The following is the text of a report set out on pages I-1 to I-[60], received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

KPMG

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF JIIOV TECHNOLOGY (TIANJIN) CO., LTD. (極豪科技（天津）股份有限公司) AND GUOTAI JUNAN CAPITAL LIMITED AND PING AN OF CHINA CAPITAL (HONG KONG) COMPANY LIMITED

Introduction

We report on the historical financial information of JIIOV Technology (Tianjin) Co., Ltd. (極豪科技（天津）股份有限公司) (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-60, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended December 31, 2023, 2024 and 2025 (the "**Track Record Period**"), and material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-3 to I-60 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [•] (the "**Document**") in connection with the **[REDACTED]** of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

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

Reporting accountants' responsibility

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

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial

Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at December 31, 2023, 2024 and 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

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

Adjustments

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

Dividends

We refer to Note 28(b) to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

KPMG
Certified Public Accountants

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

[Date]

HISTORICAL FINANCIAL INFORMATION

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

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

Consolidated statements of profit or loss and other comprehensive income
*(Expressed in Renminbi ("**RMB**"))*

	Note	Year ended December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Revenue	4	208,182	367,645	468,855
Cost of sales		(153,376)	(233,813)	(292,560)
Gross profit		54,806	133,832	176,295
Other net income	5	2,217	321	15,675
Selling and distribution expenses		(22,304)	(25,241)	(28,499)
General and administration expenses		(27,779)	(33,276)	(38,307)
Research and development expenses		(79,459)	(93,238)	(108,578)
Reversal of/(provision for) impairment loss on trade and other receivables		17	(895)	(151)
(Loss)/profit from operations		(72,502)	(18,497)	16,435
Finance costs	6(a)	(241)	(1,646)	(2,155)
Changes in the carrying amount of redemption liabilities	25	(19,010)	(18,117)	(28,664)
Loss before taxation	6	(91,753)	(38,260)	(14,384)
Income tax expense	7	(29)	(17)	—
Loss for the year		**(91,782)**	**(38,277)**	**(14,384)**
Other comprehensive income for the year (after tax):				
Items that may be reclassified subsequently to profit or loss:				
— Exchange differences on translation of financial statements of overseas subsidiaries		(154)	748	(78)
Other comprehensive income for the year		(154)	748	(78)
Total comprehensive income for the year		**(91,936)**	**(37,529)**	**(14,462)**
Loss per share				
— Basic and diluted *(RMB)*	10	(1.04)	(0.41)	(0.15)

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of financial position
(Expressed in RMB)

	Note	As at December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property and equipment	*11*	4,202	3,964	2,283
Right-of-use assets	*12*	6,147	3,726	2,480
Intangible assets	*13*	29,096	22,901	16,751
Other non-current assets	*15*	932	657	3,771
		40,377	31,248	25,285
Current assets				
Inventories	*16*	45,633	76,266	44,879
Trade receivables	*17*	8,848	6,275	41,823
Prepayments and other receivables	*18*	3,995	11,735	16,245
Restricted bank deposits	*19*	—	5,000	11,066
Cash and cash equivalents	*19*	40,471	108,285	125,424
		98,947	207,561	239,437
Current liabilities				
Trade and bill payables	*20*	32,393	36,311	36,750
Accruals and other payables	*21*	78,074	74,437	78,210
Contract liabilities	*22*	773	24,999	87
Bank loans	*23*	17,000	74,648	102,492
Lease liabilities	*24*	2,706	2,665	1,853
Redemption liabilities	*25*	416,705	604,822	633,486
		547,651	817,882	852,878
Net current liabilities		(448,704)	(610,321)	(613,441)
Total assets less current liabilities		(408,327)	(579,073)	(588,156)
Non-current liability				
Lease liabilities	*24*	4,128	1,463	658
		4,128	1,463	658
NET LIABILITIES		**(412,455)**	**(580,536)**	**(588,814)**
CAPITAL AND RESERVES				
Paid-in capital	*28(c)*	91,937	94,488	94,488
Reserves	*28(d)*	(504,392)	(675,024)	(683,302)
TOTAL DEFICIT		**(412,455)**	**(580,536)**	**(588,814)**

The accompanying notes form part of the Historical Financial Information.

Statements of financial position of the Company
(Expressed in RMB)

	Note	As at December 31, 2023	2024	2025
		RMB'000	RMB'000	RMB'000
Non-current assets				
Property and equipment	11	2,646	2,915	1,658
Right-of-use assets	12	2,640	1,622	1,779
Intangible assets	13	29,096	22,901	16,751
Investments in subsidiaries	14	54,584	59,843	65,915
Other non-current assets	15	438	164	3,771
		89,404	87,445	89,874
Current assets				
Inventories	16	13,409	73,720	44,341
Trade receivables	17	25,001	25,883	62,693
Prepayments and other receivables	18	3,573	9,353	46,590
Restricted bank deposits	19	—	5,000	6,503
Cash and cash equivalents	19	8,787	77,734	123,873
		50,770	191,690	284,000
Current liabilities				
Trade and bill payables	20	15,802	34,796	37,697
Accruals and other payables	21	61,361	63,929	68,393
Contract liabilities	22	680	24,852	81
Bank loans	23	12,000	54,648	97,492
Lease liabilities	24	1,070	979	1,065
Redemption liabilities	25	416,705	604,822	633,486
		507,618	784,026	838,214
Net current liabilities		(456,848)	(592,336)	(554,214)
Total assets less current liabilities		(367,444)	(504,891)	(464,340)
Non-current liability				
Lease liabilities	24	1,654	675	658
		1,654	675	658
NET LIABILITIES		**(369,098)**	**(505,566)**	**(464,998)**
CAPITAL AND RESERVES				
Paid-in capital	28(c)	91,937	94,488	94,488
Reserves	28(d)	(461,035)	(600,054)	(559,486)
TOTAL DEFICIT		**(369,098)**	**(505,566)**	**(464,998)**

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of changes in equity

(Expressed in RMB)

	Note	Paid-in capital	Capital reserve	Share-based payment reserve	Exchange reserve	Other reserve	Accumulated losses	Total deficit
		RMB'000 (Note 28 (c))	*RMB'000* (Note 28 (d)(i))	*RMB'000* (Note 28 (d)(ii))	*RMB'000* (Note 28 (d)(iii))	*RMB'000* (Note 28 (d)(iv))	*RMB'000*	*RMB'000*
Balance at January 1, 2023		87,508	(7,936)	3,882	508	(203,000)	(162,759)	(281,797)
Changes in equity for 2023								
Loss for the year		—	—	—	—	—	(91,782)	(91,782)
Other comprehensive income for the year		—	—	—	(154)	—	—	(154)
Total comprehensive income for the year		—	—	—	(154)	—	(91,782)	(91,936)
Capital contribution from ordinary shareholders	*28(c)*	4,429	—	—	—	—	—	4,429
Recognition of redemption liabilities	25	—	—	—	—	(49,109)	—	(49,109)
Equity settled share-based payment expenses	27	—	—	5,958	—	—	—	5,958
Balance at December 31, 2023		91,937	(7,936)	9,840	354	(252,109)	(254,541)	(412,455)

The accompanying notes form part of the Historical Financial Information.

	Note	Paid-in capital	Capital reserve	Share-based payment reserve	Exchange reserve	Other reserve	Accumulated losses	Total deficit
		RMB'000 (Note 28 (c))	*RMB'000* (Note 28 (d)(i))	*RMB'000* (Note 28 (d)(ii))	*RMB'000* (Note 28 (d)(iii))	*RMB'000* (Note 28 (d)(iv))	*RMB'000*	*RMB'000*
Balance at January 1, 2024		91,937	(7,936)	9,840	354	(252,109)	(254,541)	(412,455)
Changes in equity for 2024								
Loss for the year		—	—	—	—	—	(38,277)	(38,277)
Other comprehensive income for the year		—	—	—	748	—	—	748
Total comprehensive income for the year		—	—	—	748	—	(38,277)	(37,529)
Capital contribution from shareholders with redemption rights	25, 28(c)	2,551	30,449	—	—	—	—	33,000
Recognition of redemption liabilities	25	—	(33,000)	—	—	(137,000)	—	(170,000)
Equity settled share-based payment expenses	27	—	—	6,448	—	—	—	6,448
Balance at December 31, 2024		94,488	(10,487)	16,288	1,102	(389,109)	(292,818)	(580,536)

	Note	Paid-in capital	Capital reserve	Share-based payment reserve	Exchange reserve	Other reserve	Accumulated losses	Total deficit
		RMB'000 (Note 28 (c))	*RMB'000* (Note 28 (d)(i))	*RMB'000* (Note 28 (d)(ii))	*RMB'000* (Note 28 (d)(iii))	*RMB'000* (Note 28 (d)(iv))	*RMB'000*	*RMB'000*
Balance at January 1, 2025		94,488	(10,487)	16,288	1,102	(389,109)	(292,818)	(580,536)
Changes in equity for 2025								
Loss for the year		—	—	—	—	—	(14,384)	(14,384)
Other comprehensive income for the year		—	—	—	(78)	—	—	(78)
Total comprehensive income for the year		—	—	—	(78)	—	(14,384)	(14,462)
Equity settled share-based payment expenses	27	—	—	6,184	—	—	—	6,184
Balance at December 31, 2025		94,488	(10,487)	22,472	1,024	(389,109)	(307,202)	(588,814)

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of cash flows
(Expressed in RMB)

	Note	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Operating activities				
Cash (used in)/generated from operations	*19(b)*	(28,640)	(5,275)	12,250
Income tax paid		(29)	(17)	—
Net cash (used in)/generated from operating activities		(28,669)	(5,292)	12,250
Investing activities				
Payments for the purchase of property and equipment and intangible assets		(5,240)	(13,215)	(17,922)
Receipts of repayment of loan to a third party		16,400	30,000	6,000
Loan to a third party		(16,400)	(30,000)	(6,000)
Payments for investments in financial assets at fair value through profit or loss ("**FVPL**")	*29(e)*	(64,500)	—	(1,000)
Proceeds from disposals of financial assets at FVPL	*29(e)*	66,050	—	1,000
Investment income from financial assets at FVPL	*29(e)*	213	—	6
Net cash used in investing activities		(3,477)	(13,215)	(17,916)
Financing activities				
Capital element of lease payments	*19(c)*	(2,580)	(2,706)	(2,845)
Interest element of lease payments	*19(c)*	(179)	(166)	(97)
Capital contributions from shareholders of the Company	*28(a)*	4,429	33,000	—
Proceeds from borrowings	*19(c)*	17,000	96,856	102,492
Repayments of borrowings	*19(c)*	—	(39,208)	(74,648)
Interest paid	*19(c)*	(62)	(1,480)	(2,058)
Net cash generated from financing activities		18,608	86,296	22,844
Net (decrease)/increase in cash and cash equivalents		(13,538)	67,789	17,178
Cash and cash equivalents at the beginning of the year		54,006	40,471	108,285
Effects of exchange rate changes on the balance of cash held in foreign currencies		3	25	(39)
Cash and cash equivalents at the end of the year	*19(a)*	**40,471**	**108,285**	**125,424**

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

1 Basis of preparation and presentation of the Historical Financial Information

JIIOV Technology (Tianjin) Co., Ltd. (極豪科技 (天津) 股份有限公司) (the "**Company**") was established in the People's Republic of China (the "**PRC**") on February 27, 2020 as a limited liability company. In May 2026, the Company was converted from a limited liability company into a joint stock limited liability company.

The Company and its subsidiaries (together, "**the Group**") are principally engaged in sales of integrated perceptual interaction solutions and related services for smart devices.

The financial statements of the Company for the year ended December 31, 2023 prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC (the "**PRC GAAP**") were audited by Beijing Bochen Yiheng Certified Public Accountants (北京博宸益恒會計師事務所(普通合夥)). The financial statements of the Company for the years ended December 31, 2024 and December 31, 2025 prepared in accordance with the PRC GAAP were audited by RSM China CPA LLP Suzhou Branch (容誠會計師事務所(特殊普通合夥)蘇州分所).

As of the date of this report, the Company has direct or indirect interest in the following principal subsidiaries, all of which are private companies:

Company name	Place of incorporation/ establishment and business and date of incorporation	Particulars of registered capital and paid-up capital	Proportion of ownership interest held by the Group	Principal activities
Tianjin Jichuang Haoxin Semiconductor Technology Co., Ltd. 天津極創豪芯半導體科技有限公司(i)(ii)	Tianjin, China July 5, 2022	RMB100,000,000/ RMB43,000,000	100%	Provision of research and development services
Beijing Aurora Zhixin Technology Co., Ltd. 北京極光智芯科技有限公司(i)(iii)	Beijing, China April 28, 2023	RMB10,000,000/ RMB10,000,000	100%	Provision of research and development services

Notes:

(i) These entities were registered as limited liability companies under the laws and regulations in the PRC. The official names of these entities are in Chinese. The English translation is included for identification purpose only.

(ii) The financial statements of this entity for the year ended December 31, 2024 prepared in accordance with the PRC GAAP were audited by RSM China CPA LLP Suzhou Branch (容誠會計師事務所(特殊普通合夥)蘇州分所). No audited financial statements for the years ended December 31, 2023 and December 31, 2025 have been issued.

(iii) The financial statements of this entity for the years ended December 31, 2024 and December 31, 2025 prepared in accordance with the PRC GAAP were audited by RSM China CPA LLP Suzhou Branch (容誠會計師事務所(特殊普通合夥)蘇州分所). No audited financial statements for the year ended December 31, 2023 have been issued.

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

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

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing this Historical Financial Information, the Group has consistently applied all applicable new and revised IFRS Accounting Standards throughout the Track Record Period. The Group has not adopted any new and revised accounting standards and interpretations issued but not yet effective for the Track Record Period which are set out in Note 33.

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

For the year ended December 31, 2025, the Group incurred net loss of RMB14,384,000 and as at December 31, 2025, the Group recorded net liabilities of RMB588,814,000 and net current liabilities of RMB613,441,000, which included redemption liabilities arising from financial instruments issued to investors amounted to RMB633,486,000. The directors of the Company are of the opinion that no payment is expected for the settlement of the redemption liabilities as the related redemption rights would be terminated and the redemption liabilities would be reclassified to equity upon the **[REDACTED]** of the Company's H shares on the Stock Exchange. Taking the above into consideration, and together with cashflow forecast prepared by management of the Group which cover a period of more than twelve months from the date of this report, the directors of the Company consider that there are no material uncertainties related to events or conditions, which, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern. Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

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

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

2 Material accounting policy information

(a) Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis, except for financial assets at FVPL are stated at their fair values as explained in Note 2(d).

(b) Use of estimates and judgements

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

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

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

(c) Subsidiaries

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

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

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

(d) Other investments in securities

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

Investments in securities are recognized/derecognized on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognized directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 29(e). These investments are subsequently accounted for as follows, depending on their classification.

(i) Non-equity investments

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

— amortized cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

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

— FVPL, if the investment does not meet the criteria for being measured at amortized cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognized in profit or loss.

(ii) Equity investments

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

(e) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(h)(ii)).

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

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

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values, if any, using the straight-line method over their estimated useful lives as follows:

	Estimated useful lives
Machinery	2–5 years
Office equipment	3–5 years
Leasehold improvements	The shorter of the unexpired term of lease and estimated useful lives

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(f) Intangible assets

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

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

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

The estimated useful lives are as follows:

	Estimated useful lives
Patents	6 years
Software	2 years

Amortization methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(g) Leased assets

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

As a lessee

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

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

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

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Note 2(h)(ii)).

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

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

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

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognizes a loss allowance for expected credit losses ("**ECLs**") on financial assets measured at amortized cost (including restricted bank deposits, cash and cash equivalents, trade receivables and other receivables).

Measurement of ECLs

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

The expected cash shortfalls are discounted using the effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

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

ECLs are measured on either of the following bases:

— 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

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

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

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

Significant increases in credit risk

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

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

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

Credit-impaired financial assets

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

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

— significant financial difficulties of the debtor;

— a breach of contract, such as a default or being more than 90 days past due;

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

— it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Write-off policy

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

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

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

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

(i) Inventories

Inventories are measured at the lower of cost and net realizable value as follows:

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

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

(j) Contract liabilities

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

(k) Trade and other receivables

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

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

(l) Cash and cash equivalents

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

(m) Trade and other payables

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

(n) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method.

(o) Employee benefits

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

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

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

(ii) Share-based payments

For share-based payments expenses, the fair value of share-based awards granted to employees is recognized as an employee cost with a corresponding increase in a share-based payments reserve within equity. The fair value is measured at grant date using the binomial options pricing model, taking into account the terms and conditions upon which the share-based awards were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share-based awards, the total estimated fair value of the share-based awards is spread over the vesting period, taking into account the probability that the share-based awards will vest.

During the vesting period, the number of share-based awards that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based payments reserve. On vesting date, the amount recognized as an expense is adjusted to reflect the actual number of share-based awards that vest (with a corresponding adjustment to the share-based payments reserve). The equity amount in such reserve is recognized in the share-based payments reserve until either the option is exercised (when it is included in the amount recognized in share capital and capital reserve for the shares issued) or the option expires (when it is released directly to retained profits).

(iii) Termination benefits

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

(p) Redemption liabilities

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

(q) Income tax

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

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

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

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

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

- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

- taxable temporary differences arising on the initial recognition of goodwill; and

- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Cooperation and Development.

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

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

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

(r) Provisions and contingent liabilities

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

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

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract (see Note 2(h)(ii)).

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

(s) Revenue and other income

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

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

(i) Revenue from contracts with customers

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

Consideration payable to a customer includes cash amounts that the Group pays, or expects to pay, to the customer. The Group accounted for such consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group and the fair value of the good or service received from the customer can be reasonably estimated. Accordingly, if consideration payable to a customer is accounted for as a reduction of the transaction price, the Group recognizes the reduction of revenue when (or as) the later of either of the following events occurs: (i) the Group recognizes revenue for the transfer of the related goods or services to the customer; and (ii) the Group pays or promises to pay the consideration (even if the payment is conditional on a future event).

(a) Revenue from sales of smart device solutions

Revenue is recognized when the customer takes possession of and accepts the smart device solutions, including fingerprint sensors.

(b) Revenue from rendering technical services

The Group provides technical services related software and hardware development services to its customers. Revenue is recognized when control over the customized software has been transferred to the customer. The customers cannot receive and consume the benefits simultaneously from the Group as well as control the customized software until the software is delivered to the customer. The customized software generally has no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until the customized software is transferred to the customer. Therefore, revenue is recognized at a point in time when the customized software is passed to the customer.

(ii) Revenue from other sources and other income

(a) Interest income

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

(b) Government grants

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

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

(t) Translation of foreign currencies

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

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

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

Foreign currency differences are recognized in OCI and accumulated in the exchange reserve.

(u) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

(v) Related parties

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

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

(ii) has significant influence over the Group; or

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

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

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

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

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

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

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

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

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

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

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

(w) Segment reporting

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

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

3 Accounting judgements and estimates

Notes 17 and 29 contain information about the assumptions and their risk factors relating to measurement of ECL allowance for trade receivables and fair value of financial instruments. Other significant sources of estimation uncertainty are as follows:

(i) Net realizable value of inventories

Net realizable 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. Special consideration is given to estimate the selling price of those technically obsolete and/or slow-moving inventory items.

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

(ii) Share-based compensation arrangement and its fair value measurement

The Group measures the cost of share-based payments with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. The determination of the fair value of the share-based payments is affected by the significant assumptions such as the underlying equity value, the expected volatility of share price and risk-free interest rate. Details of share-based payments are contained in Note 27.

4 Revenue and segment reporting

The Group is principally engaged in sales of integrated perceptual interaction solutions and related services for smart devices.

(a) Revenue

(i) Disaggregation of revenue

The Group's revenue from contracts with customers were recognized at a point in time during the Track Record Period.

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15			
Recognised at a point in time			
Disaggregated by major products or service lines			
— Smart device solutions	205,703	362,140	428,891
— Technical services	2,479	5,505	39,964
	208,182	367,645	468,855

During the Track Record Period, the Group's customers with whom transactions have exceeded 10% of the Group's revenue in the respective years are set out below. Details of concentrations of credit risk of the Group are set out in Note 29(a).

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Customer A	58,777	172,222	194,141
Customer B	92,726	146,183	128,645
Customer C	46,255	*	*

* Represents that the amount of aggregate revenue from such customer is less than 10% of the total revenue for the respective year.

The Group takes advantage of the practical expedient in paragraph 121 of IFRS 15 and does not disclose the remaining performance obligation as all of the Group's sale contracts have an original expected duration of less than 1 year.

(b) Segment reporting

(i) Segment results

IFRS 8, *Operating segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. On this basis, as for the purpose of making decisions about resources allocation and performance assessment, the Group's management reviews the operating results of the Group as a whole, the Group has determined that it only has one operating segment during the Track Record Period.

(ii) Geographic information

The Group's revenue is substantially derived from customers located in the PRC, and all of the Group's non-current assets are located or allocated to operations located in the PRC. Accordingly, no segment analysis based on geographical locations is provided.

5 Other net income

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	1,708	94	15,389
Investment income from financial assets at FVPL	213	—	6
Bank interest income	296	229	262
Others	—	(2)	18
	2,217	321	15,675

6 Loss before taxation

Loss before taxation is arrived at after charging:

(a) Finance costs

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on bank loans	62	1,480	2,058
Interest on lease liabilities	179	166	97
	241	1,646	2,155

(b) Staff costs

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, wages and other benefits	71,192	78,701	90,700
Contributions to defined contribution retirement schemes	5,967	7,087	7,615
Equity settled share-based payment expenses *(Note 27)*	5,958	6,448	6,184
	83,117	92,236	104,499

(i) Defined contribution retirement plans

Employees of the Group are required to participate in a defined contribution retirement scheme administered and operated by the local municipal governments where the subsidiaries are registered. The Group contributes funds which are calculated on certain percentages of the average employee salary as agreed by the respective local municipal governments to the scheme to fund the retirement benefits of the employees.

The Group has no further material obligation for payment of other retirement benefits beyond the above contributions.

(c) Other items

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of inventories sold*	153,376	233,813	292,560
Amortization of intangible assets	6,172	6,195	6,150
Depreciation charge			
— Property and equipment	1,556	2,294	2,395
— Right-of-use assets	3,524	2,421	2,474

* Cost of inventories include RMB10,558,000, RMB12,633,000 and RMB14,746,000 relating to staff costs, depreciation and amortization expenses for each of the years ended December 31, 2023, 2024 and 2025, respectively, which are also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

7 Income tax in the consolidated statements of profit or loss and other comprehensive income

Reconciliation between tax expense and accounting profit or loss at applicable tax rates:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before taxation	(91,753)	(38,260)	(14,384)
Notional tax on loss before taxation calculated at tax rate of 25% *(Note (i))*	(22,938)	(9,565)	(3,596)
Tax rates differentials *(Notes (ii) and (iv))*	5,465	2,473	1,281
Non-deductible expenses	132	97	82
Additional tax deduction on research and development expenses *(Note (iii))*	(5,696)	(9,160)	(9,424)
Temporary differences and tax losses not recognized	23,066	16,172	11,657
Actual tax expense	29	17	—

Notes:

(i) The Company and its subsidiaries established in Chinese Mainland are subject to the PRC Corporate Income Tax rate of 25% during the Track Record Period except for those subject to tax concessions disclosed in the notes below.

(ii) The PRC Corporate Income Tax Law allows enterprises to apply for certificate of "High and New Technology Enterprise" ("**HNTE**"), which entitles the qualified companies to a preferential income tax rate of 15%, subject to fulfilment of the recognition criteria.

The Company qualifies as an HNTE and is entitled for a preferential tax rate of 15% from 2021 to 2027. Beijing Aurora Zhixin Technology Co., Ltd., the Company's subsidiary, qualifies as an HNTE and is entitled for a preferential tax rate of 15% from 2024 to 2027.

(iii) According to the relevant tax rules in Chinese Mainland, qualified research and development expenses are allowed for additional tax deduction based on 100% of the relevant expenses during the Track Record Period.

(iv) Taxation for subsidiaries incorporated in other jurisdictions is charged at the appropriate current rates of taxation ruling in the relevant countries.

8 Directors' and supervisors' emoluments

Details of the emoluments of the directors and supervisors of the Company during the years ended December 31, 2023, 2024, 2025 are as followings:

	Year ended December 31, 2023						
	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Directors' and supervisors' fee	Sub-total	Share-based payments *(Note iii)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive director							
Mr. Chen Keqing	697	400	63	—	1,160	1,721	2,881
Non-executive directors							
Mr. Tan Kah Ong	—	—	—	823	823	1,707	2,530
Mr. Zhou Zhifeng	—	—	—	—	—	—	—
Mr. Zhou Siyuan	—	—	—	—	—	—	—
Mr. Shi Xiaoye	—	—	—	—	—	—	—
Supervisor							
Ms. Kong Yuan	928	144	63	—	1,135	387	1,522
Total	**1,625**	**544**	**126**	**823**	**3,118**	**3,815**	**6,933**

	Year ended December 31, 2024						
	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Directors' and supervisors' fee	Sub-total	Share-based payments *(Note iii)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive director							
Mr. Chen Keqing	702	298	66	—	1,066	1,726	2,792
Non-executive directors							
Mr. Tan Kah Ong	—	—	—	946	946	1,712	2,658
Mr. Zhou Zhifeng	—	—	—	—	—	—	—
Mr. Zhou Siyuan	—	—	—	—	—	—	—
Mr. Shi Xiaoye (resigned on October 25, 2024)	—	—	—	—	—	—	—
Mr. Wang Chen (appointed on October 25, 2024)	—	—	—	—	—	—	—
Supervisor							
Ms. Kong Yuan	966	131	66	—	1,163	388	1,551
Total	**1,668**	**429**	**132**	**946**	**3,175**	**3,826**	**7,001**

	Year ended December 31, 2025						
	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Directors' and supervisors' fee	Sub-total	Share-based payments *(Note iii)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive director							
Mr. Chen Keqing	833	320	68	—	1,221	1,721	2,942
Non-executive directors							
Mr. Tan Kah Ong	—	—	—	872	872	1,707	2,579
Mr. Zhou Zhifeng	—	—	—	—	—	—	—
Mr. Zhou Siyuan	—	—	—	—	—	—	—
Mr. Wang Chen	—	—	—	—	—	—	—
Supervisor							
Ms. Kong Yuan	1,025	226	68	—	1,319	387	1,706
Total	**1,858**	**546**	**136**	**872**	**3,412**	**3,815**	**7,227**

Notes:

(i) Ms. Kong Yuan resigned as a supervisor of the Company in May 2026, and Ms. Zhang Jinya was appointed as a supervisor.

(ii) Mr. Hasan Gadjali, Mr. Liang Guanning and Mr. Xu Xinran were appointed as independent non-executive directors of the Company in May 2026 with effect from the date of **[REDACTED]**.

(iii) These represent the estimated value of share options granted to the directors and supervisor under the Group's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions. The details of these benefits in kind, including the principal terms and number of options granted, are disclosed in Note 27.

(iv) During the Track Record Period, no director or supervisor has waived or agreed to waive any emoluments and no amounts were paid or payable by the Group to the directors and the supervisors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

9 Individuals with highest emoluments

The number of directors, supervisors and other employees included in the five highest paid individuals for the years ended December 31, 2023, 2024 and 2025 are set forth below:

	Year ended December 31,		
	2023	2024	2025
	Number of individuals	*Number of individuals*	*Number of individuals*
Directors and supervisors	2	2	2
Other employees	3	3	3
	5	5	5

The emoluments of directors and supervisors are disclosed in Note 8. The aggregate of the emoluments in respect of the remaining highest paid individuals are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	3,879	3,897	4,147
Discretionary bonuses	605	565	822
Retirement scheme contributions	199	207	211
Share-based payments	1,162	1,165	1,162
	5,845	5,834	6,342

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

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

10 Loss per share

(a) Basic loss per share

The calculation of the basic loss per share during the Track Record Period is based on the loss for the year attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares deemed to be in issue.

As described in Note 32, the Company was converted into a joint stock company with limited liability and 153,345,544 shares at RMB1.00 each were issued on May 20, 2026. For the purpose of computing basic and diluted loss per share, the weighted average number of ordinary shares deemed to be in issue before the Company's conversion into a joint stock company was determined assuming the conversion into joint stock company had occurred since 1 January 2023, at the conversion ratio established in the conversion on May 20, 2026.

Loss for the year attributable to ordinary equity shareholders of the Company

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year attributable to all equity shareholders of the Company	(91,782)	(38,277)	(14,384)
Allocation of loss for the year attributable to ordinary shares with redemption rights	31,651	15,424	7,377
Loss for the year attributable to ordinary equity shareholders of the Company	(60,131)	(22,853)	(7,007)

Weighted average number of ordinary shares deemed to be in issue

	Year ended December 31,		
	2023	**2024**	**2025**
	'000	*'000*	*'000*
Ordinary shares deemed to be in issue at January 1	87,508	91,937	94,488
Effect of ordinary shares deemed to be issued	511	1,276	—
Effect of ordinary shares with redemption rights *(Note 25)*	(30,353)	(37,562)	(48,462)
Weighted average number of ordinary shares deemed to be in issue at December 31	57,666	55,651	46,026

(b) Diluted loss per share

Ordinary shares with redemption liabilities (Note 25) and share options (Note 27) were excluded from the calculation of diluted loss per share because their effect would have been anti-dilutive. The diluted loss per share were the same as the basic loss per share during the Track Record Period.

11 Property and equipment

The Group

	Machinery	Office equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cost:				
At January 1, 2023	2,167	2,192	—	4,359
Additions	3,050	233	288	3,571
At December 31, 2023 and at January 1, 2024	5,217	2,425	288	7,930
Additions	1,815	241	—	2,056
At December 31, 2024 and at January 1, 2025	7,032	2,666	288	9,986
Additions	172	542	—	714
At December 31, 2025	7,204	3,208	288	10,700
Accumulated depreciation:				
At January 1, 2023	1,061	1,111	—	2,172
Charge for the year	940	592	24	1,556
At December 31, 2023 and at January 1, 2024	2,001	1,703	24	3,728
Charge for the year	1,790	408	96	2,294
At December 31, 2024 and at January 1, 2025	3,791	2,111	120	6,022
Charge for the year	1,966	333	96	2,395
At December 31, 2025	5,757	2,444	216	8,417
Net book value:				
At December 31, 2023	3,216	722	264	4,202
At December 31, 2024	3,241	555	168	3,964
At December 31, 2025	1,447	764	72	2,283

The Company

	Machinery	Office equipment	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1, 2023	2,146	2,192	4,338
Additions	1,727	233	1,960
At December 31, 2023 and at January 1, 2024	3,873	2,425	6,298
Additions	1,700	241	1,941
At December 31, 2024 and at January 1, 2025	5,573	2,666	8,239
Additions	137	359	496
At December 31, 2025	5,710	3,025	8,735
Accumulated depreciation:			
At January 1, 2023	1,061	1,111	2,172
Charge for the year	888	592	1,480
At December 31, 2023 and at January 1, 2024	1,949	1,703	3,652
Charge for the year	1,264	408	1,672
At December 31, 2024 and at January 1, 2025	3,213	2,111	5,324
Charge for the year	1,440	313	1,753
At December 31, 2025	4,653	2,424	7,077
Net book value:			
At December 31, 2023	1,924	722	2,646
At December 31, 2024	2,360	555	2,915
At December 31, 2025	1,057	601	1,658

12 Right-of-use assets

The Group

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1	7,314	7,984	7,984
Additions	7,983	—	1,228
Expiry of lease terms	(7,313)	—	(941)
At December 31	7,984	7,984	8,271
Accumulated depreciation:			
At January 1	5,626	1,837	4,258
Charge for the year	3,524	2,421	2,474
Written back on expiry of lease terms	(7,313)	—	(941)
At December 31	1,837	4,258	5,791
Net book value:			
At December 31	6,147	3,726	2,480

The Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1	7,314	3,660	3,660
Additions	3,659	—	1,228
Expiry of lease terms	(7,313)	—	(941)
At December 31	3,660	3,660	3,947
Accumulated depreciation:			
At January 1	5,627	1,020	2,038
Charge for the year	2,706	1,018	1,071
Written back on expiry of lease terms	(7,313)	—	(941)
At December 31	1,020	2,038	2,168
Net book value:			
At December 31	2,640	1,622	1,779

The Group's leased properties are office buildings through tenancy agreements. The leases typically run for an initial period of 2 to 3 years. None of the leases includes variable lease payments.

The analysis of expense items in relation to leases recognized in the Group's profit or loss is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation charge of right-of-use assets	3,524	2,421	2,474
Interest on lease liabilities *(Note 6(a))*	179	166	97
Expenses relating to short-term leases	265	—	222

Details of total cash outflow for leases is set out in Note 19(d).

13 Intangible assets

The Group and the Company

	Patents	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1, 2023	36,769	111	36,880
Additions	—	133	133
At December 31, 2023, December 31, 2024 and December 31, 2025	36,769	244	37,013
Accumulated amortization:			
At January 1, 2023	1,634	111	1,745
Charge for the year	6,128	44	6,172
At December 31, 2023 and at January 1, 2024	7,762	155	7,917
Charge for the year	6,128	67	6,195
At December 31, 2024 and at January 1, 2025	13,890	222	14,112
Charge for the year	6,128	22	6,150
At December 31, 2025	20,018	244	20,262
Net book value:			
At December 31, 2023	29,007	89	29,096
At December 31, 2024	22,879	22	22,901
At December 31, 2025	16,751	—	16,751

During the Track Record Period, there was no impairment provided on intangible assets.

14 Investments in subsidiaries

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Investment in subsidiaries, at cost	49,695	51,695	54,695
Deemed investments arising from share-based payments *(i)*	4,889	8,148	11,220
	54,584	59,843	65,915

Details of the subsidiaries are set out in Note 1.

(i) The Company granted share options to certain employees of its subsidiaries (see Note 27). The Company does not require its subsidiaries to pay for the Company's shares in issue to settle the grant of share options. Accordingly, the equity settled share-based payment expenses allocated to its subsidiaries with no requirement of payments are recognized as deemed investments arising from share-based payments.

(ii) During the Track Record Period, there was no impairment provided on investments in subsidiaries.

15 Other non-current assets

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for machinery equipment	—	—	3,125
Others	932	657	646
	932	657	3,771

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for machinery equipment	—	—	3,125
Others	438	164	646
	438	164	3,771

16 Inventories

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	4,376	2,698	1,638
Work in progress	33,692	49,448	33,438
Finished goods	7,565	24,220	9,903
Less: write-down of inventories	—	(100)	(100)
	45,633	76,266	44,879

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

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount of inventories sold	153,376	233,713	292,560
Write-down of inventories	—	100	—
	153,376	233,813	292,560

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	1,651	2,698	1,638
Work in progress	11,492	48,133	33,190
Finished goods	266	22,989	9,613
Less: write-down of inventories	—	(100)	(100)
	13,409	73,720	44,341

17 Trade receivables

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	8,892	6,307	42,033
Less: provision for loss allowance under expected credit loss model	(44)	(32)	(210)
	8,848	6,275	41,823

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	1	4,508	41,503
Amounts due from subsidiaries	25,000	21,398	21,398
Less: provision for loss allowance under expected credit loss model	—	(23)	(208)
	25,001	25,883	62,693

All of trade receivables are expected to be recovered within one year. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 29(a).

Aging analysis

As at the end of each reporting period, the aging analysis of trade receivables based on the date of revenue recognition and net of loss allowance, is as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	8,848	5,486	41,823
Over 1 year	—	789	—
	8,848	6,275	41,823

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	25,001	25,883	62,693

Movements in the loss allowance account in respect of the Group's trade receivables during the Track Record Period are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At January 1	61	44	32
(Reversal of)/provision for impairment loss on trade receivables	(17)	(12)	178
At December 31	44	32	210

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. The Group considers the characteristics of the shared credit risk and the aging of the trade receivables to measure the expected credit losses. Majority of the receivables were neither past due nor impaired and relate to a concentrated customer base.

To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Forward-looking information was also incorporated. The expected credit loss rates were 0.5%, 0.5% and 0.5% as at 31 December 2023, 2024 and 2025, respectively.

18 Prepayments and other receivables

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments to suppliers	2,373	11,066	13,575
Other receivables from third-parties	958	1,576	1,596
Value-added tax recoverable	664	—	1,954
Less: provision for loss allowance under expected credit loss model	—	(907)	(880)
	3,995	11,735	16,245

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments to suppliers	1,974	8,706	13,013
Amounts due from subsidiaries	—	—	33,410
Other receivables from third-parties	935	1,554	1,047
Value-added tax recoverable	664	—	—
	3,573	10,260	47,470
Less: provision for loss allowance under expected credit loss model	—	(907)	(880)
	3,573	9,353	46,590

All of the prepayments and other receivables are expected to be recovered or recognized as expenses within one year.

19 Cash and cash equivalents, restricted bank deposits and other cash flow information

(a) Cash and cash equivalents comprises:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank	40,471	113,285	136,490
Less: Restricted bank deposits	—	(5,000)	(11,066)
Cash and cash equivalents	40,471	108,285	125,424

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank	8,787	82,734	130,376
Less: Restricted bank deposits	—	(5,000)	(6,503)
Cash and cash equivalents	8,787	77,734	123,873

As at December 31, 2024 and 2025, restricted cash was held at bank as security deposits mainly for issuance of bank acceptance bill.

(b) Reconciliation of loss before taxation to cash (used in)/generated from operations

		Year ended December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Operating activities				
Loss before taxation		(91,753)	(38,260)	(14,384)
Adjustments for:				
Amortization and depreciation	*6(c)*	11,252	10,910	11,019
(Reversal of)/provision for impairment loss on trade and other receivables		(17)	895	151
Finance costs	*6(a)*	241	1,646	2,155
Net foreign exchange gain		—	(8)	—
Equity settled share-based payment expenses	*27*	5,958	6,448	6,184
Changes in the carrying amount of redemption liabilities	*25*	19,010	18,117	28,664
Bank interest income	*5*	(296)	(229)	(262)
Investment income from financial assets at FVPL	*5*	(213)	—	(6)
Changes in working capital:				
(Increase)/decrease in inventories		(24,855)	(30,633)	31,387
Increase in restricted bank deposits		—	(5,000)	(6,066)
Decrease/(increase) in trade receivables		3,462	2,585	(35,726)
Decrease/(increase) in prepayment and other receivables, and other non-current assets		3,437	(8,143)	(4,210)
(Decrease)/increase in trade and bill payables		(23)	3,918	439
Increase/(decrease) in contract liabilities		441	24,226	(24,912)
Increase in accruals and other payables		44,716	8,253	17,817
Cash (used in)/generated from operations		(28,640)	(5,275)	12,250

(c) Reconciliation of liabilities arising from financing activities

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

	Bank loans	Redemption liabilities	Lease liabilities	Total
	RMB'000 *(Note 23)*	*RMB'000* *(Note 25)*	*RMB'000* *(Note 24)*	*RMB'000*
At January 1, 2023	—	348,586	1,431	350,017
Changes from financing cash flows:				
Capital element of lease rentals paid	—	—	(2,580)	(2,580)
Interest element of lease rentals paid	—	—	(179)	(179)
Proceeds from borrowings	17,000	—	—	17,000
Interest paid	(62)	—	—	(62)
Total changes from financing cash flows	16,938	—	(2,759)	14,179
Other changes:				
Interest expenses *(Note 6(a))*	62	—	179	241
Increase in lease liabilities from entering into new leases during the year	—	—	7,983	7,983
Recognition of redemption liabilities	—	49,109	—	49,109
Changes in the carrying amount of redemption liabilities	—	19,010	—	19,010
Total other changes	62	68,119	8,162	76,343
At December 31, 2023	17,000	416,705	6,834	440,539

	Bank loans	Redemption liabilities	Lease liabilities	Total
	RMB'000 *(Note 23)*	*RMB'000* *(Note 25)*	*RMB'000* *(Note 24)*	*RMB'000*
At January 1, 2024	17,000	416,705	6,834	440,539
Changes from financing cash flows:				
Capital element of lease rentals paid	—	—	(2,706)	(2,706)
Interest element of lease rentals paid	—	—	(166)	(166)
Proceeds from borrowings	96,856	—	—	96,856
Repayment of borrowings	(39,208)	—	—	(39,208)
Capital contribution from shareholders with redemption rights	—	33,000	—	33,000
Interest paid	(1,480)	—	—	(1,480)
Total changes from financing cash flows	56,168	33,000	(2,872)	86,296
Other changes:				
Interest expenses *(Note 6(a))*	1,480	—	166	1,646
Recognition of redemption liabilities	—	137,000	—	137,000
Changes in the carrying amount of redemption liabilities	—	18,117	—	18,117
Total other changes	1,480	155,117	166	156,763
At December 31, 2024	74,648	604,822	4,128	683,598

	Bank loans	Redemption liabilities	Lease liabilities	Total
	RMB'000 *(Note 23)*	*RMB'000* *(Note 25)*	*RMB'000* *(Note 24)*	*RMB'000*
At January 1, 2025	74,648	604,822	4,128	683,598
Changes from financing cash flows:				
Capital element of lease rentals paid	—	—	(2,845)	(2,845)
Interest element of lease rentals paid	—	—	(97)	(97)
Proceeds from borrowings	102,492	—	—	102,492
Repayment of borrowings	(74,648)	—	—	(74,648)
Interest paid	(2,058)	—	—	(2,058)
Total changes from financing cash flows	25,786	—	(2,942)	22,844
Other changes:				
Interest expenses *(Note 6(a))*	2,058	—	97	2,155
Increase in lease liabilities from entering into new leases during the year	—	—	1,228	1,228
Changes in the carrying amount of redemption liabilities	—	28,664	—	28,664
Total other changes	2,058	28,664	1,325	32,047
At December 31, 2025	102,492	633,486	2,511	738,489

(d) Total cash outflow for leases

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

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within operating cash flows	265	—	222
Within financing cash flows	2,759	2,872	2,942
	3,024	2,872	3,164

20 Trade and bill payables

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade and bill payables	32,393	36,311	36,750

All trade and bill payables are expected to be settled within one year or are repayable on demand. At December 31, 2023, 2024 and 2025, the aging analysis of trade and bill payables of the Group, based on the invoice date, is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	32,393	36,111	36,750
Over 1 year	—	200	—
	32,393	36,311	36,750

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade and bill payables to third-party	3,340	19,558	35,795
Trade payables to subsidiaries	12,462	15,238	1,902
	15,802	34,796	37,697

At December 31, 2023, 2024 and 2025, the aging analysis of trade and bill payables of the Company, based on the invoice date, is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	15,802	27,052	37,697
Over 1 year	—	7,744	—
	15,802	34,796	37,697

21 Accruals and other payables

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Staff cost payables	14,356	13,798	16,241
Other taxes and levies payables	6,802	6,272	8,967
Payables for purchase of equipment and services	56,424	53,469	52,249
Others	492	898	753
	78,074	74,437	78,210

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Staff cost payables	6,581	7,244	8,153
Other taxes and levies payables	890	4,934	7,607
Payables for purchase of equipment and services	53,547	51,233	52,087
Amount due to subsidiaries	20	20	20
Others	323	498	526
	61,361	63,929	68,393

22 Contract liabilities

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments received from customers	773	24,999	87

Movements in contract liabilities:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at January 1	332	773	24,999
Decrease in contract liabilities as a result of recognizing revenue during the year that was included in the contract liabilities at the beginning of the year	(332)	(773)	(24,999)
Increase in contract liabilities as a result of receipts in advance	773	24,999	87
Balance at December 31	773	24,999	87

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments received from customers	680	24,852	81

Movements in contract liabilities:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at January 1	332	680	24,852
Decrease in contract liabilities as a result of recognizing revenue during the year that was included in the contract liabilities at the beginning of the year	(332)	(680)	(24,852)
Increase in contract liabilities as a result of receipts in advance	680	24,852	81
Balance at December 31	680	24,852	81

Contract liabilities primarily arise from considerations received from customers before the Group satisfying performance obligations. All of the contract liabilities are expected to be recognized as revenue within one year.

23 Bank loans

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Unguaranteed and unsecured bank loans repayable within one year	17,000	74,648	102,492

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Unguaranteed and unsecured bank loans repayable within one year	12,000	54,648	97,492

24 Lease liabilities

At December 31, 2023, 2024 and 2025, lease liabilities were repayable as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	2,706	2,665	1,853
After 1 year but within 2 years	2,665	1,411	505
After 2 years but within 5 years	1,463	52	153
	4,128	1,463	658
	6,834	4,128	2,511

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	1,070	979	1,065
After 1 year but within 2 years	979	623	505
After 2 years but within 5 years	675	52	153
	1,654	675	658
	2,724	1,654	1,723

25 Redemption liabilities

Shareholders with preferred rights have the rights to require the Company to redeem the investments (i.e. the redemption rights) upon the occurrence of certain triggering events, which are beyond control of the Company. The initial carrying amount of the preferred rights granted to certain investors was recognized against equity under (i) capital reserve if the investors acquired the equity interests by capital contribution; or (ii) other reserve if the investors acquired the equity interests from other existing shareholders.

The redemption amount was the higher of: (i) the investment amount paid by the investors plus an annual simple interest rate of 8% for the period commencing from the investment payment date to the redemption settlement date; and (ii) the fair value of the Company corresponding to the proportion of registered capital put by the investors. The redemption rights will be terminated upon the **[REDACTED]** of the Company's shares at any recognised stock exchanges.

The Company recognized redemption liabilities in accordance with the accounting policies set out in Note 2(p).

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

The Group and the Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at January 1	348,586	416,705	604,822
Recognition	49,109	170,000	—
Changes in the carrying amount of redemption liabilities	19,010	18,117	28,664
Balance at December 31	416,705	604,822	633,486

26 Income tax in the consolidated statements of financial position

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

The Group

	For the years ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net balance of current taxation at January 1	—	—	—
Provision for the year *(Note 7)*	29	17	—
Income tax paid	(29)	(17)	—
Net balance of current taxation at December 31	—	—	—

(b) Deferred tax assets and liabilities recognized

The components of deferred tax (assets)/liabilities recognized in the consolidated statements of financial position and the movements during the year are as follows:

Deferred tax arising from:

	Lease liabilities	Right-of-use assets	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023	(358)	358	—
(Credited)/charged to profit or loss	(1,179)	1,179	—
At December 31, 2023 and January 1 2024	(1,537)	1,537	—
Charged/(credited) to profit or loss	767	(767)	—
At December 31, 2024 and January 1, 2025	(770)	770	—
Charged/(credited) to profit or loss	327	(327)	—
At December 31, 2025	(443)	443	—

(c) Deferred tax assets not recognized

In accordance with the accounting policy set out in Note 2(q), the Group has not recognized deferred tax assets in respect of cumulative tax losses and temporary differences of RMB42,813,000, RMB50,246,000, RMB74,637,000 as at December 31, 2023, 2024 and 2025, as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity. The tax losses arising from operations in Chinese Mainland can be carried forward to offset against taxable profits of subsequent years for up to ten years from the year in which they arose.

27 Equity settled share-based transactions

In December 2021, the Group adopted the 2021 option incentive plan (the "**Plan**"), pursuant to which the Group was authorized to grant awarded shares to eligible personnel of the Group. The Plan was further amended and renamed as the Restricted Share Incentive Scheme pursuant to the Board resolutions passed on May 11, 2026. The maximum number of shares available for the awards under the Plan is 39,406,869 shares, which is held by employee incentive platforms. The Company has power to govern the relevant activities of employee incentive platforms and can derive benefits from the contributions of the eligible employees who are awarded with the shares under the above employee incentive schemes, therefore the directors of the Company consider that it is appropriate to consolidate employee incentive platforms.

The Plan contains certain service conditions and non-market conditions. The granted options shall be exercisable separately in the subsequent 3 vesting periods, whose percentages of options exercisable are 50%, 25% and 25% respectively, subject to latter of requested service periods of two years, three years and four years achieved and the successful completion of an **[REDACTED]**. The contractual life of share options is 10 years. The shares of outstanding at December 31, 2023, 2024 and 2025 had a weighted average remaining contractual life of 8.33 years, 8.34 years and 8.34 years, respectively.

The Group determines the share-based payment expenses at each grant date of awarded options with reference to the estimation of the probability and timing of successful **[REDACTED]** since **[REDACTED]** condition is considered as a vesting condition. As at December 31, 2023, 2024 and 2025, the Group assessed that it is probable that the **[REDACTED]** condition will be achieved in the foreseeable future, and share-based payments expenses were recognized accordingly.

(a) Movements in the number of share options are as follows

	Year ended December 31,					
	2023		2024		2025	
	Weighted average exercise price (RMB)	*Number of share options*	*Weighted average exercise price (RMB)*	*Number of share options*	*Weighted average exercise price (RMB)*	*Number of share options*
Outstanding at the beginning of the year	0.67	23,691,407	0.66	24,339,610	0.66	24,173,650
Granted during the year	0.31	734,851	—	—	0.79	33,242
Forfeited during the year	0.32	(86,648)	0.40	(165,960)	0.66	(38,969)
Outstanding at the end of the year	0.66	24,339,610	0.66	24,173,650	0.66	24,167,923
Exercisable at the end of the year		—		—		—

(b) Equity settled share-based payment expenses recognized in the consolidated statements of profit or loss and other comprehensive income during the Track Record Period

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of sales	583	680	609
Selling and distribution expenses	875	908	914
General and administration expenses	3,696	3,966	3,850
Research and development expenses	804	894	811
	5,958	6,448	6,184

The fair values of share options were calculated using the binomial option pricing model.

The value of an option varies with different variables of certain subjective assumptions. The variables and assumptions used in computing the fair value of the share options are based on the Group's best estimate. Fair value of share option and key assumptions used in determining the fair value of share options granted are as follows:

	Year ended December 31,	
	2023	2025
Fair value of share options at measurement date	RMB4.50, RMB4.49	RMB5.38
Exercise price	1	1
Expected volatility	45.12%	45.24%
Risk-free rate	2.7%	1.7%
Expected dividend yield	0%	0%

The expected volatility is based on average of historic volatilities of the comparable companies with length commensurable to the time (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividend yield is based on historical dividends and management estimation at the grant date. Changes in the subjective input assumptions could materially affect the fair value estimate.

28 Capital, reserves and dividends

(a) Movements in components of equity

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

	Paid-in capital	Capital reserve	Share-based payment reserve	Other reserve	Accumulated losses	Total deficit
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2023	87,508	(7,936)	3,882	(203,000)	(156,009)	(275,555)
Changes in equity for 2023:						
Loss for the year	—	—	—	—	(54,821)	(54,821)
Total comprehensive income for the year	—	—	—	—	(54,821)	(54,821)
Capital contribution from ordinary shareholders	4,429	—	—	—	—	4,429
Recognition of redemption liabilities	—	—	—	(49,109)	—	(49,109)
Equity settled share-based payment expenses	—	—	5,958	—	—	5,958
Balance at December 31, 2023 and January 1, 2024	91,937	(7,936)	9,840	(252,109)	(210,830)	(369,098)
Changes in equity for 2024:						
Loss for the year	—	—	—	—	(5,916)	(5,916)
Total comprehensive income for the year	—	—	—	—	(5,916)	(5,916)
Capital contribution from shareholders with redemption rights	2,551	30,449	—	—	—	33,000
Recognition of redemption liabilities	—	(33,000)	—	(137,000)	—	(170,000)
Equity settled share-based payment expenses	—	—	6,448	—	—	6,448
Balance at December 31, 2024 and January 1, 2025	94,488	(10,487)	16,288	(389,109)	(216,746)	(505,566)
Changes in equity for 2025:						
Profit for the year	—	—	—	—	34,384	34,384
Total comprehensive income for the year	—	—	—	—	34,384	34,384
Equity settled share-based payment expenses	—	—	6,184	—	—	6,184
Balance at December 31, 2025	94,488	(10,487)	22,472	(389,109)	(182,362)	(464,998)

(b) Dividends

No dividends have been declared or paid by the Company during the Track Record Period.

(c) Paid-in capital

The paid-in capital of the Group represents the paid-in capital of the Company before it was converted into a joint stock company with limited liability.

	Paid-in capital
	RMB'000
Balance at January 1, 2023	87,508
Capital contribution from ordinary shareholders	4,429
Balance at December 31, 2023	91,937
Capital contribution from shareholders with redemption liabilities	2,551
Balance at December 31, 2024 and 2025	94,488

(d) Nature and purpose of reserves

(i) Capital reserve

The capital reserve mainly comprises the following: i) the differences between the net considerations received and the nominal amount of paid-in capital issued by the Company; and ii) the amounts in relation to the recognition of the redemption liabilities as set out in Note 25.

(ii) Share-based payment reserve

Share-based payment reserve represents grant date fair value of share options granted to employees of the Company that has been recognized in accordance with the accounting policy adopted for share-based payments in Note 2(o)(ii).

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 2(t).

(iv) Other reserve

Other reserve represents the amount arising from the adjustment of recognition of redemption liabilities as described in Note 25.

(e) Capital management

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

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

29 Financial risk management and fair values of financial instruments

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

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

(a) Credit risk

Credit risk is the risk that a counterparty cannot meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and other receivables).

The Group trades only with recognized and creditworthy third parties and related parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The carrying amounts of cash at banks, trade receivables and financial assets included in prepayments, other receivables and other assets included in the consolidated statements of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets as at 31 December 2023, 2024 and 2025. The Group has no other financial assets which carry significant exposure to credit risk.

Further qualitative and quantitative information regarding trade receivables, for which the Group applies the simplified approach in calculating ECLs under IFRS 9, is disclosed in Note 17 to the Historical Financial Information.

Apart from trade receivables, all the carrying amounts of financial assets at amortised cost, are determined to have low credit risk at the reporting date, which are measured at 12-months ECLs as at 31 December 2023, 2024 and 2025.

(b) Liquidity risk

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

The following tables show the remaining contractual maturities at December 31, 2023, 2024 and 2025 of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of each reporting period) and the earliest dates the Group can be required to pay:

	As at December 31, 2023				
	Contractual undiscounted cash flow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans *(Note 23)*	17,062	—	—	17,062	17,000
Trade and bill payables *(Note 20)*	32,393	—	—	32,393	32,393
Accruals and other payables *(Note 21)*	56,916	—	—	56,916	56,916
Lease liabilities *(Note 24)*	2,872	2,750	1,481	7,103	6,834
Redemption liabilities *(Note 25)*	416,705	—	—	416,705	416,705
	525,948	2,750	1,481	530,179	529,848

	As at December 31, 2024				
	Contractual undiscounted cash flow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans *(Note 23)*	76,238	—	—	76,238	74,648
Trade and bill payables *(Note 20)*	36,311	—	—	36,311	36,311
Accruals and other payables *(Note 21)*	54,367	—	—	54,367	54,367
Lease liabilities *(Note 24)*	2,750	1,429	52	4,231	4,128
Redemption liabilities *(Note 25)*	604,822	—	—	604,822	604,822
	774,488	1,429	52	775,969	774,276

	As at December 31, 2025				
	Contractual undiscounted cash flow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans *(Note 23)*	105,433	—	—	105,433	102,492
Trade and bill payables *(Note 20)*	36,750	—	—	36,750	36,750
Accruals and other payables *(Note 21)*	53,002	—	—	53,002	53,002
Lease liabilities *(Note 24)*	1,892	515	154	2,561	2,511
Redemption liabilities *(Note 25)*	633,486	—	—	633,486	633,486
	830,563	515	154	831,232	828,241

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from cash at bank, bank loans and lease liabilities. Instruments bearing interest at variable rates and fixed rates expose the Group to cashflow interest rate risk and fair value interest rate risk respectively. The Group regularly reviews its strategy on interest rate risk management in the light of the prevailing market condition. The Group's interest rate risk profile as monitored by management is set out below.

Exposure to interest rate risk

The following table details the profile of the Group's lease liabilities, time deposits with banks and cash at bank at the end of each reporting period.

	As at December 31, 2023	As at December 31, 2024	As at December 31, 2025
	Amounts	Amounts	Amounts
	RMB'000	*RMB'000*	*RMB'000*
Fixed rate instruments:			
— Lease liabilities	(6,834)	(4,128)	(2,511)
— Bank loans	(17,000)	(74,648)	(102,492)
Net exposure	(23,834)	(78,776)	(105,003)
Variable rate instruments:			
— Cash at bank	40,471	108,285	125,424
Net exposure	40,471	108,285	125,424

(i) Sensitivity analysis

At 31 December 2023, 2024 and 2025, it is estimated that a general increase/ (decrease) of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's losses after tax and accumulated losses as follows.

	Increase/(decrease) in basis points	(Decrease)/increase in loss for the year	(Decrease)/increase in accumulated losses for the year
		RMB'000	*RMB'000*
At 31 December 2023			
	100	(405)	(405)
	(100)	405	405
At 31 December 2024			
	100	(1,083)	(1,083)
	(100)	1,083	1,083
At 31 December 2025			
	100	(1,254)	(1,254)
	(100)	1,254	1,254

(d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States Dollars ("**USD**"). The Group manages this risk as follows:

Exposure to currency risk

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

	Exposure to foreign currencies as at December 31,		
	2023	2024	2025
	USD	USD	USD
	RMB'000	*RMB'000*	*RMB'000*
Trade and bill payables	13,746	9,038	10,747
Accruals and other payables	—	1,539	3,637
Net exposure arising from recognized assets and liabilities	13,746	10,577	14,384

(i) Sensitivity analysis

The following table indicates the instantaneous change in the Group's losses after tax (and accumulated losses) if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	As at December 31,					
	2023		2024		2025	
	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in loss for the year	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in loss for the year	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in loss for the year
		RMB'000		*RMB'000*		*RMB'000*
USD (against RMB)	1%	137	1%	106	1%	144
	-1%	(137)	-1%	(106)	-1%	(144)

(e) Fair values measurement

Fair value hierarchy

Fair values are categorized into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

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

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

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

(i) Financial assets measured at fair value

The Group does not have any financial instruments measured at fair value at December 31, 2023, 2024 and 2025.

The movement during the year in the balance of these financial assets measured at FVPL are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	1,550	—	—
Purchases	64,500	—	1,000
Changes in fair value	213	—	6
Disposals	(66,263)	—	(1,006)
At the end of the year	—	—	—

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

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

The carrying amounts of the Group's financial instruments carried at cost or amortized cost are not materially different from their fair values as at December 31, 2023, 2024 and 2025.

30 Commitments

The Group did not have any capital commitments as at December 31, 2023, 2024 and 2025.

31 Material related party transactions

(a) Key management personnel remuneration

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

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

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	5,829	5,904	6,705
Discretionary bonuses	1,149	994	1,812
Directors' and supervisors' fee	823	946	872
Share-based payments	4,977	4,991	4,990
	12,778	12,835	14,379

(b) Related party transactions

During the Track Record Period, the Group have no any material related party transactions.

(c) Balances with related parties as at the end of each reporting period

During the Track Record Period, there are no outstanding balances with the related parties.

32 Subsequent events

In January 2026, the Company's ordinary shareholder completed full payments of its subscribed registered capital amounting to RMB16,000,001 and the Company's employee incentive platforms completed full payments of its subscribed registered capital amounting to RMB42,857,143 to the Company.

On February 13, 2026, the Company's employee incentive platforms transferred part of the Company's registered capital to certain new investors for a total consideration of RMB45,000,000. The new investors are granted with the redemption rights.

On May 20, 2026, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as at the conversion date of January 31, 2026, including paid-in capital, reserves and accumulated losses were converted into 153,345,544 shares with a nominal value of RMB1 each. The excess of net assets converted over nominal value of the ordinary shares was credited to the Company's capital reserve.

33 Possible impact of amendments, new standards and interpretations issued but not yet effective for the the Track Record Period

Up to the date of issue of this report, the IASB has issued a number of amendments, new standards and interpretations, which are not yet effective for the Track Record Period and which have not been adopted in preparing the Historical Financial Information. These developments include the followings:

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: disclosures — Contracts referencing nature — dependent electricity*	January 1, 2026
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: disclosures — Amendments to the classification and measurement of financial instruments*	January 1, 2026
Annual improvements to IFRS Accounting Standards — Volume 11	January 1, 2026
IFRS 18, *Presentation and disclosure in financial statements*	January 1, 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	January 1, 2027

	Effective for accounting periods beginning on or after
Amendments to IFRS 10, *Consolidated financial statements* and IAS 28, *Investments in associates and joint ventures — Sale or contribution of assets between an investor and its associate or joint venture*	To be determined

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

IFRS 18, *Presentation and disclosure in financial statements*

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

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

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

SUBSEQUENT FINANCIAL STATEMENTS

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