of put option, which can hedge the price change before the private held share can be sold, was considered as a basis to determine the lack of marketability discount. Expected volatility was estimated at the valuation dates based on average of historical volatilities of the comparable companies in the same industry for a period from the respective valuation dates to expected liquidation/redemption date. In addition to the assumptions adopted above, the Company’s projections of future performance were also factored into the determination of the fair value of the financial instruments issued to investors on applicable valuation date.

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The Company performed sensitivity test to changes in unobservable inputs in determining the fair value of the financial instruments issued to investors issued by the Company. The changes in unobservable inputs including DLOM and expected volatility would result in a significantly higher or lower fair value measurement. The increase in the fair value of the financial instruments issued to investors would increase the loss of fair value change in the consolidated income statements. When performing the sensitivity test, management applied an increase or decrease to each unobservable input, which represents management’s assessment of reasonably possible change to these unobservable inputs.

If the Company’s key valuation assumptions used to determine the fair value of the financial instruments issued to investors had increased/decreased by 10% with all other variables held constant, the estimated fair value changes from carrying amount are listed in below table (assuming the change of key factors would not have significant impact on fair value change attributable to credit risk):

|                                | <b>DLOM</b>       | <b>Expected<br/>volatility</b> |
|--------------------------------|-------------------|--------------------------------|
|                                | <i>RMB’000</i>    | <i>RMB’000</i>                 |
| <b>As at December 31, 2023</b> |                   |                                |
| Fair value of preferred shares |                   |                                |
| Increase 10%                   | (1,939)           | (1,456)                        |
| Decrease 10%                   | 1,921             | 789                            |
|                                | <u>          </u> | <u>          </u>              |
| <b>As at December 31, 2024</b> |                   |                                |
| Fair value of preferred shares |                   |                                |
| Increase 10%                   | (209)             | 9                              |
| Decrease 10%                   | 210               | (18)                           |
|                                | <u>          </u> | <u>          </u>              |

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

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

#### (a) Estimated useful lives and residual values of property, plant and equipment

The Group estimates useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly because of technical innovations and competitors action in response to industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technical obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives, and actual residual values. Periodic reviews could result in a change in useful lives and residual values and therefore, changes in depreciable expenses in the future periods.

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### **(b) Provision for impairment of trade receivables**

The Group’s management determines the provision for impairment of trade receivables on a forward-looking basis and the expected lifetime losses are recognized from initial recognition of the assets. The provision matrix is determined based on the Group’s historical observed default rates over the expected life of the trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. In making the judgement, management considers available reasonable and supportive forward-looking information such as actual or expected significant changes in the operating results of customers, actual or expected significant adverse changes in business and customers’ financial position. At every reporting date, historical observed default rates are updated and changes in the forward-looking estimates are analysed by the Group’s management, see note 3.1(b) above.

### **(c) Provision for impairment of inventories**

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. These estimates are based on the current market condition and historical experience of selling products of similar nature.

Management reassesses these estimations at the end of each reporting period to ensure inventory is shown at the lower of cost and net realisable value.

### **(d) Fair value measurement of financial assets at level 3 fair value hierarchy**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the valuation techniques, inputs and key assumptions used in the determination of the fair value of financial assets and liabilities at level 3 fair value hierarchy see Note 3.3(a).

### **(e) Income taxes**

The Group is subject to income taxes in a few jurisdictions. Judgement is required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognized as management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will affect the recognition of deferred income tax assets and taxation in the periods in which such estimate is changed. Deferred income tax assets and liabilities are determined using tax rates that are expected to apply when the related deferred income tax assets are realised or the deferred income tax liabilities are settled. The expected applicable tax rate is determined based on the enacted tax laws and regulations and the actual situation of the Group. The management of the Group will revise the expectation where the intending tax rate is different from the original expectation.

## **5 REVENUE**

### **(a) Description of segments and principal activities**

Management has determined the operating segments based on the reports reviewed by chief operating decision maker (“CODM”). The CODM, which is identified as the Board of Directors of the Company, is responsible for allocating resources and assessing performance of the operating segment.

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During the Track Record Period, the Group is principally engaged in manufacturing and distributing compound condiments in the PRC. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM of the Company regards that there is only one segment which is used to make strategic decisions.

The principal operating entity of the Group is domiciled in the PRC. Accordingly, all of the Group’s revenue were derived in the PRC during the Track Record Period.

As at December 31, 2023, 2024 and 2025 and March 31, 2026, all of the non-current assets of the Group were located in the PRC except for the amounts due from related parties, GOWL Investment Limited and WAZS Holding Limited (Note 34(c)(iv)), which were in overseas.

### (b) Breakdown of revenue by products

The breakdown of revenue by products is as follows:

|                                   | Year ended December 31, |           |           | Three months ended March 31, |         |
|-----------------------------------|-------------------------|-----------|-----------|------------------------------|---------|
|                                   | 2023                    | 2024      | 2025      | 2025                         | 2026    |
|                                   | RMB’000                 | RMB’000   | RMB’000   | RMB’000                      | RMB’000 |
|                                   |                         |           |           | (Unaudited)                  |         |
| Customized compound seasonings    |                         |           |           |                              |         |
| – Hot pot compound seasonings     | 619,872                 | 685,397   | 668,541   | 153,886                      | 182,309 |
| – Non-hot pot compound seasonings | 383,178                 | 398,773   | 386,559   | 80,347                       | 101,942 |
|                                   | 1,003,050               | 1,084,170 | 1,055,100 | 234,233                      | 284,251 |
| Standardized compound seasonings  | 27,294                  | 51,416    | 50,710    | 11,970                       | 12,781  |
|                                   | 1,030,344               | 1,135,586 | 1,105,810 | 246,203                      | 297,032 |

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

|                               | Year ended December 31, |           |           | Three months ended March 31, |         |
|-------------------------------|-------------------------|-----------|-----------|------------------------------|---------|
|                               | 2023                    | 2024      | 2025      | 2025                         | 2026    |
|                               | RMB’000                 | RMB’000   | RMB’000   | RMB’000                      | RMB’000 |
|                               |                         |           |           | (Unaudited)                  |         |
| Recognized at a point in time | 1,030,344               | 1,135,586 | 1,105,810 | 246,203                      | 297,032 |

### (c) Contract liabilities

|                         | As at December 31, |         |         | As at March 31, |
|-------------------------|--------------------|---------|---------|-----------------|
|                         | 2023               | 2024    | 2025    | 2026            |
|                         | RMB’000            | RMB’000 | RMB’000 | RMB’000         |
| Current                 |                    |         |         |                 |
| Advances from customers | 26,159             | 31,392  | 18,081  | 28,855          |

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During the Track Record Period, the additions to the contract liabilities were primarily due to cash collections in advance of fulfilling performance obligations, while the reductions to the contract liability balances were primarily due to the recognition of revenues upon fulfilment of performance obligations.

The following table shows the amounts of revenue recognized during the Track Record Period that were included in the contract liabilities at the beginning of each year/period:

|                                                                                                                 | Year ended December 31, |                |                | Three months ended March 31, |                |
|-----------------------------------------------------------------------------------------------------------------|-------------------------|----------------|----------------|------------------------------|----------------|
|                                                                                                                 | 2023                    | 2024           | 2025           | 2025                         | 2026           |
|                                                                                                                 | <i>RMB'000</i>          | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i>               | <i>RMB'000</i> |
|                                                                                                                 |                         |                |                | (Unaudited)                  |                |
| Revenue recognized that were included in the contract liabilities at the beginning of the reporting year/period | 18,044                  | 26,159         | 31,392         | 26,833                       | 14,036         |

Management expects that majority of the transaction price allocated to the unsatisfied contracts as at the balance sheet date will be recognized as revenue within one year.

### (d) Accounting policies on revenue recognition

The Group is engaged in manufacturing and sale of compound condiments.

Revenue from sales of compound condiments are recognized when control of the products has been transferred to the customers, and there is no unfulfilled obligation that could affect the customer’s acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The product is often sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts, which does not have significant financing component. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

Refund liability (included in other payables and accruals) is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognized when the control of products are transferred as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Advances from customers that are related to sales of goods not yet delivered are recorded as contract liability when cash are received from the customers before the transfer of goods control.

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### 6 EXPENSES BY NATURE

The expenses charged to cost of sales, selling expenses, administrative expenses and research and development expenses are analysed below:

|                                                                  | Year ended December 31, |         |          | Three months ended March 31, |          |
|------------------------------------------------------------------|-------------------------|---------|----------|------------------------------|----------|
|                                                                  | 2023                    | 2024    | 2025     | 2025                         | 2026     |
|                                                                  | RMB'000                 | RMB'000 | RMB'000  | RMB'000<br>(Unaudited)       | RMB'000  |
| Raw materials                                                    | 536,682                 | 569,951 | 628,342  | 143,342                      | 183,076  |
| Changes in inventories of finished goods and semi-finished goods | 37,521                  | 27,925  | (23,347) | (5,333)                      | (17,018) |
| Employee benefit expenses (note 7)                               | 143,124                 | 172,422 | 166,059  | 38,661                       | 42,533   |
| Transportation expenses                                          | 32,969                  | 35,359  | 34,610   | 6,864                        | 8,940    |
| Outsourced labour fees                                           | 22,455                  | 33,808  | 32,750   | 7,737                        | 6,960    |
| Depreciation of property, plant and equipment (note 15)          | 21,171                  | 25,089  | 30,796   | 7,920                        | 7,275    |
| Depreciation of right-of-use assets (note 16)                    | 6,586                   | 8,033   | 8,390    | 2,098                        | 2,081    |
| Amortisation of intangible assets (note 17)                      | 1,018                   | 1,011   | 878      | 240                          | 187      |
| Utilities                                                        | 15,577                  | 18,231  | 19,552   | 3,983                        | 5,334    |
| Other taxes and levies                                           | 9,751                   | 12,080  | 11,773   | 1,845                        | 3,292    |
| Travelling and entertainment expenses                            | 10,972                  | 15,308  | 11,827   | 2,437                        | 2,250    |
| Advertising and other marketing expenses                         | 5,998                   | 10,125  | 8,740    | 1,241                        | 1,794    |
| Consulting and professional fee                                  | 2,158                   | 4,376   | 8,199    | 1,941                        | 1,513    |
| Short-term rental expenses                                       | 4,342                   | 4,121   | 6,356    | 1,491                        | 1,529    |
| Repair and maintenance fee                                       | 4,626                   | 3,922   | 3,915    | 618                          | 1,800    |
| Other expenses                                                   | 15,137                  | 15,118  | 14,483   | 3,317                        | 3,355    |
| Total                                                            | 870,087                 | 956,879 | 963,323  | 218,402                      | 254,901  |

### 7 EMPLOYEE BENEFIT EXPENSES

|                                                                     | Year ended December 31, |         |         | Three months ended March 31, |         |
|---------------------------------------------------------------------|-------------------------|---------|---------|------------------------------|---------|
|                                                                     | 2023                    | 2024    | 2025    | 2025                         | 2026    |
|                                                                     | RMB'000                 | RMB'000 | RMB'000 | RMB'000<br>(Unaudited)       | RMB'000 |
| Wages, salaries and bonuses                                         | 117,727                 | 144,747 | 138,676 | 31,096                       | 34,235  |
| Pension, housing fund, medical insurance and other social insurance | 17,880                  | 20,069  | 19,514  | 4,883                        | 6,674   |
| Other employee benefits                                             | 7,517                   | 7,606   | 7,869   | 2,682                        | 1,624   |
|                                                                     | 143,124                 | 172,422 | 166,059 | 38,661                       | 42,533  |

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### (a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include 2, 2, 2, 2 and 2 directors respectively for the years ended December 31, 2023, 2024 and 2025 and three months ended 2025 and 2026, whose emoluments are disclosed in the Note 35. The emoluments payable to the remaining individuals during the respective year/period are as follows:

|                                                                     | Year ended December 31, |                |                | Three months ended March 31,  |                |
|---------------------------------------------------------------------|-------------------------|----------------|----------------|-------------------------------|----------------|
|                                                                     | 2023                    | 2024           | 2025           | 2025                          | 2026           |
|                                                                     | <i>RMB'000</i>          | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i><br>(Unaudited) | <i>RMB'000</i> |
| Wages, salaries and bonuses                                         | 2,111                   | 2,521          | 2,191          | 608                           | 693            |
| Pension, housing fund, medical insurance and other social insurance | 134                     | 142            | 123            | 39                            | 33             |
|                                                                     | <u>2,245</u>            | <u>2,663</u>   | <u>2,314</u>   | <u>647</u>                    | <u>726</u>     |

The emoluments fell within the following bands:

|                              | Year ended December 31, |          |          | Three months ended March 31, |          |
|------------------------------|-------------------------|----------|----------|------------------------------|----------|
|                              | 2023                    | 2024     | 2025     | 2025                         | 2026     |
|                              |                         |          |          | (Unaudited)                  |          |
| Within HKD1,000,000          | 3                       | 2        | 3        | 3                            | 3        |
| HKD1,000,001 to HKD2,000,000 | –                       | 1        | –        | –                            | –        |
|                              | <u>3</u>                | <u>3</u> | <u>3</u> | <u>3</u>                     | <u>3</u> |

### 8 OTHER INCOME

|                                                                       | Year ended December 31, |                |                | Three months ended March 31,  |                |
|-----------------------------------------------------------------------|-------------------------|----------------|----------------|-------------------------------|----------------|
|                                                                       | 2023                    | 2024           | 2025           | 2025                          | 2026           |
|                                                                       | <i>RMB'000</i>          | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i><br>(Unaudited) | <i>RMB'000</i> |
| Government grants                                                     |                         |                |                |                               |                |
| – Received and recognized as income during the year/period            | 10,668                  | 3,606          | 27,790         | 334                           | 147            |
| – Recognized as income from amortisation of deferred income (note 31) | 665                     | 880            | 980            | 228                           | 257            |
|                                                                       | <u>11,333</u>           | <u>4,486</u>   | <u>28,770</u>  | <u>562</u>                    | <u>404</u>     |
| Others                                                                | 258                     | 423            | 367            | 171                           | 29             |
|                                                                       | <u>11,591</u>           | <u>4,909</u>   | <u>29,137</u>  | <u>733</u>                    | <u>433</u>     |

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Governments grants received and recognized as income during the year/period primarily comprised the financial subsidies received from various local government authorities in mainland China. There were no unfulfilled conditions or contingencies relating to these income.

### 9 OTHER GAINS/(LOSSES) – NET

|                                                                                                          | Year ended December 31, |               |              | Three months ended March 31, |                |
|----------------------------------------------------------------------------------------------------------|-------------------------|---------------|--------------|------------------------------|----------------|
|                                                                                                          | 2023                    | 2024          | 2025         | 2025                         | 2026           |
|                                                                                                          | RMB'000                 | RMB'000       | RMB'000      | RMB'000<br>(Unaudited)       | RMB'000        |
| Net fair value gains/(losses) on financial assets at FVPL recognized in other gains – net (note 24)      | 4,034                   | 2,373         | 3,348        | (3,030)                      | (2,148)        |
| Net fair value (losses)/gains on financial liabilities at FVPL recognized in other gains – net (note 30) | (10,833)                | 12,816        | 1,116        | (917)                        | –              |
| (Losses)/gains on disposal of property, plant and equipment, net                                         | (158)                   | 46            | (2)          | –                            | –              |
| Donations                                                                                                | (30)                    | –             | (1,010)      | –                            | –              |
| Others                                                                                                   | (466)                   | (2,411)       | (1,562)      | (8)                          | (80)           |
|                                                                                                          | <u>(7,453)</u>          | <u>12,824</u> | <u>1,890</u> | <u>(3,955)</u>               | <u>(2,228)</u> |

### 10 FINANCE INCOME/(COST) – NET

|                                                     | Year ended December 31, |            |                | Three months ended March 31, |                |
|-----------------------------------------------------|-------------------------|------------|----------------|------------------------------|----------------|
|                                                     | 2023                    | 2024       | 2025           | 2025                         | 2026           |
|                                                     | RMB'000                 | RMB'000    | RMB'000        | RMB'000<br>(Unaudited)       | RMB'000        |
| Interest income                                     | 2,112                   | 3,540      | 704            | 262                          | 278            |
| Interest expenses on bank borrowings                | (825)                   | (521)      | (3,023)        | (1,173)                      | (956)          |
| Interest expenses on lease liabilities (note 16(b)) | (1,989)                 | (2,065)    | (1,734)        | (464)                        | (380)          |
|                                                     | <u>(702)</u>            | <u>954</u> | <u>(4,053)</u> | <u>(1,375)</u>               | <u>(1,058)</u> |

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### 11 Income tax expense

|                               | Year ended December 31, |         |          | Three months ended March 31, |         |
|-------------------------------|-------------------------|---------|----------|------------------------------|---------|
|                               | 2023                    | 2024    | 2025     | 2025                         | 2026    |
|                               | RMB'000                 | RMB'000 | RMB'000  | RMB'000                      | RMB'000 |
|                               |                         |         |          | (Unaudited)                  |         |
| Current income tax            | 28,549                  | 51,683  | 54,145   | 2,650                        | 6,153   |
| Deferred income tax (note 19) | 9,937                   | (9,849) | (11,673) | 1,983                        | 2,933   |
| Income tax expense            | 38,486                  | 41,834  | 42,472   | 4,633                        | 9,086   |

The Group’s principal applicable income taxes and tax rates are as follows:

#### (a) Cayman Islands

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

#### (b) British Virgin Islands

The Company’s direct subsidiary in the British Virgin Islands was incorporated under the BVI Companies Act, 2004 and accordingly, is exempted from British Virgin Islands income tax.

#### (c) PRC corporate income tax (“CIT”)

Income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof. The general corporate income tax rate in the PRC is 25%.

According to the Caishui (2011) No. 58 “The notice on the tax policies of further implementation of the western region development strategy issued by the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs” (財稅[2011]58號“關於深入實施西部大開發戰略有關稅收政策問題的通知”) and the Caishui (2020) No. 23 “Announcement on the continuation of the enterprise income tax policies for western region development” (財稅[2020]23號“關於延續西部大開發企業所得稅政策的公告”), companies set up in the western region and falling into certain encouraged industry catalogue promulgated by the PRC government will be entitled to a preferential tax rate of 15%. The Company’s subsidiaries in the PRC set up in the western development region, including Juhui Food Technology (Chongqing) Company Limited and Chongqing Meixiangyuan Industry Group Company Limited are entitled to the above mentioned preferential income tax rate of 15% during the Track Record Period, and Juhao Food (Chongqing) Company Limited was entitled to the preferential income tax rate of 15% during the year ended December 31, 2024.

#### (d) PRC withholding income tax

According to the CIT Law, a 10% withholding tax on dividends received/receivable will be levied on the PRC companies’ immediate holding companies established out of the PRC. A lower withholding income tax rate may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign immediate holding companies and simultaneously certain conditions are satisfied. The withholding income tax rate applicable to the Group during the Track Record Period is 10%.

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The tax on the Group’s profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to losses of the consolidated entities as follows:

|                                                                                                  | Year ended December 31, |                |                | Three months ended March 31,  |                |
|--------------------------------------------------------------------------------------------------|-------------------------|----------------|----------------|-------------------------------|----------------|
|                                                                                                  | 2023                    | 2024           | 2025           | 2025                          | 2026           |
|                                                                                                  | <i>RMB’000</i>          | <i>RMB’000</i> | <i>RMB’000</i> | <i>RMB’000</i><br>(Unaudited) | <i>RMB’000</i> |
| Profit before income tax                                                                         | 161,810                 | 194,707        | 166,978        | 22,010                        | 38,818         |
| Tax calculated at statutory income tax rate applicable in principal countries/places of business | 25,955                  | 26,689         | 29,916         | 3,440                         | 5,823          |
| Expenses not deductible for tax purpose                                                          | 1,590                   | 2,100          | 606            | –                             | 102            |
| Tax losses for which no deferred income tax asset was recognized                                 | 97                      | 575            | 1,063          | 180                           | 366            |
| Utilisation of previously unrecognized tax losses for which no deferred tax asset was recognized | (14)                    | (73)           | (43)           | (10)                          | (9)            |
| Withholding income tax on profits retained by PRC subsidiaries                                   | 10,692                  | 12,266         | 11,522         | 1,181                         | 3,160          |
| Others                                                                                           | 166                     | 277            | (592)          | (158)                         | (356)          |
| Income tax expense                                                                               | <u>38,486</u>           | <u>41,834</u>  | <u>42,472</u>  | <u>4,633</u>                  | <u>9,086</u>   |

The Group only recognizes deferred income tax assets for cumulative tax losses if it is probable that future taxable amounts will be available to utilise those tax losses. Management will continue to assess the recognition of deferred income tax assets in future reporting periods. As at December 31, 2023, 2024 and 2025 and March 31, 2026, the Group did not recognize deferred income tax assets of RMB293,000, RMB589,000, RMB1,225,000 and RMB1,439,000, respectively in respect of tax losses of the Group’s entities. The expiration dates of the unused tax losses for which no deferred income tax asset has been recognized are as follows:

|      | As at December 31, |                |                | As at March 31, |
|------|--------------------|----------------|----------------|-----------------|
|      | 2023               | 2024           | 2025           | 2026            |
|      | <i>RMB’000</i>     | <i>RMB’000</i> | <i>RMB’000</i> | <i>RMB’000</i>  |
| 2025 | 703                | 440            | 268            | 230             |
| 2026 | 708                | 678            | 678            | 678             |
| 2027 | 165                | 144            | 144            | 144             |
| 2028 | 375                | 375            | 375            | 375             |
| 2029 | –                  | 2,291          | 2,291          | 2,291           |
| 2030 | –                  | –              | 4,409          | 4,409           |
| 2031 | –                  | –              | –              | 1,465           |
|      | <u>1,951</u>       | <u>3,928</u>   | <u>8,165</u>   | <u>9,592</u>    |

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### 12 EARNINGS PER SHARE

#### (a) Basic earnings per share

Basic earnings per share for the Track Record Period is calculated by dividing the profit attributable to the Company’s shareholders by the weighted average number of ordinary shares in issue during the year/period:

|                                                            | Year ended December 31, |         |         | Three months ended March 31, |         |
|------------------------------------------------------------|-------------------------|---------|---------|------------------------------|---------|
|                                                            | 2023                    | 2024    | 2025    | 2025                         | 2026    |
|                                                            | RMB’000                 | RMB’000 | RMB’000 | RMB’000                      | RMB’000 |
|                                                            |                         |         |         | (Unaudited)                  |         |
| Profit attributable to owners of the Company (RMB’000)     | 123,104                 | 152,807 | 124,536 | 17,385                       | 29,740  |
| Weighted average number of ordinary shares in issue (’000) | 1,111                   | 1,111   | 1,111   | 1,111                        | 1,111   |
| Basic earnings per share (expressed in RMB per share)      | 111                     | 138     | 112     | 16                           | 27      |

#### (b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company included the preferred shares issued by the Company to certain investors (Note 30). The preferred shares were not included in the calculation of earnings per share for the year ended December 31, 2023 and three months ended March 31, 2025 as their inclusion would be anti-dilutive. Also, no diluted earnings per share is presented for the three months ended March 31, 2026 since the preferred shares were fully repurchased by the Company in May 2025 and the Company does not have other dilutive potential ordinary shares thereafter.

|                                                                     | Year ended December 31, |         |         | Three months ended March 31, |      |
|---------------------------------------------------------------------|-------------------------|---------|---------|------------------------------|------|
|                                                                     | 2023                    | 2024    | 2025    | 2025                         | 2026 |
|                                                                     |                         |         |         | (Unaudited)                  |      |
| Adjusted profit attributable to owners of the Company (RMB’000)     | N/A                     | 139,991 | 123,420 | N/A                          | N/A  |
| Adjusted weighted average number of ordinary shares in issue (’000) | N/A                     | 1,159   | 1,122   | N/A                          | N/A  |
| Diluted earnings per share (expressed in RMB per share)             | N/A                     | 121     | 110     | N/A                          | N/A  |

### 13 DIVIDENDS

No dividend has been paid or declared by the Company during the Track Record Period.

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### 14 SUBSIDIARIES

#### (a) Subsidiaries of the Group

The Company’s subsidiaries during the Track Record Period are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country/region of incorporation or registration is also their principal place of business.

| Name of entity                                                                         | Effective interest held |      |      |                 | As of report date | Date of establishment/ incorporation | Registered capital | Business activities                                           | Country/Place of incorporation/ establishment | Note         |
|----------------------------------------------------------------------------------------|-------------------------|------|------|-----------------|-------------------|--------------------------------------|--------------------|---------------------------------------------------------------|-----------------------------------------------|--------------|
|                                                                                        | As at December 31,      |      |      | As at March 31, |                   |                                      |                    |                                                               |                                               |              |
|                                                                                        | 2023                    | 2024 | 2025 | 2026            |                   |                                      |                    |                                                               |                                               |              |
| Directly held:                                                                         |                         |      |      |                 |                   |                                      |                    |                                                               |                                               |              |
| GWW Investment Limited                                                                 | 100%                    | 100% | 100% | 100%            | 100%              | December 11, 2020                    | USD100             | Investment holding                                            | BVI                                           | (iii)        |
| Indirectly held:                                                                       |                         |      |      |                 |                   |                                      |                    |                                                               |                                               |              |
| Juhui Food Technology (Hong Kong) Limited<br>聚慧食品科技(香港)有限公司                            | 100%                    | 100% | 100% | 100%            | 100%              | January 11, 2021                     | HKD10,000          | Investment holding                                            | Hong Kong                                     | (i)(1), (ii) |
| Juhui Food Technology (Chongqing) Company Limited*聚慧食品科技(重慶)有限公司                       | 100%                    | 100% | 100% | 100%            | 100%              | November 29, 2018                    | RMB10,000,000      | Distributing compound condiments and researching & developing | PRC                                           | (i)(2), (ii) |
| Chongqing Meixiangyuan Industry Group Company Limited*重慶梅香園實業集團有限公司                    | 100%                    | 100% | 100% | 100%            | 100%              | September 28, 2009                   | RMB80,000,000      | Manufacturing and distributing compound condiments            | PRC                                           | (i)(3), (ii) |
| Juhao Food (Chongqing) Company Limited*聚豪食品(重慶)有限公司                                    | 100%                    | 100% | 100% | 100%            | 100%              | February 22, 2019                    | RMB10,000,000      | Manufacturing and distributing compound condiments            | PRC                                           | (iii)        |
| Chongqing Juhe Food Company Limited*重慶聚合食品有限公司                                         | 100%                    | 100% | 100% | 100%            | 100%              | January 7, 2020                      | RMB30,000,000      | Manufacturing and distributing compound condiments            | PRC                                           | (iii)        |
| Chongqing Hot Pot (Fuling) Food Industry Company Limited*重慶火鍋(涪陵)食品工業有限公司              | 100%                    | 100% | 100% | 100%            | 100%              | May 16, 2018                         | RMB50,000,000      | Manufacturing and distributing compound condiments            | PRC                                           | (iii)        |
| Juhui Food Technology Research Institute (Guangzhou) Company Limited*聚慧食品科技研究院(廣州)有限公司 | 100%                    | 100% | 100% | 100%            | 100%              | November 15, 2019                    | RMB4,000,000       | Researching and developing                                    | PRC                                           | (iii)        |

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| Name of entity                                                                 | Effective interest held |      |      |                       |                         | Date of establishment/<br>incorporation | Registered capital | Business activities             | Country/Place of<br>incorporation/<br>establishment | Note  |
|--------------------------------------------------------------------------------|-------------------------|------|------|-----------------------|-------------------------|-----------------------------------------|--------------------|---------------------------------|-----------------------------------------------------|-------|
|                                                                                | As at December 31,      |      |      | As at<br>March<br>31, | As of<br>report<br>date |                                         |                    |                                 |                                                     |       |
|                                                                                | 2023                    | 2024 | 2025 | 2026                  |                         |                                         |                    |                                 |                                                     |       |
| Juhui Chongqing Industrial Design Research Institute Co., Ltd.*聚慧重慶工業設計研究院有限公司 | 90%                     | 90%  | 90%  | 90%                   | 90%                     | April 29, 2022                          | RMB10,000,000      | Researching and developing      | PRC                                                 | (iii) |
| Chongqing Juhui Inspection and Testing Co., Ltd.*重慶聚慧檢驗檢測有限公司                  | 100%                    | 100% | 100% | 100%                  | 100%                    | December 13, 2019                       | RMB2,000,000       | Inspection and testing services | PRC                                                 | (iii) |
| Juhui Food Technology (Shanghai) Co., Ltd.*聚慧食品科技(上海)有限公司                      | 100%                    | 100% | 100% | 100%                  | 100%                    | November 29, 2021                       | RMB5,000,000       | Trading                         | PRC                                                 | (iii) |
| Anand Techno Export LLC                                                        | NA                      | NA   | 100% | 100%                  | 100%                    | April 30, 2025                          | RMB1,000,000       | Trading                         | Mongolia                                            | (iii) |

(i) The statutory auditors of these companies for the Track Record Period were as follows:

- (1) The statutory auditor of Juhui Food Technology (Hong Kong) Limited is Tang Huixian, Certified Public Accountant, for the years ended December 31, 2023 and 2024.
- (2) The statutory auditor of Juhui Food Technology (Chongqing) Company Limited is Chongqing Yutai Certified Public Accountants LLP, for the years ended December 31, 2023 and 2024.
- (3) The statutory auditor of Chongqing Meixiangyuan Industry Group Company Limited is Chongqing Yutai Certified Public Accountants LLP, for the years ended December 31, 2023 and New Hejia Accounting Firm for the year ended December 31, 2024, respectively.

(ii) The statutory audited financial statements for the year ended December 31, 2025 were yet to be issued for these companies.

(iii) No statutory audited financial statements were issued for these companies as there is no statutory requirement in their places of incorporation.

\* The English names of the PRC companies and statutory auditor referred to in this note represent management’s best efforts in translating the Chinese names of those companies as no English names have been registered or are available.

**(b) Investments in subsidiaries – the Company**

|                                     | As at December 31, |         |         | As at March 31, |
|-------------------------------------|--------------------|---------|---------|-----------------|
|                                     | 2023               | 2024    | 2025    | 2026            |
|                                     | RMB’000            | RMB’000 | RMB’000 | RMB’000         |
| Investment in a subsidiary, at cost | 115,745            | 115,745 | 115,745 | 115,745         |

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### 15 PROPERTY, PLANT AND EQUIPMENT

|                                        | Buildings      | Machinery<br>and<br>production<br>equipment | Furniture,<br>office<br>equipment<br>and vehicles | Leasehold<br>improvements | Construction<br>in progress | Total          |
|----------------------------------------|----------------|---------------------------------------------|---------------------------------------------------|---------------------------|-----------------------------|----------------|
| <b>Year ended December 31, 2023</b>    |                |                                             |                                                   |                           |                             |                |
| At January 1, 2023                     | 79,756         | 49,016                                      | 2,906                                             | 10,111                    | 142,852                     | 284,641        |
| Additions                              | –              | 1,706                                       | 275                                               | 2,834                     | 42,263                      | 47,078         |
| Transfer from construction in progress | 257            | 45,700                                      | 586                                               | 9,000                     | (55,543)                    | –              |
| Transfer to intangible assets          | –              | –                                           | –                                                 | –                         | (1,369)                     | (1,369)        |
| Disposals                              | –              | (271)                                       | (122)                                             | (608)                     | –                           | (1,001)        |
| Depreciation charge ( <i>Note 6</i> )  | (4,292)        | (12,001)                                    | (1,033)                                           | (3,845)                   | –                           | (21,171)       |
| <b>Closing net book amount</b>         | <b>75,721</b>  | <b>84,150</b>                               | <b>2,612</b>                                      | <b>17,492</b>             | <b>128,203</b>              | <b>308,178</b> |
| <b>At December 31, 2023</b>            |                |                                             |                                                   |                           |                             |                |
| Cost                                   | 96,115         | 126,404                                     | 9,617                                             | 19,163                    | 128,203                     | 379,502        |
| Accumulated depreciation               | (20,394)       | (42,254)                                    | (7,005)                                           | (1,671)                   | –                           | (71,324)       |
| <b>Net book amount</b>                 | <b>75,721</b>  | <b>84,150</b>                               | <b>2,612</b>                                      | <b>17,492</b>             | <b>128,203</b>              | <b>308,178</b> |
| <b>Year ended December 31, 2024</b>    |                |                                             |                                                   |                           |                             |                |
| At January 1, 2024                     | 75,721         | 84,150                                      | 2,612                                             | 17,492                    | 128,203                     | 308,178        |
| Additions                              | 195            | 3,018                                       | 1,817                                             | 5,089                     | 20,773                      | 30,892         |
| Transfer from construction in progress | 74,414         | 46,445                                      | 643                                               | 678                       | (122,180)                   | –              |
| Transfer to intangible assets          | –              | –                                           | –                                                 | –                         | (11)                        | (11)           |
| Disposals                              | –              | (149)                                       | (1)                                               | –                         | –                           | (150)          |
| Depreciation charge ( <i>Note 6</i> )  | (4,880)        | (13,910)                                    | (1,240)                                           | (5,059)                   | –                           | (25,089)       |
| <b>Closing net book amount</b>         | <b>145,450</b> | <b>119,554</b>                              | <b>3,831</b>                                      | <b>18,200</b>             | <b>26,785</b>               | <b>313,820</b> |
| <b>At December 31, 2024</b>            |                |                                             |                                                   |                           |                             |                |
| Cost                                   | 170,724        | 174,714                                     | 12,055                                            | 32,245                    | 26,785                      | 416,523        |
| Accumulated depreciation               | (25,274)       | (55,160)                                    | (8,224)                                           | (14,045)                  | –                           | (102,703)      |
| <b>Net book amount</b>                 | <b>145,450</b> | <b>119,554</b>                              | <b>3,831</b>                                      | <b>18,200</b>             | <b>26,785</b>               | <b>313,820</b> |

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|                                          | Buildings      | Machinery<br>and<br>production<br>equipment | Furniture,<br>office<br>equipment<br>and vehicles | Leasehold<br>improvements | Construction<br>in progress | Total          |
|------------------------------------------|----------------|---------------------------------------------|---------------------------------------------------|---------------------------|-----------------------------|----------------|
| <b>Year ended December 31, 2025</b>      |                |                                             |                                                   |                           |                             |                |
| At January 1, 2025                       | 145,450        | 119,554                                     | 3,831                                             | 18,200                    | 26,785                      | 313,820        |
| Additions                                | –              | 3,604                                       | 128                                               | 1,777                     | 32,153                      | 37,662         |
| Transfer from construction in progress   | –              | 4,532                                       | 873                                               | 3,695                     | (9,100)                     | –              |
| Disposals                                | –              | (749)                                       | (1)                                               | –                         | –                           | (750)          |
| Depreciation charge ( <i>Note 6</i> )    | (6,073)        | (17,616)                                    | (1,133)                                           | (5,974)                   | –                           | (30,796)       |
| <b>Closing net book amount</b>           | <b>139,377</b> | <b>109,325</b>                              | <b>3,698</b>                                      | <b>17,698</b>             | <b>49,838</b>               | <b>319,936</b> |
| <b>At December 31, 2025</b>              |                |                                             |                                                   |                           |                             |                |
| Cost                                     | 170,724        | 180,508                                     | 13,024                                            | 36,002                    | 49,838                      | 450,096        |
| Accumulated depreciation                 | (31,347)       | (71,183)                                    | (9,326)                                           | (18,304)                  | –                           | (130,160)      |
| <b>Net book amount</b>                   | <b>139,377</b> | <b>109,325</b>                              | <b>3,698</b>                                      | <b>17,698</b>             | <b>49,838</b>               | <b>319,936</b> |
| <b>Three months ended March 31, 2026</b> |                |                                             |                                                   |                           |                             |                |
| At January 1, 2026                       | 139,377        | 109,325                                     | 3,698                                             | 17,698                    | 49,838                      | 319,936        |
| Additions                                | –              | 573                                         | 15                                                | 38                        | 1,102                       | 1,728          |
| Transfer from construction in progress   | –              | 191                                         | 6                                                 | –                         | (197)                       | –              |
| Disposals                                | –              | (77)                                        | –                                                 | –                         | –                           | (77)           |
| Depreciation charge ( <i>Note 6</i> )    | (1,519)        | (4,250)                                     | (252)                                             | (1,254)                   | –                           | (7,275)        |
| <b>Closing net book amount</b>           | <b>137,858</b> | <b>105,762</b>                              | <b>3,467</b>                                      | <b>16,482</b>             | <b>50,743</b>               | <b>314,312</b> |
| <b>At March 31, 2026</b>                 |                |                                             |                                                   |                           |                             |                |
| Cost                                     | 170,724        | 181,195                                     | 13,045                                            | 36,040                    | 50,743                      | 451,747        |
| Accumulated depreciation                 | (32,866)       | (75,433)                                    | (9,578)                                           | (19,558)                  | –                           | (137,435)      |
| <b>Net book amount</b>                   | <b>137,858</b> | <b>105,762</b>                              | <b>3,467</b>                                      | <b>16,482</b>             | <b>50,743</b>               | <b>314,312</b> |

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- (a) As at December 31, 2024, 2025 and March 31, 2026, buildings of the Group with a total net book value of RMB36,209,000, RMB105,728,000 and RMB104,831,000, respectively, were pledged to secure borrowings of the Group (Note 29).
- (b) Depreciation charges were expensed in the following categories in the consolidated income statements:

|                                   | Year ended December 31, |               |               | Three months ended March 31, |              |
|-----------------------------------|-------------------------|---------------|---------------|------------------------------|--------------|
|                                   | 2023                    | 2024          | 2025          | 2025                         | 2026         |
|                                   | RMB'000                 | RMB'000       | RMB'000       | RMB'000                      | RMB'000      |
|                                   |                         |               |               | (Unaudited)                  |              |
| Cost of sales                     | 13,368                  | 15,729        | 19,717        | 4,828                        | 4,699        |
| Administrative expenses           | 5,703                   | 7,137         | 8,447         | 2,395                        | 2,020        |
| Research and development expenses | 1,694                   | 1,780         | 2,274         | 581                          | 534          |
| Selling expenses                  | 406                     | 443           | 358           | 116                          | 22           |
|                                   | <u>21,171</u>           | <u>25,089</u> | <u>30,796</u> | <u>7,920</u>                 | <u>7,275</u> |

(c) **Accounting policies on depreciation, gain or loss and impairment of property, plant and equipment**

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term as follows:

|                                          |                                   |
|------------------------------------------|-----------------------------------|
| Buildings                                | 20 years                          |
| Machinery and production equipment       | 3–10 years                        |
| Furniture, office equipment and vehicles | 3–5 years                         |
| Leasehold improvement                    | 8 years or shorter of lease terms |

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within “other gains – net” in the consolidated income statements.

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### 16 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### (a) Amounts recognized in the consolidated statements of financial position

The consolidated statements of financial position show the following amounts relating to leases:

|                            | As at December 31, |               |               | As at<br>March 31, |
|----------------------------|--------------------|---------------|---------------|--------------------|
|                            | 2023               | 2024          | 2025          | 2026               |
|                            | RMB'000            | RMB'000       | RMB'000       | RMB'000            |
| <b>Right-of-use assets</b> |                    |               |               |                    |
| Land use rights            | 22,112             | 21,616        | 21,120        | 20,996             |
| Leased buildings           | 30,284             | 31,300        | 26,982        | 25,039             |
| Others                     | 14                 | 115           | 57            | 43                 |
|                            | <u>52,410</u>      | <u>53,031</u> | <u>48,159</u> | <u>46,078</u>      |
| <b>Lease liabilities</b>   |                    |               |               |                    |
| Current                    | 11,958             | 18,769        | 8,869         | 8,445              |
| Non-current                | 33,136             | 32,208        | 26,241        | 24,936             |
|                            | <u>45,094</u>      | <u>50,977</u> | <u>35,110</u> | <u>33,381</u>      |

#### (b) Amounts recognized in the consolidated income statements

The consolidated income statements show the following amounts relating to leases:

|                                                            | Year ended December 31, |              |              | Three months ended<br>March 31, |              |
|------------------------------------------------------------|-------------------------|--------------|--------------|---------------------------------|--------------|
|                                                            | 2023                    | 2024         | 2025         | 2025                            | 2026         |
|                                                            | RMB'000                 | RMB'000      | RMB'000      | RMB'000<br>(Unaudited)          | RMB'000      |
| <b>Depreciation charge of<br/>right-of-use assets</b>      |                         |              |              |                                 |              |
| Land use rights                                            | 496                     | 496          | 496          | 124                             | 124          |
| Leased buildings (note 6)                                  | 6,078                   | 7,469        | 7,836        | 1,957                           | 1,943        |
| Others                                                     | 12                      | 68           | 58           | 17                              | 14           |
|                                                            | <u>6,586</u>            | <u>8,033</u> | <u>8,390</u> | <u>2,098</u>                    | <u>2,081</u> |
| <b>Interest expense on lease<br/>liabilities (note 10)</b> | <u>1,989</u>            | <u>2,065</u> | <u>1,734</u> | <u>464</u>                      | <u>380</u>   |

The total cash outflow for leases for the years ended December 31, 2023, 2024 and 2025 and three months ended March 31, 2025 and 2026 were RMB11,458,000, RMB7,692,000, RMB5,456,000, RMB2,454,000 and RMB2,188,000, respectively.

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(c) The Group’s leasing activities and how these are accounted for

The land use rights represent the Group’s interest in leasehold land that the Group has made one-off lease payment for the land. These include the land lots for the office premises and production plants at Hechuan district of Chongqing city, the PRC, which is under lease term of 50 years. The estimated useful life of the Group’s land use rights is determined to be 50 years which is based on the term stipulated in the land use certificate.

In addition, the Group leases the factory buildings of the Fuling production site for a lease term of ten years. The Group also leases certain office premises under lease periods ranging from two to ten years during the Track Record Period.

(d) The movements in right-of-use assets in the consolidated statements of financial position are as follows:

|                                       | <b>Land use<br/>rights</b> | <b>Leased<br/>buildings</b> | <b>Others</b>  | <b>Total</b>   |
|---------------------------------------|----------------------------|-----------------------------|----------------|----------------|
|                                       | <i>RMB’000</i>             | <i>RMB’000</i>              | <i>RMB’000</i> | <i>RMB’000</i> |
| <b>Year ended December 31, 2023</b>   |                            |                             |                |                |
| Opening net book amount               | 22,608                     | 33,784                      | 26             | 56,418         |
| Addition                              | –                          | 2,578                       | –              | 2,578          |
| Depreciation charge ( <i>Note 6</i> ) | (496)                      | (6,078)                     | (12)           | (6,586)        |
| <b>Closing net book amount</b>        | <b>22,112</b>              | <b>30,284</b>               | <b>14</b>      | <b>52,410</b>  |
| <b>As at December 31, 2023</b>        |                            |                             |                |                |
| Cost                                  | 24,817                     | 46,407                      | 36             | 71,260         |
| Accumulated depreciation              | (2,705)                    | (16,123)                    | (22)           | (18,850)       |
| <b>Net book amount</b>                | <b>22,112</b>              | <b>30,284</b>               | <b>14</b>      | <b>52,410</b>  |
| <b>Year ended December 31, 2024</b>   |                            |                             |                |                |
| Opening net book amount               | 22,112                     | 30,284                      | 14             | 52,410         |
| Additions                             | –                          | 8,485                       | 169            | 8,654          |
| Depreciation charge ( <i>Note 6</i> ) | (496)                      | (7,469)                     | (68)           | (8,033)        |
| <b>Closing net book amount</b>        | <b>21,616</b>              | <b>31,300</b>               | <b>115</b>     | <b>53,031</b>  |
| <b>As at December 31, 2024</b>        |                            |                             |                |                |
| Cost                                  | 24,817                     | 54,892                      | 205            | 79,914         |
| Accumulated depreciation              | (3,201)                    | (23,592)                    | (90)           | (26,883)       |
| <b>Net book amount</b>                | <b>21,616</b>              | <b>31,300</b>               | <b>115</b>     | <b>53,031</b>  |
| <b>Year ended December 31, 2025</b>   |                            |                             |                |                |
| Opening net book amount               | 21,616                     | 31,300                      | 115            | 53,031         |
| Additions                             | –                          | 3,518                       | –              | 3,518          |
| Depreciation charge ( <i>Note 6</i> ) | (496)                      | (7,836)                     | (58)           | (8,390)        |
| <b>Closing net book amount</b>        | <b>21,120</b>              | <b>26,982</b>               | <b>57</b>      | <b>48,159</b>  |

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|                                              | Land use<br>rights | Leased<br>buildings | Others         | Total          |
|----------------------------------------------|--------------------|---------------------|----------------|----------------|
|                                              | <i>RMB’000</i>     | <i>RMB’000</i>      | <i>RMB’000</i> | <i>RMB’000</i> |
| <b>As at December 31, 2025</b>               |                    |                     |                |                |
| Cost                                         | 24,817             | 58,410              | 205            | 83,432         |
| Accumulated depreciation                     | (3,697)            | (31,428)            | (148)          | (35,273)       |
| <b>Net book amount</b>                       | <b>21,120</b>      | <b>26,982</b>       | <b>57</b>      | <b>48,159</b>  |
| <b>Three months ended<br/>March 31, 2026</b> |                    |                     |                |                |
| Opening net book amount                      | 21,120             | 26,982              | 57             | 48,159         |
| Additions                                    | –                  | –                   | –              | –              |
| Depreciation charge ( <i>Note 6</i> )        | (124)              | (1,943)             | (14)           | (2,081)        |
| <b>Closing net book amount</b>               | <b>20,996</b>      | <b>25,039</b>       | <b>43</b>      | <b>46,078</b>  |
| <b>As at March 31, 2026</b>                  |                    |                     |                |                |
| Cost                                         | 24,817             | 58,410              | 205            | 83,432         |
| Accumulated depreciation                     | (3,821)            | (33,371)            | (162)          | (37,354)       |
| <b>Net book amount</b>                       | <b>20,996</b>      | <b>25,039</b>       | <b>43</b>      | <b>46,078</b>  |

- (e) Depreciation charges were expensed in the following categories in the consolidated income statements:

|                                      | Year ended December 31, |                |                | Three months ended<br>March 31, |                |
|--------------------------------------|-------------------------|----------------|----------------|---------------------------------|----------------|
|                                      | 2023                    | 2024           | 2025           | 2025                            | 2026           |
|                                      | <i>RMB’000</i>          | <i>RMB’000</i> | <i>RMB’000</i> | <i>RMB’000</i><br>(Unaudited)   | <i>RMB’000</i> |
| Cost of sales                        | 3,353                   | 3,354          | 3,353          | 839                             | 839            |
| Research and development<br>expenses | 2,017                   | 3,446          | 3,937          | 990                             | 983            |
| Administrative expenses              | 508                     | 508            | 498            | 126                             | 124            |
| Selling expenses                     | 708                     | 725            | 602            | 143                             | 135            |
|                                      | <b>6,586</b>            | <b>8,033</b>   | <b>8,390</b>   | <b>2,098</b>                    | <b>2,081</b>   |

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### 17 INTANGIBLE ASSETS

|                                        | <b>Software</b> | <b>Patent</b>  | <b>Total</b>   |
|----------------------------------------|-----------------|----------------|----------------|
|                                        | <i>RMB’000</i>  | <i>RMB’000</i> | <i>RMB’000</i> |
| <b>Year ended December 31, 2023</b>    |                 |                |                |
| Opening net book amount                | 2,000           | 402            | 2,402          |
| Additions                              | 146             | –              | 146            |
| Transfer from construction in progress | 1,369           | –              | 1,369          |
| Amortisation charge                    | (945)           | (73)           | (1,018)        |
| <b>Closing net book amount</b>         | <b>2,570</b>    | <b>329</b>     | <b>2,899</b>   |
| <b>As at December 31, 2023</b>         |                 |                |                |
| Cost                                   | 4,567           | 531            | 5,098          |
| Accumulated amortisation               | (1,997)         | (202)          | (2,199)        |
| <b>Net book amount</b>                 | <b>2,570</b>    | <b>329</b>     | <b>2,899</b>   |
| <b>Year ended December 31, 2024</b>    |                 |                |                |
| Opening net book amount                | 2,570           | 329            | 2,899          |
| Additions                              | 158             | 36             | 194            |
| Transfer from construction in progress | 11              | –              | 11             |
| Amortisation charge                    | (935)           | (76)           | (1,011)        |
| <b>Closing net book amount</b>         | <b>1,804</b>    | <b>289</b>     | <b>2,093</b>   |
| <b>As at December 31, 2024</b>         |                 |                |                |
| Cost                                   | 4,736           | 567            | 5,303          |
| Accumulated amortisation               | (2,932)         | (278)          | (3,210)        |
| <b>Net book amount</b>                 | <b>1,804</b>    | <b>289</b>     | <b>2,093</b>   |
| <b>Year ended December 31, 2025</b>    |                 |                |                |
| Opening net book amount                | 1,804           | 289            | 2,093          |
| Amortisation charge                    | (801)           | (77)           | (878)          |
| <b>Closing net book amount</b>         | <b>1,003</b>    | <b>212</b>     | <b>1,215</b>   |
| <b>As at December 31, 2025</b>         |                 |                |                |
| Cost                                   | 4,736           | 567            | 5,303          |
| Accumulated amortisation               | (3,733)         | (355)          | (4,088)        |
| <b>Net book amount</b>                 | <b>1,003</b>    | <b>212</b>     | <b>1,215</b>   |

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|                                          | Software       | Patent         | Total          |
|------------------------------------------|----------------|----------------|----------------|
|                                          | <i>RMB’000</i> | <i>RMB’000</i> | <i>RMB’000</i> |
| <b>Three months ended March 31, 2026</b> |                |                |                |
| Opening net book amount                  | 1,003          | 212            | 1,215          |
| Amortisation charge                      | (173)          | (14)           | (187)          |
| <b>Closing net book amount</b>           | <b>830</b>     | <b>198</b>     | <b>1,028</b>   |
| <b>As at March 31, 2026</b>              |                |                |                |
| Cost                                     | 4,736          | 567            | 5,303          |
| Accumulated amortisation                 | (3,906)        | (369)          | (4,275)        |
| <b>Net book amount</b>                   | <b>830</b>     | <b>198</b>     | <b>1,028</b>   |

Amortization charges were expensed in the following categories in the consolidated income statements:

|                                   | Year ended December 31, |                |                | Three months ended March 31, |                |
|-----------------------------------|-------------------------|----------------|----------------|------------------------------|----------------|
|                                   | 2023                    | 2024           | 2025           | 2025                         | 2026           |
|                                   | <i>RMB’000</i>          | <i>RMB’000</i> | <i>RMB’000</i> | <i>RMB’000</i>               | <i>RMB’000</i> |
|                                   |                         |                |                | (Unaudited)                  |                |
| Research and development expenses | 18                      | 13             | 12             | 3                            | 2              |
| Administrative expenses           | 868                     | 865            | 775            | 208                          | 171            |
| Selling expenses                  | 132                     | 133            | 91             | 29                           | 14             |
|                                   | <b>1,018</b>            | <b>1,011</b>   | <b>878</b>     | <b>240</b>                   | <b>187</b>     |

### 18 OTHER NON-CURRENT ASSETS

|                                               | As at December 31, |                |                | As at March 31, |
|-----------------------------------------------|--------------------|----------------|----------------|-----------------|
|                                               | 2023               | 2024           | 2025           | 2026            |
|                                               | <i>RMB’000</i>     | <i>RMB’000</i> | <i>RMB’000</i> | <i>RMB’000</i>  |
| Prepayments for property, plant and equipment | 5,263              | 24,381         | 7,047          | 8,484           |

The Group made prepayments for the purchase of property, plant and equipment. The prepayments were transferred to the relevant assets when the assets were received.

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### 19 DEFERRED INCOME TAX

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

|                                             | As at December 31, |         |         | As at<br>March 31, |
|---------------------------------------------|--------------------|---------|---------|--------------------|
|                                             | 2023               | 2024    | 2025    | 2026               |
|                                             | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Deferred income tax assets:                 |                    |         |         |                    |
| – to be recovered within 12 months          | 6,331              | 8,920   | 6,293   | 5,673              |
| – to be recovered after more than 12 months | 4,179              | 3,535   | 2,860   | 3,353              |
|                                             | 10,510             | 12,455  | 9,153   | 9,026              |
| Offset by deferred income tax liabilities   | (6,393)            | (6,223) | (5,770) | (5,570)            |
| Net deferred income tax assets              | 4,117              | 6,232   | 3,383   | 3,456              |
| Deferred tax liabilities:                   |                    |         |         |                    |
| – to be recovered within 12 months          | 38,103             | 30,111  | 15,783  | 18,865             |
| – to be recovered after more than 12 months | 4,121              | 4,209   | 3,562   | 3,286              |
|                                             | 42,224             | 34,320  | 19,345  | 22,151             |
| Offset by deferred income tax assets        | (6,393)            | (6,223) | (5,770) | (5,570)            |
| Net deferred income tax liabilities         | 35,831             | 28,097  | 13,575  | 16,581             |

(a) The gross amounts of deferred income tax assets comprised:

|                                                      | Unrealized<br>gross profit | Impairment<br>of financial<br>assets | Lease<br>liabilities | Fair value<br>gains/losses<br>on financial<br>assets | Accrued<br>expenses and<br>others | Total   |
|------------------------------------------------------|----------------------------|--------------------------------------|----------------------|------------------------------------------------------|-----------------------------------|---------|
|                                                      | RMB'000                    | RMB'000                              | RMB'000              | RMB'000                                              | RMB'000                           | RMB'000 |
| <b>At January 1, 2023</b>                            | –                          | 3                                    | 6,594                | 1,110                                                | 2,837                             | 10,544  |
| Credit/(charge) to the consolidated income statement | 153                        | 192                                  | 170                  | 679                                                  | (1,228)                           | (34)    |
| <b>At December 31, 2023</b>                          | 153                        | 195                                  | 6,764                | 1,789                                                | 1,609                             | 10,510  |
| Credit to the consolidated income statement          | 284                        | 73                                   | 882                  | 451                                                  | 255                               | 1,945   |
| <b>At December 31, 2024</b>                          | 437                        | 268                                  | 7,646                | 2,240                                                | 1,864                             | 12,455  |
| Credit/(charge) to the consolidated income statement | (244)                      | 372                                  | (2,380)              | (613)                                                | (437)                             | (3,302) |
| <b>At December 31, 2025</b>                          | 193                        | 640                                  | 5,266                | 1,627                                                | 1,427                             | 9,153   |
| Credit/(charge) to the consolidated income statement | (39)                       | 69                                   | (259)                | 353                                                  | (251)                             | (127)   |
| <b>At March 31, 2026</b>                             | 154                        | 709                                  | 5,007                | 1,980                                                | 1,176                             | 9,026   |

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(b) The gross amounts of deferred income tax liabilities comprised:

|                                                         | Depreciation<br>of property,<br>plant and<br>equipment | Depreciation<br>of right-of-<br>use assets | Withholding<br>income tax | Fair value<br>gains/losses on<br>financial<br>assets | Total          |
|---------------------------------------------------------|--------------------------------------------------------|--------------------------------------------|---------------------------|------------------------------------------------------|----------------|
|                                                         | <i>RMB'000</i>                                         | <i>RMB'000</i>                             | <i>RMB'000</i>            | <i>RMB'000</i>                                       | <i>RMB'000</i> |
| <b>At January 1, 2023</b>                               | (1,858)                                                | (5,071)                                    | (25,139)                  | (253)                                                | (32,321)       |
| Credit/(charge) to the consolidated<br>income statement | 88                                                     | 527                                        | (10,692)                  | 174                                                  | (9,903)        |
| <b>At December 31, 2023</b>                             | (1,770)                                                | (4,544)                                    | (35,831)                  | (79)                                                 | (42,224)       |
| Credit/(charge) to the consolidated<br>income statement | 260                                                    | (169)                                      | 7,734                     | 79                                                   | 7,904          |
| <b>At December 31, 2024</b>                             | (1,510)                                                | (4,713)                                    | (28,097)                  | –                                                    | (34,320)       |
| Credit/(charge) to the consolidated<br>income statement | (350)                                                  | 656                                        | 14,677                    | (8)                                                  | 14,975         |
| <b>At December 31, 2025</b>                             | (1,860)                                                | (4,057)                                    | (13,420)                  | (8)                                                  | (19,345)       |
| Credit/(charge) to the consolidated<br>income statement | 78                                                     | 294                                        | (3,160)                   | (18)                                                 | (2,806)        |
| <b>At March 31, 2026</b>                                | (1,782)                                                | (3,763)                                    | (16,580)                  | (26)                                                 | (22,151)       |

(c) **Accounting policies of current and deferred income tax**

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

(i) **Current income tax**

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

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### (ii) *Deferred income tax*

#### *Inside basis differences*

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

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

#### *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred income tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognized.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries, associates and joint venture only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

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

### (iii) *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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### 20 INVENTORIES

|                     | As at December 31, |         |         | As at<br>March 31, |
|---------------------|--------------------|---------|---------|--------------------|
|                     | 2023               | 2024    | 2025    | 2026               |
|                     | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Finished goods      | 34,057             | 68,985  | 35,886  | 27,269             |
| Semi-finished goods | 27,571             | 20,568  | 30,320  | 21,919             |
| Raw materials       | 55,297             | 107,322 | 60,825  | 59,459             |
|                     | 116,925            | 196,875 | 127,031 | 108,647            |

- (a) During the Track Record Period, the cost of inventories recognized as an expense and included in cost of sales in the consolidated income statements amounted to RMB716,008,000, RMB756,808,000, RMB766,224,000, RMB171,475,000, and RMB207,323,000 for the years ended 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively.
- (b) Provision is made for slow moving and obsolete inventories, including where the net realisable value is lower than the carrying value and is recorded in cost of sales in the consolidated income statements. The Group assessed the provision for impairment of inventories to be immaterial for the years ended 2023, 2024 and 2025 and three months ended March 31, 2025 and 2026, respectively.
- (c) **Accounting policies on inventories**

Raw materials, semi-finished goods and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 21 FINANCIAL INSTRUMENTS BY CATEGORY

#### The Group

The Group holds the following financial instruments:

|                                       | As at December 31, |         |         | As at<br>March 31, |
|---------------------------------------|--------------------|---------|---------|--------------------|
|                                       | 2023               | 2024    | 2025    | 2026               |
|                                       | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| <b>Financial assets:</b>              |                    |         |         |                    |
| Financial assets at amortized cost    |                    |         |         |                    |
| – Trade receivables (note 22)         | 84,087             | 80,368  | 85,747  | 95,238             |
| – Other receivables (note 23)         | 6,589              | 54,982  | 69,950  | 73,288             |
| – Restricted cash (note 25)           | –                  | –       | –       | 8,693              |
| – Cash and cash equivalents (note 25) | 257,449            | 215,828 | 132,881 | 164,896            |
|                                       | 348,125            | 351,178 | 288,578 | 342,115            |
| Financial assets at FVPL (note 24)    | 220,115            | 82,860  | 56,096  | 53,857             |
|                                       | 568,240            | 434,038 | 344,674 | 395,972            |

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|                                            | As at December 31, |         |         | As at<br>March 31, |
|--------------------------------------------|--------------------|---------|---------|--------------------|
|                                            | 2023               | 2024    | 2025    | 2026               |
|                                            | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| <b>Financial liabilities:</b>              |                    |         |         |                    |
| Financial liabilities at amortized cost    |                    |         |         |                    |
| – Trade and other payables*<br>(note 28)   | 83,127             | 122,691 | 74,250  | 61,940             |
| – Borrowings (note 29)                     | –                  | 19,808  | 120,231 | 123,445            |
| – Lease liabilities (note 16)              | 45,094             | 50,977  | 35,110  | 33,381             |
|                                            | 128,221            | 193,476 | 229,591 | 218,766            |
| Financial liabilities at FVPL<br>(note 30) | 508,302            | 294,462 | –       | –                  |
|                                            | 636,523            | 487,938 | 229,591 | 218,766            |

\* Excluding non-financial liabilities including payables to employees and taxes.

### The Company

The Company holds the following financial instruments:

|                                            | As at December 31, |         |         | As at<br>March 31, |
|--------------------------------------------|--------------------|---------|---------|--------------------|
|                                            | 2023               | 2024    | 2025    | 2026               |
|                                            | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| <b>Financial assets:</b>                   |                    |         |         |                    |
| Financial assets at amortized cost         |                    |         |         |                    |
| – Other receivables (note 23)              | 399,591            | 283,352 | 14,219  | 14,008             |
| – Cash and cash equivalents<br>(note 25)   | 25,453             | 4,784   | 1,130   | 1,056              |
|                                            | 425,044            | 288,136 | 15,349  | 15,064             |
| Financial assets at FVPL<br>(note 24)      | 81,512             | 20,429  | –       | –                  |
|                                            | 506,556            | 308,565 | 15,349  | 15,064             |
| <b>Financial liabilities:</b>              |                    |         |         |                    |
| Financial liabilities at amortized cost    |                    |         |         |                    |
| – Trade and other payables<br>(note 28)    | –                  | –       | 1,385   | 1,363              |
| Financial liabilities at FVPL<br>(note 30) | 508,302            | 294,462 | –       | –                  |
|                                            | 508,302            | 294,462 | 1,385   | 1,363              |

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### 22 TRADE RECEIVABLES

|                                      | As at December 31, |         |         | As at<br>March 31, |
|--------------------------------------|--------------------|---------|---------|--------------------|
|                                      | 2023               | 2024    | 2025    | 2026               |
|                                      | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Trade receivables<br>– third parties | 85,316             | 82,032  | 89,670  | 99,610             |
| Provision for impairment             | (1,229)            | (1,664) | (3,923) | (4,372)            |
|                                      | 84,087             | 80,368  | 85,747  | 95,238             |

The credit terms given to trade customers are determined on an individual basis with normal credit period ranging around 30 to 60 days. The aging analysis of the trade receivables based on date of invoices is as follows:

|                      | As at December 31, |         |         | As at<br>March 31, |
|----------------------|--------------------|---------|---------|--------------------|
|                      | 2023               | 2024    | 2025    | 2026               |
|                      | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Up to 3 months       | 67,969             | 71,990  | 75,621  | 85,694             |
| 3 months to 6 months | 8,173              | 3,746   | 7,600   | 6,718              |
| 6 months to 1 year   | 8,183              | 3,397   | 2,108   | 2,844              |
| More than 1 year     | 991                | 2,899   | 4,341   | 4,354              |
|                      | 85,316             | 82,032  | 89,670  | 99,610             |

The Group does not hold any collateral as security over these debtors.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The assessment of expected credit loss of trade receivables are set out in Note 3.1(b).

As at December 31, 2023, 2024 and 2025 and March 31, 2026, the Group’s trade receivables were all denominated in RMB, and their carrying amounts approximated their fair values due to their short-term nature.

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### 23 OTHER RECEIVABLES AND PREPAYMENTS

#### The Group

|                                                             | As at December 31, |         |         | As at<br>March 31, |
|-------------------------------------------------------------|--------------------|---------|---------|--------------------|
|                                                             | 2023               | 2024    | 2025    | 2026               |
|                                                             | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Other receivables                                           |                    |         |         |                    |
| Non-current portion:                                        |                    |         |         |                    |
| – Loans to related parties<br>(note 34(c))                  | –                  | 49,566  | –       | –                  |
| Current portion:                                            |                    |         |         |                    |
| – Loans to related parties<br>(note 34(c))                  | –                  | –       | 64,186  | 68,358             |
| – Refundable deposits (a)                                   | 2,249              | 3,564   | 3,582   | 3,418              |
| – Others (b)                                                | 4,411              | 2,106   | 2,660   | 2,000              |
|                                                             | 6,660              | 5,670   | 70,428  | 73,776             |
| Gross other receivables                                     | 6,660              | 55,236  | 70,428  | 73,776             |
| Provision for impairment                                    | (71)               | (254)   | (478)   | (488)              |
|                                                             | 6,589              | 54,982  | 69,950  | 73,288             |
| Prepayments and others                                      |                    |         |         |                    |
| – Prepayments to related parties<br>for rental (note 34(c)) | 3,683              | 2,417   | –       | –                  |
| – Prepayments for purchase of<br>raw materials              | 6,456              | 9,465   | 10,919  | 10,308             |
| – Value added tax recoverable<br>and refundable             | 16,672             | 29,551  | 18,009  | 19,044             |
| – Income tax prepayments                                    | –                  | 2,638   | 2,827   | 2,834              |
| – Other prepayments                                         | 2,440              | 8,385   | 13,513  | 13,504             |
|                                                             | 29,251             | 52,456  | 45,268  | 45,690             |
| Total                                                       | 35,840             | 107,438 | 115,218 | 118,978            |

- (a) The refundable deposits consisted primarily of security deposits for projects.
- (b) Other receivables were primarily advances to staff for business purpose.
- (c) The carrying amounts of the Group’s other receivables and prepayments, including provision for impairment, are denominated in the following currencies:

|     | As at December 31, |         |         | As at<br>March 31, |
|-----|--------------------|---------|---------|--------------------|
|     | 2023               | 2024    | 2025    | 2026               |
|     | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| RMB | 35,840             | 85,873  | 94,132  | 98,220             |
| USD | –                  | 21,565  | 21,086  | 20,758             |
|     | 35,840             | 107,438 | 115,218 | 118,978            |

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- (d) As at December 31, 2023, 2024 and 2025 and March 31, 2026, the carrying amounts of the Group’s other receivables, except for the prepayments which are not financial assets, approximated their fair values due to their short term nature.

### The Company

|                         | As at December 31, |         |         | As at<br>March 31, |
|-------------------------|--------------------|---------|---------|--------------------|
|                         | 2023               | 2024    | 2025    | 2026               |
|                         | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Other receivables       |                    |         |         |                    |
| – Loans to a subsidiary | 399,591            | 283,352 | 14,219  | 14,008             |

The carrying amounts of the Group’s other receivables approximated their fair value due to their short term nature.

## 24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### The Group

#### (a) Classification of financial assets at FVPL

The Group classifies the following as financial assets at FVPL:

- debt and equity investments that do not qualify for measurement at either amortized cost or fair value through other comprehensive income (FVOCI).

The Group’s financial assets at FVPL included the followings:

|                              | As at December 31, |         |         | As at<br>March 31, |
|------------------------------|--------------------|---------|---------|--------------------|
|                              | 2023               | 2024    | 2025    | 2026               |
|                              | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Financial assets at FVPL:    |                    |         |         |                    |
| Non-current portion:         |                    |         |         |                    |
| – Investment funds           | –                  | 6,000   | 27,227  | 25,946             |
| Current portion:             |                    |         |         |                    |
| – Wealth management products | 182,040            | 47,794  | 20,061  | 20,177             |
| – Investment funds           | 38,075             | 29,066  | 8,808   | 7,734              |
|                              | 220,115            | 76,860  | 28,869  | 27,911             |

The principal and return of the investments in wealth management product and investment funds are not guaranteed, hence their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, the investments in wealth management products and investment funds are measured at FVPL. The fair value assessment of the financial assets at FVPL and the fair value hierarchy are set out in Note 3.3. The underlying assets of the Group’s purchased wealth management products feature high liquidity.

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(b) *Amounts recognized in profit or loss*

The following net fair value gains were recognized in the consolidated income statements during the Track Record Period:

|                                                                                                          | Year ended December 31, |              |              | Three months ended March 31, |                |
|----------------------------------------------------------------------------------------------------------|-------------------------|--------------|--------------|------------------------------|----------------|
|                                                                                                          | 2023                    | 2024         | 2025         | 2025                         | 2026           |
|                                                                                                          | RMB'000                 | RMB'000      | RMB'000      | RMB'000<br>(Unaudited)       | RMB'000        |
| Net fair value gain/(loss) on financial assets at FVPL recognized in other gains – net ( <i>note 9</i> ) |                         |              |              |                              |                |
| – realized                                                                                               | 4,770                   | 1,572        | 3,286        | (3,072)                      | (2,324)        |
| – unrealized                                                                                             | (736)                   | 801          | 62           | 42                           | 176            |
|                                                                                                          | <u>4,034</u>            | <u>2,373</u> | <u>3,348</u> | <u>(3,030)</u>               | <u>(2,148)</u> |

### The Company

The Company’s financial assets at FVPL included the followings:

|                              | As at December 31, |               |          | As at March 31, |
|------------------------------|--------------------|---------------|----------|-----------------|
|                              | 2023               | 2024          | 2025     | 2026            |
|                              | RMB'000            | RMB'000       | RMB'000  | RMB'000         |
| Financial assets:            |                    |               |          |                 |
| – Wealth management products | <u>81,512</u>      | <u>20,429</u> | <u>–</u> | <u>–</u>        |

## 25 RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

### The Group

|                           | As at December 31, |                |                | As at March 31, |
|---------------------------|--------------------|----------------|----------------|-----------------|
|                           | 2023               | 2024           | 2025           | 2026            |
|                           | RMB'000            | RMB'000        | RMB'000        | RMB'000         |
| Cash and cash equivalents | 257,449            | 215,828        | 132,881        | 164,896         |
| Restricted cash (a)       | <u>–</u>           | <u>–</u>       | <u>–</u>       | <u>8,693</u>    |
| Cash and bank balance     | <u>257,449</u>     | <u>215,828</u> | <u>132,881</u> | <u>173,589</u>  |

- (a) As at March 31, 2026, the restricted cash of RMB 8,693,000 represented deposits at bank pledged as security for short term bank borrowings of the Group (Note 29).

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(b) The Group’s cash and bank balances are denominated in:

|       | As at December 31, |                |                | As at<br>March 31, |
|-------|--------------------|----------------|----------------|--------------------|
|       | 2023               | 2024           | 2025           | 2026               |
|       | RMB’000            | RMB’000        | RMB’000        | RMB’000            |
| – RMB | 228,404            | 194,218        | 130,504        | 171,304            |
| – USD | 29,045             | 21,610         | 2,377          | 2,285              |
|       | <u>257,449</u>     | <u>215,828</u> | <u>132,881</u> | <u>173,589</u>     |

### The Company

|                           | As at December 31, |              |              | As at<br>March 31, |
|---------------------------|--------------------|--------------|--------------|--------------------|
|                           | 2023               | 2024         | 2025         | 2026               |
|                           | RMB’000            | RMB’000      | RMB’000      | RMB’000            |
| Cash and cash equivalents | <u>25,453</u>      | <u>4,784</u> | <u>1,130</u> | <u>1,056</u>       |

Cash and cash equivalents are denominated in:

|       | As at December 31, |              |              | As at<br>March 31, |
|-------|--------------------|--------------|--------------|--------------------|
|       | 2023               | 2024         | 2025         | 2026               |
|       | RMB’000            | RMB’000      | RMB’000      | RMB’000            |
| – USD | <u>25,453</u>      | <u>4,784</u> | <u>1,130</u> | <u>1,056</u>       |

## 26 SHARE CAPITAL

|                                                    | Number of shares  | Share capital<br>USD | Share capital<br>RMB |
|----------------------------------------------------|-------------------|----------------------|----------------------|
| <b>Authorized:</b>                                 |                   |                      |                      |
| From January 1, 2023 to December 31, 2023 and 2024 |                   |                      |                      |
| – Ordinary shares of USD 0.001 par value           | 49,870,370        | 49,870               |                      |
| – Preferred shares of USD 0.001 par value          | <u>129,630</u>    | <u>130</u>           |                      |
|                                                    | <u>50,000,000</u> | <u>50,000</u>        |                      |
| As at December 31, 2025 to March 31, 2026          |                   |                      |                      |
| – Ordinary shares of USD 0.001 par value           | <u>50,000,000</u> | <u>50,000</u>        |                      |
| <b>Issued and fully paid:</b>                      |                   |                      |                      |
| Ordinary shares                                    |                   |                      |                      |
| From January 1, 2023 to March 31, 2026             |                   |                      |                      |
| – Ordinary shares of USD 0.001 par value           | <u>1,111,111</u>  | <u>1,111</u>         | <u>7,236</u>         |

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The Company was incorporated in the Cayman Islands on January 4, 2021 as an exempted company with limited liability. Upon incorporation, the authorized ordinary share capital of our Company was US\$50,000 divided into 50,000,000 shares with a par value of US\$0.001 each.

On the same date, 481,250, 393,750 and 125,000 ordinary shares, totalling 1,000,000 ordinary shares of the Company, were allotted and issued to BVI-GOWL (beneficially owned by Mr. Gou), BVI-PEPPER (beneficially owned by Mr. Wang) and BVI-KY (beneficially owned by BVI-GOWL and BVI-PEPPER as to 55% and 45% respectively), at par value of US\$0.001. On March 19, 2021, the Company and BVI-WAZS conducted a share swap, pursuant to which the Company allotted and issued 111,111 ordinary shares to BVI-WAZS (beneficially owned by Mr. Wu), representing 10% of the issued ordinary share capital of the Company. Accordingly, from March 2021 to the date of this report, the Company’s ordinary share capital has been ultimately beneficially held by Mr. Gou, Mr. Wang and Mr. Wu, as to 49.50%, 40.50% and 10.00%, respectively.

In addition, in March 2021, the Company entered into share purchase agreements with certain investors, pursuant to which the Company allotted and issued in total 129,630 Series A preferred shares to the investors. The authorized share capital of the Company was recapitalized into US\$50,000 divided into (i) 49,870,370 ordinary shares, and (ii) 129,630 Series A preferred shares, both with par value of US\$0.001.

Subsequently, pursuant to a series of repurchase agreements entered into from July 2022 to May 2025, the Company repurchased all the 129,630 Series A preferred shares issued and allotted to the investors, at considerations equivalent to the initial subscription sums paid by the investors. Following the completion of the aforesaid repurchase of Series A preferred shares, the authorized share capital of the Company was redesignated into US\$50,000, divided into 50,000,000 ordinary Shares and with par value of US\$0.001.

The investments from the Series A preferred shares investors were accounted for as financial liabilities at fair value through profit or loss for accounting purpose and further details are set out in Note 30.

### 27 OTHER RESERVES

#### The Group

|                                                                                                   | Share<br>premium<br>account | Surplus<br>reserve | Currency<br>translation<br>reserve | Other<br>reserves | Total   |
|---------------------------------------------------------------------------------------------------|-----------------------------|--------------------|------------------------------------|-------------------|---------|
|                                                                                                   | RMB'000                     | RMB'000            | RMB'000                            | RMB'000           | RMB'000 |
| <b>At January 1, 2023</b>                                                                         | 115,745                     | 32,457             | (28,961)                           | (117,451)         | 1,790   |
| Exchange differences on translation of foreign operations                                         | –                           | –                  | (6,535)                            | –                 | (6,535) |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | –                           | –                  | –                                  | 450               | 450     |
| Appropriation to statutory reserve                                                                | –                           | 34,541             | –                                  | –                 | 34,541  |
| <b>At December 31, 2023</b>                                                                       | 115,745                     | 66,998             | (35,496)                           | (117,001)         | 30,246  |
| Exchange differences on translation of foreign operations                                         | –                           | –                  | (7,384)                            | –                 | (7,384) |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | –                           | –                  | –                                  | 575               | 575     |
| Appropriation to statutory reserve                                                                | –                           | 30,755             | –                                  | –                 | 30,755  |

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|                                                                                                   | Share<br>premium<br>account | Surplus<br>reserve | Currency<br>translation<br>reserve | Other<br>reserves | Total         |
|---------------------------------------------------------------------------------------------------|-----------------------------|--------------------|------------------------------------|-------------------|---------------|
|                                                                                                   | RMB'000                     | RMB'000            | RMB'000                            | RMB'000           | RMB'000       |
| <b>At December 31, 2024</b>                                                                       | 115,745                     | 97,753             | (42,880)                           | (116,426)         | 54,192        |
| Exchange differences on translation of foreign operations                                         | –                           | –                  | (4,164)                            | –                 | (4,164)       |
| Appropriation to statutory reserve                                                                | –                           | 12,347             | –                                  | –                 | 12,347        |
| <b>At December 31, 2025</b>                                                                       | 115,745                     | 110,100            | (47,044)                           | (116,426)         | 62,375        |
| Exchange differences on translation of foreign operations                                         | –                           | –                  | (358)                              | –                 | (358)         |
| <b>As at March 31, 2026</b>                                                                       | <u>115,745</u>              | <u>110,100</u>     | <u>(47,402)</u>                    | <u>(116,426)</u>  | <u>62,017</u> |
| <b>(Unaudited)</b>                                                                                |                             |                    |                                    |                   |               |
| <b>At January 1, 2025</b>                                                                         | 115,745                     | 97,753             | (42,880)                           | (116,426)         | 54,192        |
| Exchange differences on translation of foreign operations                                         | –                           | –                  | (122)                              | –                 | (122)         |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | –                           | –                  | –                                  | (13)              | (13)          |
| <b>As at March 31, 2025</b>                                                                       | <u>115,745</u>              | <u>97,753</u>      | <u>(43,002)</u>                    | <u>(116,439)</u>  | <u>54,057</u> |

### Surplus reserve

Pursuant to the Company Law of the PRC and the articles of association of PRC subsidiaries, the subsidiaries in the PRC are required to appropriate 10% of each year’s net profit (after offsetting previous years’ losses) to statutory surplus reserve until the fund aggregates to 50% of their registered capital; after the appropriation to statutory surplus reserve, the subsidiaries in the PRC can appropriate profit, subject to respective equity holders’ approval, to discretionary surplus reserve. The appropriation to statutory and discretionary surplus reserves must be made before distribution of dividends to equity holders. These reserves shall only be used to make up for previous years’ losses, to expand production operations, or to increase the capital of the respective company. The entities in the PRC may transfer their respective statutory surplus reserves into paid-in capital, provided that the balance of the statutory surplus reserve after such transfer is not less than 25% of the registered capital before the transformation.

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### The Company

|                                                                                                   | Share<br>premium<br>account | Currency<br>translation<br>reserve | Other<br>reserves | Total          |
|---------------------------------------------------------------------------------------------------|-----------------------------|------------------------------------|-------------------|----------------|
|                                                                                                   | <i>RMB’000</i>              | <i>RMB’000</i>                     | <i>RMB’000</i>    | <i>RMB’000</i> |
| <b>At January 1, 2023</b>                                                                         | 115,745                     | 340                                | 902               | 116,987        |
| Exchange differences on translation of foreign operations                                         | –                           | 68                                 | –                 | 68             |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | –                           | –                                  | 450               | 450            |
| <b>At December 31, 2023</b>                                                                       | 115,745                     | 408                                | 1,352             | 117,505        |
| Exchange differences on translation of foreign operations                                         | –                           | 128                                | –                 | 128            |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | –                           | –                                  | 26                | 26             |
| <b>At December 31, 2024</b>                                                                       | 115,745                     | 536                                | 1,378             | 117,659        |
| Exchange differences on translation of foreign operations                                         | –                           | (319)                              | –                 | (319)          |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | –                           | –                                  | (1,378)           | (1,378)        |
| <b>At December 31, 2025</b>                                                                       | 115,745                     | 217                                | –                 | 115,962        |
| Exchange differences on translation of foreign operations                                         | –                           | (217)                              | –                 | (217)          |
| <b>As at March 31, 2026</b>                                                                       | <u>115,745</u>              | <u>*</u>                           | <u>–</u>          | <u>115,745</u> |
| <b>(Unaudited)</b>                                                                                |                             |                                    |                   |                |
| <b>At January 1, 2025</b>                                                                         | 115,745                     | 536                                | 1,378             | 117,659        |
| Exchange differences on translation of foreign operations                                         | –                           | (439)                              | –                 | (439)          |
| Effects of changes in credit risk for liabilities designated at fair value through profit or loss | –                           | –                                  | (13)              | (13)           |
| <b>As at March 31, 2025</b>                                                                       | <u>115,745</u>              | <u>97</u>                          | <u>1,365</u>      | <u>117,207</u> |

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### 28 TRADE AND OTHER PAYABLES AND ACCRUALS

#### The Group

|                                                             | As at December 31, |                |               | As at<br>March 31, |
|-------------------------------------------------------------|--------------------|----------------|---------------|--------------------|
|                                                             | 2023               | 2024           | 2025          | 2026               |
|                                                             | RMB'000            | RMB'000        | RMB'000       | RMB'000            |
| Trade and notes payables                                    |                    |                |               |                    |
| – third parties                                             | 46,101             | 80,980         | 35,149        | 21,959             |
| – related parties ( <i>Note 34</i> )                        | 206                | 359            | 332           | 72                 |
|                                                             | <u>46,307</u>      | <u>81,339</u>  | <u>35,481</u> | <u>22,031</u>      |
| Other payables and accruals                                 |                    |                |               |                    |
| – Amounts due to related parties<br>( <i>Note 34(c)</i> )   | –                  | –              | 4,616         | 6,045              |
| – Payables for purchase of<br>property, plant and equipment | 7,728              | 8,256          | 4,396         | 4,840              |
| – Accrual for operating expenses                            | 16,279             | 17,000         | 19,500        | 19,841             |
| – Staff salaries payables                                   | 17,808             | 21,317         | 20,531        | 14,302             |
| – VAT payables                                              | 12,201             | 19,160         | 3,081         | 4,869              |
| – Deposits payable                                          | 3,448              | 3,725          | 1,577         | 1,475              |
| – Others                                                    | 9,365              | 12,371         | 8,680         | 7,708              |
|                                                             | <u>66,829</u>      | <u>81,829</u>  | <u>62,381</u> | <u>59,080</u>      |
|                                                             | <u>113,136</u>     | <u>163,168</u> | <u>97,862</u> | <u>81,111</u>      |

- (a) The aging analysis of the trade payables based on purchase date at the end of each reporting period is as follows:

|                      | As at December 31, |               |               | As at<br>March 31, |
|----------------------|--------------------|---------------|---------------|--------------------|
|                      | 2023               | 2024          | 2025          | 2026               |
|                      | RMB'000            | RMB'000       | RMB'000       | RMB'000            |
| Up to 3 months       | 46,254             | 81,330        | 35,475        | 21,374             |
| 3 months to 6 months | 7                  | 1             | 6             | 531                |
| 6 months to 1 year   | 46                 | 8             | –             | 126                |
|                      | <u>46,307</u>      | <u>81,339</u> | <u>35,481</u> | <u>22,031</u>      |

- (b) As at December 31, 2023, 2024 and 2025 and March 31, 2026, the Group’s trade and other payables and accruals were majorly denominated in RMB, and the carrying amounts of trade and other payables and accruals approximated their fair values due to their short-term nature.

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## ACCOUNTANTS’ REPORT

### The Company

|                                                                                                                               | As at December 31, |         |         | As at<br>March 31, |
|-------------------------------------------------------------------------------------------------------------------------------|--------------------|---------|---------|--------------------|
|                                                                                                                               | 2023               | 2024    | 2025    | 2026               |
|                                                                                                                               | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| Other payables and accruals                                                                                                   |                    |         |         |                    |
| – Amounts due to a related party<br>(note 34(c))                                                                              | –                  | –       | 1,385   | 1,363              |
| The carrying value of the Company’s other payables and accruals approximated their fair value due to their short term nature. |                    |         |         |                    |

### 29 BORROWINGS

|                                                       | As at December 31, |         |         | As at<br>March 31, |
|-------------------------------------------------------|--------------------|---------|---------|--------------------|
|                                                       | 2023               | 2024    | 2025    | 2026               |
|                                                       | RMB'000            | RMB'000 | RMB'000 | RMB'000            |
| <b>Non-current</b>                                    |                    |         |         |                    |
| Long-term bank borrowings, secured                    | –                  | 9,487   | –       | –                  |
| <b>Current</b>                                        |                    |         |         |                    |
| Current portion of long-term bank borrowings, secured | –                  | 10,321  | 9,487   | 5,160              |
| Short-term bank borrowings, secured                   | –                  | –       | 110,744 | 118,285            |
|                                                       | –                  | 19,808  | 120,231 | 123,445            |

- (a) The bank borrowings amounted to RMB19,808,000, RMB120,231,000 and RMB101,779,000 of the Group were secured by the pledge of assets of the Group’s property, plant and equipment amounts to RMB36,209,000, RMB105,728,000 and RMB104,831,000 as at 31 December 2024 and 2025 and 31 March 2026, respectively, and guaranteed by the Controlling shareholder, Mr. Gou, and a company owned by him, Chongqing Juhui Enterprise Management Co., Ltd. The bank borrowing as at 31 March 2026 amounted to RMB 21,666,000 was secured by restricted cash (note 25(a)).
- (b) The weighted average effective interest rates at the respective balance sheet dates were as follows:

|                          | As at December 31, |       |       | As at<br>March 31, |
|--------------------------|--------------------|-------|-------|--------------------|
|                          | 2023               | 2024  | 2025  | 2026               |
| Bank borrowings, secured | –                  | 2.84% | 1.68% | 1.53%              |

- (c) As at December 31, 2024 and 2025 and March 31, 2026, the Group’s borrowings were denominated in RMB, and the carrying amounts of borrowings approximated their fair values due to their short-term nature or the discounting impact of the long-term borrowings was not material.

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### 30 Financial liabilities at fair value through profit or loss

#### The Group and the Company

|                                             | As at December 31, |         |         | As at March 31, |
|---------------------------------------------|--------------------|---------|---------|-----------------|
|                                             | 2023               | 2024    | 2025    | 2026            |
|                                             | RMB'000            | RMB'000 | RMB'000 | RMB'000         |
| Convertible preferred shares of the Company |                    |         |         |                 |
| – Series A preferred shares                 | 508,302            | 294,462 | –       | –               |

#### (a) Details of preferred shares

##### (i) Preferred shares issued in March 2021

As mentioned in Note 1, the Company issued 129,630 convertible preferred shares (“Series A preferred shares”) to its Series A investors on March 31, 2021 (“Series A Issue Date”). Pursuant to the agreements between Series A investors and the Company (“Share Purchase Agreements”), the Series A investors have multiple preference rights including conversion rights which do not meet fix-to-fix criteria, redemptions rights and dividend rights. Accordingly, these investments were accounted for as financial liabilities measured at fair value through profit or loss.

The key terms of the Series A preferred shares issued by the Company are as follows:

##### Conversion rights

Each preferred share may, at the option of the holder thereof, be converted at any time after the date of issuance of such preferred shares into ordinary shares of the Company, or shall automatically be converted into ordinary shares of the Company upon the earlier of the closing of an IPO of the Company or the date specified by written consent or agreement of the holders representing at least 51% of the Series A preferred shares, at the conversion ratio of 1 preferred share to 1 ordinary share of the Company, if no adjustments to conversion price had occurred. No convertible preferred shares had been converted into ordinary shares of the Company since the issue of the convertible preferred shares.

##### Redemption rights

The redemption amount was equivalent to the original investment amount plus annual simple interest at a rate of 8% per annum plus any dividend declared but not received in previous year (if any). The redemption rights would be triggered by certain events, including but not limited to failure to achieve a qualified IPO by the third anniversary of Series A Issue Date, occurrence of certain non-compliance matters, and the restructuring fails to be duly completed within 2 months after the sign-off date of Share Purchase Agreements.

##### Dividend rights

No dividends, whether in cash, in property, or shares of the Company or otherwise, shall be declared or paid on any other shares during any previous or current fiscal year of the Company unless and until a dividend in like or greater amount has first been declared or paid on each outstanding preferred shares.

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(ii) *Subsequent amendments to redemption rights*

Pursuant to agreements entered into in July 2022, the Company and the preferred share investors agreed, among others, (i) the Company repurchased 50% of the Series A preferred shares issued to the investors at their cost of investment, and the number of preferred shares held by the investors was therefore reduced to 64,815 Series A preferred shares; (ii) the triggering event of failure to achieve a qualified IPO was amended and extended to the fifth anniversary of Series A Issue Date, and (iii) the redemption price was amended to be the original investment amounts of the investors plus annual simple interest at a rate of 8% per annum between the Series A Issue Date to the third anniversary of the Series A Issue Date and at a compound interest rate of 8% per annum thereafter until the date of repurchase price, if any, was fully paid.

In April 2024 and May 2025, the Company entered into share repurchase agreements with the preferred share investors, pursuant to which the Company agreed to purchase and the investors agreed to sell all their remaining 64,815 Series A preferred shares of the Company held by the investors at their cost of investment without interest accrued thereon. The considerations for the share repurchase were settled by the Company by instalments with the last payment made in May 2025.

The movements in the financial liabilities at FVPL are set out below:

|                                                   | Year ended December 31, |           |           | Three months ended March 31, |         |
|---------------------------------------------------|-------------------------|-----------|-----------|------------------------------|---------|
|                                                   | 2023                    | 2024      | 2025      | 2025                         | 2026    |
|                                                   | RMB'000                 | RMB'000   | RMB'000   | RMB'000                      | RMB'000 |
|                                                   |                         |           |           | (Unaudited)                  |         |
| At the beginning of the year/period               | 489,564                 | 508,302   | 294,462   | 294,462                      | –       |
| Changes in fair value through profit or loss      | 10,833                  | (12,816)  | (1,116)   | 917                          | –       |
| Changes in fair value due to own credit risk      | (450)                   | (26)      | 1,378     | 13                           | –       |
| Changes in fair value due to currency translation | 8,355                   | 4,400     | 2         | (418)                        | –       |
| Repurchase of preferred shares                    | –                       | (205,398) | (294,726) | –                            | –       |
| At the end of the year/period                     | 508,302                 | 294,462   | –         | 294,974                      | –       |

(b) *Amounts recognized in profit or loss*

The following net fair value gains were recognized in the consolidated income statements during the Track Record Period:

|                                                                                                     | Year ended December 31, |          |         | Three months ended March 31, |         |
|-----------------------------------------------------------------------------------------------------|-------------------------|----------|---------|------------------------------|---------|
|                                                                                                     | 2023                    | 2024     | 2025    | 2025                         | 2026    |
|                                                                                                     | RMB'000                 | RMB'000  | RMB'000 | RMB'000                      | RMB'000 |
|                                                                                                     |                         |          |         | (Unaudited)                  |         |
| Net fair value loss /(gain) on financial liability at FVPL recognized in other gains – net (note 9) |                         |          |         |                              |         |
| – unrealized                                                                                        | 10,833                  | (12,816) | (1,116) | 917                          | –       |

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### (c) Accounting policy of preferred shares

The Group designated the preferred shares in the Company as financial liabilities at FVPL. They are initially recognized at fair value. Any directly attributable transaction costs are recognized as finance costs in profit or loss. The component of fair value changes relating to the Company’s own credit risk is recognized in OCI. Amounts recorded in OCI related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realised. Other fair value changes relating to market risk are recognized in profit or loss.

The convertible preferred shares are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

### 31 DEFERRED INCOME

|                    | As at December 31, |         |         | As at     |
|--------------------|--------------------|---------|---------|-----------|
|                    | 2023               | 2024    | 2025    | March 31, |
|                    | RMB’000            | RMB’000 | RMB’000 | 2026      |
| <b>Non-current</b> |                    |         |         |           |
| Government grants  | 6,021              | 6,653   | 6,583   | 6,326     |

Deferred income mainly represents government grants received but yet to be recognized in other income. The government grants received by the Group during the Track Record Period represented mainly government grants related to purchase of property, plant and equipment, and will be amortised and recorded as “other income” in the consolidated income statements (Note 8) over the relevant assets useful lives ranging from 7 to 9 years. The amortisation of the deferred income during the Years ended December 31, 2023, 2024 and 2025 and three months ended March 31, 2025 and 2026 amounted to RMB665,000, RMB880,000, RMB980,000, RMB228,000 and RMB257,000, respectively.

### 32 COMMITMENTS

#### (a) Capital commitments

The Group’s capital commitments are as follows:

|                                   | As at December 31, |         |         | As at     |
|-----------------------------------|--------------------|---------|---------|-----------|
|                                   | 2023               | 2024    | 2025    | March 31, |
|                                   | RMB’000            | RMB’000 | RMB’000 | 2026      |
| Property, plant and equipment     |                    |         |         |           |
| – Contracted but not provided for | 1,672              | 8,572   | 11,315  | 11,287    |

In addition, the Group had capital commitments to pay up the registered capital of certain PRC subsidiaries amounting to RMB2,000,000, RMB2,000,000, RMB2,000,000 and RMB2,000,000 as at December 31, 2023, 2024 and 2025 and March 31, 2026, respectively.

#### (b) Operating lease commitments

The Group as the lessee, leases various offices and warehouses under non-cancellable operating leases expiring within 3 months to 10 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

The Group has recognized right-of-use assets for these leases, except for short-term leases with lease terms withing one year and low-value leases, see Note 16 for further information.

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The operating lease commitments in respect of short-term and low-value leases for warehouse and office properties are as follows:

|                                  | As at December 31, |              |              | As at<br>March 31, |
|----------------------------------|--------------------|--------------|--------------|--------------------|
|                                  | 2023               | 2024         | 2025         | 2026               |
|                                  | RMB'000            | RMB'000      | RMB'000      | RMB'000            |
| Warehouses and offices           |                    |              |              |                    |
| – Lease expiring within one year | 654                | 957          | 1,462        | 443                |
| – Low-value rental               | 427                | 499          | 358          | –                  |
|                                  | <u>1,081</u>       | <u>1,456</u> | <u>1,820</u> | <u>443</u>         |

### 33 CASH FLOW INFORMATION

#### (a) Cash generated from operations

|                                                                         | Year ended December 31, |               |               | Three months ended<br>March 31, |               |
|-------------------------------------------------------------------------|-------------------------|---------------|---------------|---------------------------------|---------------|
|                                                                         | 2023                    | 2024          | 2025          | 2025                            | 2026          |
|                                                                         | RMB'000                 | RMB'000       | RMB'000       | RMB'000<br>(Unaudited)          | RMB'000       |
| Profit before income tax                                                | 161,810                 | 194,707       | 166,978       | 22,010                          | 38,818        |
| Adjustments for:                                                        |                         |               |               |                                 |               |
| – Depreciation of property, plant and equipment (note 15)               | 21,171                  | 25,089        | 30,796        | 7,920                           | 7,275         |
| – Depreciation of right-of-use assets (note 16)                         | 6,586                   | 8,033         | 8,390         | 2,098                           | 2,081         |
| – Amortisation of intangible assets (note 17)                           | 1,018                   | 1,011         | 878           | 240                             | 187           |
| – Provision for impairment of financial assets (note 3.1(b))            | 1,883                   | 2,687         | 2,483         | 1,194                           | 460           |
| – Net fair value (gains)/losses on financial assets at FVPL (note 9)    | (4,034)                 | (2,373)       | (3,348)       | 3,030                           | 2,148         |
| – Net fair value (gains)/losses on financial liability at FVPL (note 9) | 10,833                  | (12,816)      | (1,116)       | 917                             | –             |
| – (Gains)/losses on disposal of property, plant and equipment (note 9)  | 158                     | (46)          | 2             | –                               | –             |
| – Finance costs – net (note 10)                                         | 2,814                   | 2,586         | 4,757         | 1,637                           | 1,336         |
| – Amortisation and recognition of government grants                     | (665)                   | (880)         | (17,350)      | (228)                           | (257)         |
|                                                                         | <u>39,764</u>           | <u>23,291</u> | <u>25,492</u> | <u>16,808</u>                   | <u>13,230</u> |

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|                                                             | Year ended December 31, |                |                | Three months ended March 31,  |                |
|-------------------------------------------------------------|-------------------------|----------------|----------------|-------------------------------|----------------|
|                                                             | 2023                    | 2024           | 2025           | 2025                          | 2026           |
|                                                             | <i>RMB'000</i>          | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i><br>(Unaudited) | <i>RMB'000</i> |
| Changes in working capital:                                 |                         |                |                |                               |                |
| – (Increase)/decrease in inventories                        | (52,206)                | (79,950)       | 69,844         | 45,234                        | 18,384         |
| – (Increase)/decrease in trade receivables                  | 8,150                   | 1,215          | (7,638)        | 20,779                        | (9,940)        |
| – (Increase)/decrease in other receivables and prepayments  | (7,974)                 | (6,700)        | (4,256)        | (18,350)                      | 1,825          |
| – Increase/(decrease) in trade payables                     | 3,797                   | 35,032         | (45,858)       | (56,926)                      | (13,450)       |
| – Increase/(decrease) in other payables and accrued charges | 1,960                   | 4,168          | (5,111)        | (24,332)                      | (3,917)        |
| – Increase/(decrease) in contract liabilities               | 6,424                   | 5,233          | (13,311)       | (13,116)                      | 10,774         |
|                                                             | (39,849)                | (41,002)       | (6,330)        | (46,711)                      | 3,676          |
| Cash generated from operations                              | 161,725                 | 176,996        | 186,140        | (7,893)                       | 55,724         |

(b) **Proceeds from disposal of property, plant and equipment**

|                                              | Year ended December 31, |                |                | Three months ended March 31,  |                |
|----------------------------------------------|-------------------------|----------------|----------------|-------------------------------|----------------|
|                                              | 2023                    | 2024           | 2025           | 2025                          | 2026           |
|                                              | <i>RMB'000</i>          | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i><br>(Unaudited) | <i>RMB'000</i> |
| Net book amount ( <i>note 15</i> )           | 1,001                   | 150            | 750            | 750                           | 77             |
| (Losses)/gains on disposal ( <i>note 9</i> ) | (158)                   | 46             | (2)            | –                             | –              |
|                                              | 843                     | 196            | 748            | 750                           | 77             |

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### (c) Reconciliation of liabilities arising from financing activities

|                                                                           | Borrowings<br>and interest<br>payable | Lease<br>liabilities | Preferred<br>shares | Total     |
|---------------------------------------------------------------------------|---------------------------------------|----------------------|---------------------|-----------|
| Total debt as at January 1, 2023                                          | 42,800                                | 43,960               | 489,564             | 576,324   |
| Cash flows                                                                | (43,625)                              | (3,433)              | –                   | (47,058)  |
| Interest expenses                                                         | 825                                   | 1,989                | –                   | 2,814     |
| Additions                                                                 | –                                     | 2,578                | –                   | 2,578     |
| Fair value changes (including<br>foreign currency exchange<br>difference) | –                                     | –                    | 18,738              | 18,738    |
| Total debt as at December 31,<br>2023 and January 1, 2024                 | –                                     | 45,094               | 508,302             | 553,396   |
| Cash flows                                                                | 19,288                                | (4,837)              | (205,398)           | (190,947) |
| Interest expenses                                                         | 520                                   | 2,066                | –                   | 2,585     |
| Additions                                                                 | –                                     | 8,654                | –                   | 8,655     |
| Fair value changes (including<br>foreign currency exchange<br>difference) | –                                     | –                    | (8,442)             | (8,442)   |
| Total debt as at December 31,<br>2024 and January 1, 2025                 | 19,808                                | 50,977               | 294,462             | 365,247   |
| Cash flows                                                                | 97,400                                | (4,748)              | (294,726)           | (202,074) |
| Interest expenses                                                         | 3,023                                 | 1,734                | –                   | 4,757     |
| Additions                                                                 | –                                     | 3,518                | –                   | 3,518     |
| Fair value changes (including<br>foreign currency exchange<br>difference) | –                                     | –                    | 264                 | 264       |
| Non-cash transaction                                                      | –                                     | (16,371)             | –                   | (16,371)  |
| Total debt as at December 31,<br>2025 and January 1, 2026                 | 120,231                               | 35,110               | –                   | 155,341   |
| Cash flows                                                                | 2,258                                 | (2,110)              | –                   | 148       |
| Interest expenses                                                         | 956                                   | 381                  | –                   | 1,337     |
| Total debt as at March 31, 2026                                           | 123,445                               | 33,381               | –                   | 156,826   |
| Total debt as at January 1, 2025                                          | 19,808                                | 50,977               | 294,462             | 365,247   |
| Cash flows                                                                | 73,470                                | (963)                | –                   | 72,507    |
| Interest expenses                                                         | 1,174                                 | 464                  | –                   | 1,638     |
| Additions                                                                 | –                                     | 1,115                | –                   | 1,115     |
| Fair value changes (including<br>foreign currency exchange<br>difference) | –                                     | –                    | 512                 | 512       |
| Total debt as at March 31, 2025                                           | 94,452                                | 51,593               | 294,974             | 441,019   |

### 34 RELATED PARTY TRANSACTIONS

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

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The following significant transactions were carried out between the Group and its related parties during the year/periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

### (a) Related parties

Save as disclosed elsewhere in the financial statements, the directors of the Company are of the view that the following parties/companies were related parties that had transaction or balances with the Group during the Track Record Period:

| Name of related parties | Relationship with the Group        |
|-------------------------|------------------------------------|
| 河南禾勝合食品有限公司             | Affiliated company                 |
| 巫溪縣紅池臘鮮食品有限公司           | Controlled by Mr. Gou and Mr. Wang |
| 重慶聚慧企業管理有限公司            | Controlled by Mr. Gou and Mr. Wang |
| 上海聚慧星耀企業管理有限公司          | Controlled by Mr. Gou and Mr. Wang |
| 新鄉禾悅食品產業有限公司            | Affiliated company                 |
| GOWL Investment Limited | Controlled by Mr. Gou              |
| WAZS Holding Limited    | Controlled by Mr. Wu               |

### (b) Transactions with related parties

|                             | Year ended December 31, |              |              | Three months ended March 31, |              |
|-----------------------------|-------------------------|--------------|--------------|------------------------------|--------------|
|                             | 2023                    | 2024         | 2025         | 2025                         | 2026         |
|                             | RMB'000                 | RMB'000      | RMB'000      | RMB'000                      | RMB'000      |
| <b>Trade in nature:</b>     |                         |              |              |                              |              |
| (i) Sales of goods (1)      |                         |              |              |                              |              |
| 新鄉禾悅食品產業有限公司                | –                       | 32           | 41           | 22                           | –            |
| 河南禾勝合食品有限公司                 | 55                      | 46           | 22           | 41                           | 18           |
|                             | <u>55</u>               | <u>78</u>    | <u>63</u>    | <u>63</u>                    | <u>18</u>    |
| (ii) Purchases of goods (1) |                         |              |              |                              |              |
| 巫溪縣紅池臘鮮食品有限公司               | 252                     | 634          | 355          | 12                           | 72           |
| 河南禾勝合食品有限公司                 | 27                      | 2            | –            | –                            | –            |
|                             | <u>279</u>              | <u>636</u>   | <u>355</u>   | <u>12</u>                    | <u>72</u>    |
| (iii) Rental costs (2)      |                         |              |              |                              |              |
| 重慶聚慧企業管理有限公司                | 340                     | 357          | 279          | 91                           | 96           |
| 上海聚慧星耀企業管理有限公司              | 2,599                   | 2,997        | 5,181        | 1,187                        | 1,331        |
|                             | <u>2,939</u>            | <u>3,354</u> | <u>5,460</u> | <u>1,278</u>                 | <u>1,427</u> |

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|                                                    | Year ended December 31, |         |         | Three months ended March 31, |         |
|----------------------------------------------------|-------------------------|---------|---------|------------------------------|---------|
|                                                    | 2023                    | 2024    | 2025    | 2025                         | 2026    |
|                                                    | RMB'000                 | RMB'000 | RMB'000 | RMB'000                      | RMB'000 |
| <b>Non-trade in nature:</b>                        |                         |         |         |                              |         |
| (iv) Additions to amounts due from related parties |                         |         |         |                              |         |
| 上海聚慧星耀企業管理有限公司                                     | –                       | 28,000  | 15,100  | 3,000                        | 4,500   |
| WAZS Holding Limited                               | –                       | 10,783  | –       | –                            | –       |
| GOWL Investment Limited                            | –                       | 10,783  | –       | –                            | –       |
|                                                    | –                       | 49,566  | 15,100  | 3,000                        | 4,500   |

(v) Additions to amount due to a related party

|                      |   |   |       |   |   |
|----------------------|---|---|-------|---|---|
| WAZS Holding Limited | – | – | 1,385 | – | – |
|----------------------|---|---|-------|---|---|

- The sales and purchases with related parties were conducted on terms and prices mutually agreed among the counter parties and in ordinary course of business of the Group.
- During the Track Record Period, the Group leased an office premise in Chongqing from 重慶聚慧企業管理有限公司 and an application center in Shanghai from 上海聚慧星耀企業管理有限公司, with lease term of ten years and one year, respectively. The rental costs were based on mutually agreed terms and prices.

(c) **Balances with related parties**

|                            | As at December 31, |         |         | As at March 31, |
|----------------------------|--------------------|---------|---------|-----------------|
|                            | 2023               | 2024    | 2025    | 2026            |
|                            | RMB'000            | RMB'000 | RMB'000 | RMB'000         |
| <b>Trade in nature:</b>    |                    |         |         |                 |
| (i) Prepayments for rental |                    |         |         |                 |
| 上海聚慧星耀企業管理有限公司             | 3,683              | 2,417   | –       | –               |
| (ii) Trade payables        |                    |         |         |                 |
| 巫溪縣紅池臘鮮食品有限公司              | 206                | 359     | 332     | 72              |
| (iii) Other payables       |                    |         |         |                 |
| 上海聚慧星耀企業管理有限公司             | –                  | –       | 3,231   | 4,682           |

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|                               | As at December 31, |         |         | As at     |
|-------------------------------|--------------------|---------|---------|-----------|
|                               | 2023               | 2024    | 2025    | March 31, |
|                               | RMB'000            | RMB'000 | RMB'000 | 2026      |
|                               |                    |         |         | RMB'000   |
| <b>Non-trade in nature:</b>   |                    |         |         |           |
| (iv) <i>Other receivables</i> |                    |         |         |           |
| Non-current                   |                    |         |         |           |
| 上海聚慧星耀企業管理有限公司                | –                  | 28,000  | –       | –         |
| GOWL Investment Limited       | –                  | 10,783  | –       | –         |
| WAZS Holding Limited          | –                  | 10,783  | –       | –         |
|                               | –                  | 49,566  | –       | –         |
| Current                       |                    |         |         |           |
| 上海聚慧星耀企業管理有限公司                | –                  | –       | 43,100  | 47,600    |
| GOWL Investment Limited       | –                  | –       | 10,543  | 10,379    |
| WAZS Holding Limited          | –                  | –       | 10,543  | 10,379    |
|                               | –                  | –       | 64,186  | 68,358    |
| (v) <i>Other payables</i>     |                    |         |         |           |
| WAZS Holding Limited          | –                  | –       | 1,385   | 1,363     |

The Group made advances to related parties during the Track Record Period. As at December 31, 2023, 2024 and 2025 and March 31, 2026, the other receivables from related parties were unsecured, interest free and had repayment periods of over two years.

On June 12, 2026, the Company’s subsidiary entered into a sale and purchase agreement with 上海聚慧星耀企業管理有限公司 to purchase from 上海聚慧星耀企業管理有限公司 one of the floors that the Group had leased for use as application center with a gross floor area of approximately 1,351.28 square meters and for a consideration of RMB58,646,000. The consideration payable will be used to net off against the amount due from 上海聚慧星耀企業管理有限公司 upon completion of the purchase.

### (d) Key management compensation

Key management includes directors (executive and non-executive) and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

|                                                                     | Year ended December 31, |         |         | Three months ended |         |
|---------------------------------------------------------------------|-------------------------|---------|---------|--------------------|---------|
|                                                                     | 2023                    | 2024    | 2025    | 2025               | 2026    |
|                                                                     | RMB'000                 | RMB'000 | RMB'000 | RMB'000            | RMB'000 |
| Wages, salaries and bonuses                                         | 2,466                   | 4,666   | 4,580   | 942                | 932     |
| Pension, housing fund, medical insurance and other social insurance | 363                     | 425     | 421     | 117                | 132     |
|                                                                     | 2,829                   | 5,091   | 5,001   | 1,054              | 1,064   |

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### 35 BENEFITS AND INTERESTS OF DIRECTORS AND SUPERVISORS

The remuneration of every director and supervisor for the years ended December 31, 2023, 2024 and 2025 and for the three months ended March 31, 2025 and 2026 were set out below:

| Name of directors                          | Fees    | Wages and salaries | Social security costs, housing benefits and employee welfare | Total   |
|--------------------------------------------|---------|--------------------|--------------------------------------------------------------|---------|
|                                            | RMB'000 | RMB'000            | RMB'000                                                      | RMB'000 |
| <b>Year ended December 31, 2023</b>        |         |                    |                                                              |         |
| <i>Executive directors</i>                 |         |                    |                                                              |         |
| – Mr. Gou Zhongjun                         | –       | 665                | 82                                                           | 747     |
| – Mr. Wang Bin                             | –       | 665                | 94                                                           | 759     |
| – Mr. Wu Xu Nan                            | –       | 203                | 41                                                           | 244     |
| <i>Independent non-executive directors</i> |         |                    |                                                              |         |
| – Ms. Xiao Lin                             | –       | –                  | –                                                            | –       |
| – Mr. Chen Zhihong                         | –       | –                  | –                                                            | –       |
| – Mr. Ng Lokming                           | –       | –                  | –                                                            | –       |
|                                            | –       | 1,533              | 217                                                          | 1,750   |
| <b>Year ended December 31, 2024</b>        |         |                    |                                                              |         |
| <i>Executive directors</i>                 |         |                    |                                                              |         |
| – Mr. Gou Zhongjun                         | –       | 862                | 88                                                           | 950     |
| – Mr. Wang Bin                             | –       | 859                | 88                                                           | 947     |
| – Mr. Wu Xu Nan                            | –       | 457                | 51                                                           | 508     |
| <i>Independent non-executive directors</i> |         |                    |                                                              |         |
| – Ms. Xiao Lin                             | –       | –                  | –                                                            | –       |
| – Mr. Chen Zhihong                         | –       | –                  | –                                                            | –       |
| – Mr. Ng Lokming                           | –       | –                  | –                                                            | –       |
|                                            | –       | 2,178              | 227                                                          | 2,405   |
| <b>Year ended December 31, 2025</b>        |         |                    |                                                              |         |
| <i>Executive directors</i>                 |         |                    |                                                              |         |
| – Mr. Gou Zhongjun                         | –       | 906                | 89                                                           | 995     |
| – Mr. Wang Bin                             | –       | 896                | 89                                                           | 985     |
| – Mr. Wu Xu Nan                            | –       | 295                | 54                                                           | 349     |
| <i>Independent non-executive directors</i> |         |                    |                                                              |         |
| – Ms. Xiao Lin                             | –       | –                  | –                                                            | –       |
| – Mr. Chen Zhihong                         | –       | –                  | –                                                            | –       |
| – Mr. Ng Lokming                           | –       | –                  | –                                                            | –       |
|                                            | –       | 2,097              | 232                                                          | 2,329   |

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| Name of directors                          | Fees    | Wages and salaries | Social security costs, housing benefits and employee welfare | Total   |
|--------------------------------------------|---------|--------------------|--------------------------------------------------------------|---------|
|                                            | RMB'000 | RMB'000            | RMB'000                                                      | RMB'000 |
| <b>Three months ended March 31, 2026</b>   |         |                    |                                                              |         |
| <i>Executive directors</i>                 |         |                    |                                                              |         |
| – Mr. Gou Zhongjun                         | –       | 190                | 22                                                           | 212     |
| – Mr. Wang Bin                             | –       | 190                | 22                                                           | 212     |
| – Mr. Wu Xu Nan                            | –       | 43                 | 22                                                           | 65      |
| <i>Independent non-executive directors</i> |         |                    |                                                              |         |
| – Ms. Xiao Lin                             | –       | –                  | –                                                            | –       |
| – Mr. Chen Zhihong                         | –       | –                  | –                                                            | –       |
|                                            | –       | 423                | 66                                                           | 489     |
| <b>Three months ended March 31, 2025</b>   |         |                    |                                                              |         |
| <i>Executive directors</i>                 |         |                    |                                                              |         |
| – Mr. Gou Zhongjun                         | –       | 190                | 22                                                           | 212     |
| – Mr. Wang Bin                             | –       | 190                | 22                                                           | 212     |
| – Mr. Wu Xu Nan                            | –       | 53                 | 13                                                           | 66      |
| <i>Independent non-executive directors</i> |         |                    |                                                              |         |
| – Ms. Xiao Lin                             | –       | –                  | –                                                            | –       |
| – Mr. Chen Zhihong                         | –       | –                  | –                                                            | –       |
|                                            | –       | 433                | 57                                                           | 490     |

(a) Mr. Gou Zhongjun, Mr. Wang Bin and Mr. Wu Xu Nan were appointed as the Company’s directors on January 4, 2021, April 21, 2021 and April 21, 2021, respectively.

(b) Ms. Xiao Lin and Mr. Chen Zhihong were appointed as the Company’s directors on May 1, 2021.

(c) Other benefits of directors

(i) Directors’ retirement and termination benefits

No retirement or termination benefits have been paid to the Company’s directors for the Track Record period.

(ii) Consideration provided to third parties for making available directors’ services

No consideration was provided to third parties for making available directors’ services during the Track Record period.

(iii) Information about loans, quasi-loans or other dealings in favour of directors controlled bodies corporate by and connected entities with such directors and supervisors

No loans, quasi-loans or other dealings were entered into by the Company in favour of directors, controlled bodies corporate by and connected entities with such directors or supervisors during the Track Record period.

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- (iv) Directors’ material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group’s business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the years/periods or at any time during the Track Record period.

### 36 CONTINGENCIES

As at December 31, 2023, 2024 and 2025 and March 31, 2026, there were no significant contingencies items for the Group and the Company.

### 37 EVENTS AFTER THE BALANCE SHEET DATE

[There is no other material subsequent event undertaken by the Company or by the Group after March 31, 2026.]

### 38 OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES

#### 38.1 Subsidiaries

##### *(a) Consolidation*

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

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statements, consolidated statements of comprehensive loss, consolidated statement of changes in equity and consolidated balance sheets respectively.

##### *(b) Separate financial statements*

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

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

#### 38.2 Segment reporting

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

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### 38.3 Foreign currency translation

#### *(a) Functional and presentation currency*

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The functional currency of the Company is USD and of the majority of the Group’s entities is Renminbi (‘RMB’). The consolidated financial statements are presented in RMB.

#### *(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statements, within finance costs. All other foreign exchange gains and losses are presented in the consolidated income statements on a net basis within “other gains – net”.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive loss are recognized in other comprehensive loss.

#### *(c) Group companies*

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

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognized in other comprehensive loss.

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

### 38.4 Property, plant and equipment

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

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

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Construction in progress mainly represents factory and leasehold improvements under construction, which is stated at actual construction cost less accumulated impairment losses. Construction in progress is transferred to appropriate categories of property and equipment upon the completion of their respective construction and depreciated over their respective estimated useful lives.

### 38.5 Intangible assets

Acquired software licenses are capitalized on the basis of the costs incurred to acquire the specific software.

Separately acquired patents are shown at historical cost.

The Group amortizes intangible assets with a limited useful life using the straight-line method over the following periods:

|          |           |
|----------|-----------|
| Software | 3–5years  |
| Patent   | 5–10years |

### 38.6 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 38.7 Investments and other financial assets

#### (a) *Classification*

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

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”), or through profit or loss); and
- those to be measured at amortized cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive loss (FVOCI).

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

#### (b) *Recognition and derecognition*

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

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### (c) *Measurement*

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

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

#### *Debt instruments*

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

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in “other gains – net”, together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

**FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains – net. Interest income from these financial assets is included in “finance income” using the effective interest rate method. Foreign exchange gains and losses are presented in “other gains – net” and impairment losses are presented as separate line item in the consolidated income statement.

**FVPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains – net in the period in which it arises.

### (d) *Impairment*

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

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

For others, it is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

### 38.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

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### 38.9 Trade receivables

Trade receivables are amounts due from customers for products sold or services rendered in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognized at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 2.9 for a description of the Group’s impairment policies.

### 38.10 Cash and cash equivalents

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

### 38.11 Share capital

Ordinary shares and share capital from owners are classified as equity. Incremental costs directly attributable to the issue of [REDACTED] are shown in equity as a deduction, net of tax, from the [REDACTED].

### 38.12 Trade and other payables

Trade payables represent liabilities for products and services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities if payment is due within 12 months. If not, they are presented as non-current liabilities. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 38.13 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

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

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

### 38.14 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

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### 38.15 Employee benefits

#### (a) *Pension obligations and other social welfare benefits*

Full-time employees of the Group in mainland China are entitled to staff welfare benefits including pension, work-related injury benefits, maternity insurances, medical insurances, unemployment benefits and housing fund plans through a PRC government-mandated defined contribution plan. Chinese labour regulation requires that the Group make contributions to the government for these benefits based on certain percentage of the employees’ salaries, up to a maximum amount specified by the local government. The Group has no legal obligation for the benefits beyond the required contributions. There is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

#### (b) *Employee leave entitlement*

Employee entitlement to annual leave are recognized when they have accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employees entitlement to sick leave and maternity leave are not recognized until the time of leave.

#### (c) *Bonus plan*

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

### 38.16 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Note 31 provides further information on how the Group accounts for government grants.

Government grants relating to costs are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

### 38.17 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets. Financial assets have subsequently become credit-impaired, for which interest revenue is calculated by applying the effective interest rate to their amortised cost.

Interest income earned from financial assets that are held for cash management purposes is presented as finance income. Any other gains from treasury investments is included in “Other gains, net”.

### 38.18 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting date.

### 38.19 Leases

The Group leases properties and offices and land use right as lessee. Rental contracts are typically made for fixed periods of 2 years to 50 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

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

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

payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

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

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

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

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

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise equipment and small items of office furniture.

Lease income from operating leases where the Group is a lessor is recognized in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

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### III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to December 31, 2025 and up to the date of this report. [No dividend or distribution has been declared or made by the Company or any of the companies now comprising the Group in respect of any period subsequent to March 31, 2026.]