ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF New Shicoh Motor Co., Ltd., HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED

INTRODUCTION

We report on the historical financial information of New Shicoh Motor Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages [3] to [•], which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2026 (the "**Relevant Periods**"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at the end of each of the Relevant Periods and material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages [3] to [•] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [•] (the "**Document**") in connection with the initial **[REDACTED]** of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

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 set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of 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 ("**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 set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

OPINION

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at the end of each of the Relevant Periods and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the four months ended 30 April 2025, and other explanatory information (the "**Interim Comparative Financial Information**").

The directors of the Company are responsible for the preparation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange 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 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

[•]
Certified Public Accountants
Hong Kong
[•] 2026

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

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

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
REVENUE	5	855,330	1,564,534	1,956,824	580,935	694,460
Cost of sales		(783,834)	(1,315,182)	(1,630,525)	(495,867)	(583,182)
Gross profit		71,496	249,352	326,299	85,068	111,278
Other income and gains	5	18,226	25,125	28,619	8,669	12,269
Selling and distribution expenses		(13,056)	(16,565)	(17,694)	(4,664)	(3,818)
Administrative expenses		(56,254)	(72,521)	(94,503)	(25,454)	(37,044)
Research and development expenses		(60,958)	(76,938)	(124,455)	(40,281)	(47,257)
(Impairment)/reversal of impairment of financial assets, net		(164)	(5,057)	2,785	1,429	(677)
Other expenses		(570)	(727)	(815)	(134)	(846)
Finance costs	6	(1,401)	(3,231)	(3,598)	(1,688)	(1,612)
(LOSS)/PROFIT BEFORE TAX	7	(42,681)	99,438	116,638	22,945	32,293
Income tax credit	10	12,579	5,317	3,760	2,197	4,155
(LOSS)/PROFIT FOR THE YEAR/PERIOD		(30,102)	104,755	120,398	25,142	36,448
Attributable to:						
Owners of the parent		(30,102)	104,755	120,398	25,142	36,448
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted *(RMB per share)*	12	(0.28)	0.98	1.13	0.24	0.34
(LOSS)/PROFIT FOR THE YEAR/PERIOD		(30,102)	104,755	120,398	25,142	36,448

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
OTHER COMPREHENSIVE (LOSS)/ INCOME					
Other comprehensive income that may be reclassified to profit and loss in subsequent periods:					
Exchange differences on translation of foreign operations	(332)	(605)	(201)	669	(295)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR/PERIOD	(30,434)	104,150	120,197	25,811	36,153
Attributable to:					
Owners of the parent	(30,434)	104,150	120,197	25,811	36,153

For the details of pre-**[REDACTED]** investments, please refer to note 30 to this report.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 April
		2023	2024	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	13	302,378	365,496	516,840	523,386
Right-of-use assets	15	12,400	15,552	16,422	15,663
Intangible assets	14	9,357	6,995	7,390	6,770
Deferred tax assets	18	52,351	58,500	63,559	68,210
Prepayments, other receivables and other assets	20	2,294	886	11,511	11,939
Total non-current assets		378,780	447,429	615,722	625,968
CURRENT ASSETS					
Inventories	17	122,163	204,958	256,189	339,436
Trade and bills receivables	19	341,398	647,819	672,072	828,172
Debt investments at fair value through other comprehensive income	23	129,499	8,655	13,685	35,471
Prepayments, other receivables and other assets	20	59,436	40,277	66,249	99,600
Financial assets at fair value through profit or loss	21	–	20,048	–	50,024
Restricted cash	22	183,917	135,526	55,833	66,385
Cash and cash equivalents	22	60,685	204,604	234,255	57,068
Total current assets		897,098	1,261,887	1,298,283	1,476,156
CURRENT LIABILITIES					
Trade and bills payables	24	709,824	897,919	830,350	936,603
Contract liabilities	27	769	2,391	14,263	3,835
Other payables and accruals	25	71,726	116,684	162,972	198,051
Interest-bearing bank loans	26	20,188	63,283	22,367	34,892
Lease liabilities	15	9,737	11,816	7,691	8,431
Provision	29	1,842	3,028	3,326	15,563
Income tax payable		–	–	3	7
Total current liabilities		814,086	1,095,121	1,040,972	1,197,382
NET CURRENT ASSETS		83,012	166,766	257,311	278,774
TOTAL ASSETS LESS CURRENT LIABILITIES		461,792	614,195	873,033	904,742

		As at 31 December			As at 30 April
		2023	**2024**	**2025**	**2026**
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT LIABILITIES					
Interest-bearing bank loans	26	–	35,713	165,589	161,070
Deferred income	28	20,940	20,548	24,753	23,281
Lease liabilities	15	9,314	13,163	13,767	13,740
Total non-current liabilities		30,254	69,424	204,109	198,091
Net assets		431,538	544,771	668,924	706,651
EQUITY					
Equity attributable to owners of the parent					
Share capital	30	–	–	106,826	106,826
Paid-in capital	30	106,826	106,826	–	–
Reserves	31	324,712	437,945	562,098	599,825
		431,538	544,771	668,924	706,651
Total equity		431,538	544,771	668,924	706,651

For the details of pre-**[REDACTED]** investments, please refer to note 30 to this report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent						
	Paid-in capital	Capital reserve	Reserve funds	Share-based payment reserve	Exchange fluctuation reserve	Accumulated losses	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(note 30)	*(note 31)*	*(note 31)*	*(note 31)*	*(note 31)*		
As at January 1, 2023	102,375	553,940	27	13,460	(1,619)	(312,317)	355,866
Loss for the year	–	–	–	–	–	(30,102)	(30,102)
Exchange differences on translation of foreign operations	–	–	–	–	(332)	–	(332)
Total comprehensive loss for the year	–	–	–	–	(332)	(30,102)	(30,434)
Share-based payments *(note 32)*	–	–	–	7,096	–	–	7,096
Capital contribution by shareholders	4,451	94,559	–	–	–	–	99,010
As at December 31, 2023	106,826	648,499*	27*	20,556*	(1,951)*	(342,419)*	431,538

Year ended 31 December 2024

	Attributable to owners of the parent						
	Paid-in capital	Capital reserve	Reserve funds	Share-based payment reserve	Exchange fluctuation reserve	Accumulated losses	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(note 30)	*(note 31)*	*(note 31)*	*(note 31)*	*(note 31)*		
As at January 1, 2024	106,826	648,499	27	20,556	(1,951)	(342,419)	431,538
Profit for the year	–	–	–	–	–	104,755	104,755
Exchange differences on translation of foreign operations	–	–	–	–	(605)	–	(605)
Total comprehensive (loss)/ income for the year	–	–	–	–	(605)	104,755	104,150
Share-based payments *(note 32)*	–	–	–	9,083	–	–	9,083
As at December 31, 2024	106,826	648,499*	27*	29,639*	(2,556)*	(237,664)*	544,771

Year ended 31 December 2025

	Share capital	Paid-in capital	Capital reserve	Reserve funds	Share-based payment reserve	Exchange fluctuation reserve	Accumulated losses	Total equity
		Attributable to owners of the parent						
	RMB'000 *(note 30)*	*RMB'000* *(note 30)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000*	*RMB'000*
As at January 1, 2025	–	106,826	648,499	27	29,639	(2,556)	(237,664)	544,771
Profit for the year	–	–	–	–	–	–	120,398	120,398
Exchange differences on translation of foreign operations	–	–	–	–	–	(201)	–	(201)
Total comprehensive income for the year	–	–	–	–	–	(201)	120,398	120,197
Share-based payments *(note 32)*	–	–	–	–	3,956	–	–	3,956
Conversion into a joint stock company	106,826	(106,826)	(86,776)	(27)	–	–	86,803	–
As at 31 December 2025	106,826	–	561,723*	–*	33,595*	(2,757)*	(30,463)*	668,924

Four months ended 30 April 2026

	Share capital	Paid-in capital	Capital reserve	Reserve funds	Share-based payment reserve	Exchange fluctuation reserve	Retained profits	Total equity
		Attributable to owners of the parent						
	RMB'000 *(note 30)*	*RMB'000* *(note 30)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000*	*RMB'000*
As at 1 January 2026	106,826	–	561,723	–	33,595	(2,757)	(30,463)	668,924
Profit for the period	–	–	–	–	–	–	36,448	36,448
Exchange differences on translation of foreign operations	–	–	–	–	–	(295)	–	(295)
Total comprehensive (loss)/income for the period	–	–	–	–	–	(295)	36,448	36,153
Share-based payments	–	–	–	–	1,574	–	–	1,574
As at 30 April 2026	106,826	–	561,723*	–*	35,169*	(3,052)*	5,985*	706,651

* The reserve accounts comprised the consolidated reserves of RMB324,712,000, RMB437,945,000, RMB562,098,000 and RMB599,825,000 in the consolidated statements of financial position as at 31 December 2023, 2024, 2025 and 30 April 2026.

Four months ended 30 April 2025 (Unaudited)

	Attributable to owners of the parent							
	Share capital	Paid-in capital	Capital reserve	Reserve funds	Share-based payment reserve	Exchange fluctuation reserve	Accumulated losses	Total equity
	RMB'000 *(note 30)*	*RMB'000* *(note 30)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000* *(note 31)*	*RMB'000*	*RMB'000*
As at 1 January 2025	–	106,826	648,499	27	29,639	(2,556)	(237,664)	544,771
Profit for the period	–	–	–	–	–	–	25,142	25,142
Exchange differences on translation of foreign operations	–	–	–	–	–	669	–	669
Total comprehensive income for the period	–	–	–	–	–	669	25,142	25,811
Share-based payments	–	–	–	–	1,910	–	–	1,910
As at 30 April 2025 (Unaudited)	–	106,826	648,499	27	31,549	(1,887)	(212,522)	572,492

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
(Loss)/profit before tax		(42,681)	99,438	116,638	22,945	32,293
Adjustments for:						
Finance costs	6	1,401	3,231	3,598	1,688	1,612
Interest income	5	(1,825)	(1,354)	(954)	(386)	(158)
Impairment/(reversal of impairment) on financial assets, net	7	164	5,057	(2,785)	(1,429)	677
Write-down of inventories to net realisable value	7	7,391	11,030	10,018	9,738	14,077
Foreign exchange difference, net	7	189	(530)	284	(167)	196
Equity-settled share-based payment expenses	32	7,096	9,083	3,956	1,910	1,574
(Gain)/loss on disposal of property, plant and equipment	7	(121)	57	(140)	25	–
Gain on termination of a lease	5	–	–	(94)	(94)	–
Investment income on financial assets at fair value through profit or loss	5	(1,613)	(841)	(1,164)	(357)	(749)
Fair value gains on financial assets at fair value through profit or loss	5	–	(48)	–	(29)	(24)
Depreciation of property, plant and equipment	7	38,882	42,421	58,488	17,351	22,981
Amortisation of intangible assets	7	2,260	2,604	2,819	879	1,095
Depreciation of right-of-use assets	7	1,761	2,483	2,992	876	1,575
		12,904	172,631	193,656	52,950	75,149
Increase in inventories		(47,057)	(93,825)	(61,249)	(31,848)	(97,324)
(Increase)/decrease in trade and bills receivables		(226,440)	(356,551)	(10,904)	75,249	(126,128)
(Increase)/decrease in debt investments at fair value through other comprehensive income		(62,850)	120,844	(5,030)	(33,419)	(21,786)
Decrease/(Increase) in prepayments, other receivables and other assets		6,584	(647)	(25,736)	(11,280)	(20,942)
(Increase)/decrease in restricted cash		(104,049)	48,391	109,693	113,199	(552)
Increase/(decrease) in trade and bills payables		279,300	187,789	(67,569)	(206,734)	106,253
(Decrease)/Increase in contract liabilities		(64)	1,622	11,872	(1,576)	(10,428)
Increase/(decrease) in deferred income		6,034	(392)	4,205	(131)	(1,472)
Increase/(decrease) in other payables and accruals		15,266	31,490	22,249	(510)	4,743
Increase in provision		689	1,186	298	61	14
Cash (used in)/generated from operations		(119,683)	112,538	171,485	(44,039)	(92,473)
Interest received		1,825	1,354	954	386	158
Income tax paid		(159)	(832)	(1,299)	(375)	(496)
Net cash flows (used in)/from operating activities		(118,017)	113,060	171,140	(44,028)	(92,811)

		Year ended 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of financial assets at fair value through profit or loss		–	(202,003)	(682,600)	(190,000)	(750,000)
Disposal of financial assets at fair value through profit or loss		22,426	182,336	703,812	170,405	700,749
Disposal of certificates of deposits		21,559	22,161	–	–	–
Proceeds from maturity of time deposits		28,839	–	–	–	–
Purchases of items of property, plant and equipment		(97,449)	(99,834)	(200,536)	(52,663)	(29,089)
Purchases of intangible assets		(3,135)	(268)	(3,211)	(51)	(479)
Proceeds from disposal of items of property, plant and equipment		3,105	7,860	4,687	2,590	50
Increase in restricted cash		–	–	(30,000)	–	(40,000)
Decrease in restricted cash		–	–	–	–	30,000
Net cash flows used in investing activities		(24,655)	(89,748)	(207,848)	(69,719)	(88,769)
CASH FLOWS FROM FINANCING ACTIVITIES						
New bank loans		102,367	165,345	172,067	59,206	17,851
Interest paid		(435)	(1,710)	(2,864)	(1,505)	(1,154)
Capital contribution by shareholders		100,000	–	–	–	–
Payment for share issue expenses		(990)	–	–	–	–
Repayment of bank loans		(15,402)	(40,100)	(83,200)	(45,900)	(10,147)
Settlement of payables to the former shareholder	25	–	(3,000)	(9,390)	(5,000)	–
Payment for **[REDACTED]** expenses		–	–	(1,756)	–	(1,196)
Increase in rental deposits		(110)	–	(247)	(105)	(457)
Payments of lease liabilities		(130)	(419)	(7,931)	(56)	(258)
Net cash flows from financing activities		185,300	120,116	66,679	6,640	4,639
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		42,628	143,428	29,971	(107,107)	(176,941)
Cash and cash equivalents at beginning of year/period		18,233	60,685	204,604	204,604	234,255
Effect of foreign exchange rate changes, net		(176)	491	(320)	986	(246)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		60,685	204,604	234,255	98,483	57,068
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances		60,685	204,604	234,255	98,483	57,068
Cash and cash equivalents as stated in the consolidated statements of financial position	22	60,685	204,604	234,255	98,483	57,068

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December			As at 30 April
		2023	2024	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	13	240,420	312,658	467,017	475,253
Right-of-use assets	15	12,326	15,535	13,608	11,557
Intangible assets	14	9,008	6,811	7,295	6,714
Deferred tax assets	18	45,196	53,552	59,660	64,363
Investments in subsidiaries	16	93,629	94,784	98,915	98,919
Prepayments, other receivables and other assets	20	2,294	886	11,511	11,680
Total non-current assets		402,873	484,226	658,006	668,486
CURRENT ASSETS					
Inventories	17	111,313	190,423	242,985	310,777
Trade and bills receivables	19	355,124	649,312	672,038	846,944
Debt investments at fair value through other comprehensive income	23	129,499	8,655	12,997	35,408
Prepayments, other receivables and other assets	20	104,050	69,794	80,527	118,094
Financial assets at fair value through profit or loss	21	–	20,048	–	50,024
Restricted cash	22	183,917	135,526	55,833	66,385
Cash and cash equivalents	22	55,768	197,445	230,333	54,022
Total current assets		939,671	1,271,203	1,294,713	1,481,654
CURRENT LIABILITIES					
Trade and bills payables	24	753,154	926,797	861,720	961,104
Contract liabilities	27	769	2,391	20,941	9,948
Other payables and accruals	25	67,609	111,681	158,694	188,239
Interest-bearing bank loans	26	20,188	63,283	22,367	34,892
Lease liabilities	15	9,681	11,798	6,089	5,355
Provision	29	1,842	3,028	3,326	15,563
Total current liabilities		853,243	1,118,978	1,073,137	1,215,101
NET CURRENT ASSETS		86,428	152,225	221,576	266,553
TOTAL ASSETS LESS CURRENT LIABILITIES		489,301	636,451	879,582	935,039

		As at 31 December			As at 30 April
		2023	**2024**	**2025**	**2026**
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT LIABILITIES					
Interest-bearing bank loans	26	–	35,713	165,589	161,070
Deferred income	28	20,940	20,548	24,753	23,281
Lease liabilities	15	9,295	13,163	12,300	11,718
Total non-current liabilities		30,235	69,424	202,642	196,069
Net assets		459,066	567,027	676,940	738,970
EQUITY					
Share capital	30	–	–	106,826	106,826
Paid-in capital	30	106,826	106,826	–	–
Reserves	31	352,240	460,201	570,114	632,144
Total equity		459,066	567,027	676,940	738,970

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

New Shicoh Motor Co., Ltd. (the "**Company**") was incorporated as a limited liability in Jiashan, People's Republic of China (the "**PRC**") on September 17, 2014. It was converted into a joint stock company with limited liability in November 2025. The registered office address of the Company is 1st floor, Building 3, No. 58 Jinjia Avenue, Huimin Street, Jiashan County, Jiaxing City, Zhejiang Province.

During the Relevant Periods, the Company and its subsidiaries (collectively the "**Group**") was principally engaged in the design, development, manufacturing and commercialisation of voice coil motor (VCM) products and other micro special motor products and accessories.

In the opinion of the directors, Dr. Cai Rongjun, Shenzhen Hezheng Industrial Investment Co., Ltd., Mr. Cai Zhenpeng, Shenzhen Changxin Technology Investment Partnership (Limited Partnership), Jiashan Changxin Zhitou Asset Management Partnership (Limited Partnership) and Hefei Jiatou Entrepreneurship Management Partnership (Limited Partnership) are a group of the controlling shareholders of the Group as at the end of the Relevant Periods.

As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

Name*	Place and date of registration and place of operations	Registered capital	Percentage of equity attributable to the Company	Principal activities
			Direct	
New Shicoh Motor (Hefei) Co., Ltd. 新思考電機(合肥)有限公司* *(note (a))*	Chinese Mainland 29 April 2021	RMB50,000,000	100%	Motor manufacturing
New Shicoh Motor Co., Ltd. (Japan) 日本思考技研株式會社* *(note (a))*	Japan 15 December 2020	Japanese Yen ("**JPY**") 403,650,000	100%	Development and research of motors
Xinsikao (Shanghai) Technology Co., Ltd. 芯思考(上海)技術有限公司* *(note (a))*	Chinese Mainland 22 July 2025	RMB1,000,000	100%	Sale of motors
New Shicoh Motor (Shenzhen) Co., Ltd. 新思考電機(深圳)有限公司* *(note (a))*	Chinese Mainland 17 September 2025	RMB1,000,000	100%	Sale of motors

* The English names of these companies registered in the PRC represent the best effort made by the directors of the Company to translate the Chinese names as these companies have not been registered with any official English names.

Notes:

(a) No audited financial statements have been prepared for these entities for the Relevant Periods as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdictions of registration.

2.1 BASIS OF PREPARATION

For ordinary shares issued to pre-**[REDACTED]** investors, pursuant to the supplemental agreements entered into between the Company and the pre-**[REDACTED]** investors in relation to the termination of certain of special rights granted by the Company, including redemption rights and liquidation preferences, which are *void ab initio* as described in note 30 to this report, having taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplementary agreements, the directors considered that it is appropriate to present the pre-**[REDACTED]** investments as equity throughout the Relevant Periods. For the details of financial impacts, see note 30 of this report.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2026, together with the relevant transitional provisions, have been adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

The Historical Financial Information has been prepared under the historical cost convention except for certain financial instruments which have been measured at fair value at the end of each of the Relevant Periods.

Basis of consolidation

The Historical Financial Information includes the financial information of the Group for the Relevant Periods. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial information of subsidiaries is prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[1]
IFRS 18	Presentation and Disclosure in financial statement[1]
IFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
IFRS 20	Regulatory Assets and Regulatory Liabilities[3]

[1] Effective for annual/reporting periods beginning on or after January 1, 2027
[2] No mandatory effective date yet determined but available for adoption
[3] Effective for the annual periods beginning on or after 1 January 2029

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised IFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies but are unlikely to have a significant impact on the Group's financial performance and financial position in the period of initial application. The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statements of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group's financial information.

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION

Fair value measurement

The Group measures its certain financial instruments at fair value at the end of each of the Relevant Periods. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Historical Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the Relevant Periods.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets and other non-current assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the Relevant Periods as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and 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 of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group 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); and

(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 parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Shorter of remaining lease terms and estimated useful lives
Freehold land	Not depreciated
Building	4.76%
Plant and machinery	9.5%-19.0%
Motor vehicles	9.5%-19.0%
Electronic equipment and others	9.5%-31.7%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each of the Relevant Periods.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each of the Relevant Periods.

Patents and licences

Purchased patent is initially recognised and measured at cost. The cost is amortised on the straight-line basis over its estimated useful life of 5-10 years.

Purchased emission quota is initially recognised and measured at cost. The cost is amortised based on the actual units of the consumption.

Software

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 2-10 years.

Research and development expenses

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings	2 to 10 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office and employee dormitory (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition based on aging migration rates. The Group analyzes historical experience of migration between different aging buckets to higher delinquency stages and incorporates reasonable and supportable forward-looking information to determine significant changes in credit risk. When receivables migrate from current aging buckets to higher delinquency stages, the Group considers that a significant increase in credit risk has occurred.

The Group determines default based on aging migration patterns. Receivables migrating to specific delinquency stages (e.g., over 90 days past due) are considered to be in default. Additionally, if internal or external information indicates that the Group is unlikely to recover the outstanding contractual amounts in full, even after considering credit enhancements, the financial asset may be deemed in default. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade and bills receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables and accruals, interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, loans and borrowings)

After initial recognition, trade and bills payables, other payables and accruals, interest-bearing bank and other borrowings, are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

The Group provides for warranties in relation to the sale of products for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns. The warranty-related cost is revised annually.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Relevant Periods, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the Relevant Periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each of the Relevant Periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each or the Relevant Periods and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Relevant Periods.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on weighted average method and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Sale of products

Revenue from the sale of products is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the products for export sales and acceptance of the goods for domestic sales.

A portion of the sales of products is on vendor-managed inventory ("**VMI**") arrangements where the products are delivered to the customers' locations for their use. The control of the products is transferred when the products are used by the customers.

Some customers signed contract for the moulds manufactured by the Group specifically to satisfy the promise to deliver products to the customers at stand-alone selling prices. Revenue from the sales of moulds is recognised at point in time when the moulds are accepted and confirmed by the customer.

Sales rebates may be provided to certain customers under the conditions as agreed in the sales contract. Rebates are either paid in cash to customers or used as the consideration paid for future sales of products. To estimate the variable consideration for the expected future rebates, the most likely amount is used.

(b) Provision of technical services

In certain cases, the Group provides pre-production technical services to customers on stand-alone basis. Revenue is recognised at a point in time when the service is completed and accepted by the customer.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.

(c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Share-based payments

The Group operates share incentive schemes. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value of share award is determined by an external valuer using probability weighted expected return method and valuation models. Further details are included in note 32 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each of the Relevant Periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

Other employee benefits

Pension scheme

Chinese Mainland

The employees of the Group's subsidiaries which operate in Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme. Other than the monthly contributions, the Group has no further payment obligations once the contributions have been paid.

Japan

The Group pays fixed contributions into a local separate fund, which is responsible for paying pensions and other post-retirement benefits to the retired employees. The amounts based on the defined contribution plans are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period.

Housing fund and other social insurances

Chinese Mainland

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The Group's liability in respect of these funds is limited to the contributions payable in each of the Relevant Periods.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its Historical Financial Information but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each of the Relevant Periods. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates or the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information:

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories at the end of each reporting period and makes provisions against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use based on sales forecasts. Such sales forecasts are prepared based on agreements or orders on hand and estimated sales in the foreseeable future based on historical experiences with its customers and current market conditions of motors industry. Management estimates the net realisable value for those obsolete and slow-moving inventories based primarily on the latest invoice prices and current market conditions. The estimation is reassessed at the end of each reporting period. The provision against obsolete and slow-moving inventories requires the use of judgements and estimates. Where the actual outcome or expectation in future is different from the original estimate, such difference will impact on the carrying value of inventories and the write-down of inventories recognised in the periods in which such estimates have been changed.

Provision for expected credit losses on trade and bills receivables

The Group uses a provision matrix to calculate ECLs for trade and bills receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade and bills receivables is disclosed in note 19 to the Historical Financial Information.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each of the Relevant Periods. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on its service and products and only has one reportable operating segment.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Chinese Mainland	840,075	1,549,648	1,942,385	576,068	688,269
Others	15,255	14,886	14,439	4,867	6,191
Total Revenue	855,330	1,564,534	1,956,824	580,935	694,460

The revenue information above is based on the locations of the customers.

(b) Non-current assets

Most of the Group's non-current assets are located in Chinese Mainland. Thus, no geographic information is presented.

Information about major customers

Revenue from a major customer which accounted for 10% or more of the Group's revenue during the years ended 31 December 2023, 2024, 2025 and four months ended 30 April 2025 and 2026 are set out below:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Customer 1	N/A*	480,588	416,425	118,887	144,966
Customer 2	324,005	431,854	594,381	160,656	289,777
Customer 3	231,232	292,758	370,369	136,244	93,797
Customer 4	113,827	N/A*	N/A*	N/A*	N/A*
Customer 5	94,392	191,441	199,214	83,869	N/A*

* Less than 10% of the Group's revenue during the respective period.

5. REVENUE, OTHER INCOME AND GAINS

Revenue

An analysis of revenue is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue from contracts with customers	855,330	1,564,534	1,956,824	580,935	694,460

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Types of goods or services					
OIS motors	503,636	1,272,534	1,022,443	430,535	361,531
Periscope motors	113,138	2,813	223,111	12,173	57,934
Open-loop motors	170,556	176,354	247,904	71,887	55,645
Closed-loop motors	39,108	69,613	292,888	53,374	139,205
Other motors*	17,315	35,702	163,007	10,988	62,227
Others**	11,577	7,518	7,471	1,978	17,918
	855,330	1,564,534	1,956,824	580,935	694,460
Timing of revenue recognition					
Goods transferred at a point in time	849,194	1,562,759	1,953,775	579,193	680,305
Services transferred at a point in time	6,136	1,775	3,049	1,742	14,155
Total revenue from contracts with customers	855,330	1,564,534	1,956,824	580,935	694,460

* Other motors primarily included stepper motors, brushless direct current motors and variable-aperture motors.

** Others primarily included the provision of research and development related technical services and sales of raw materials.

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:					
Sale of products	923	769	2,391	741	11,818

(b) ***Performance obligations***

Information about the Group's performance obligations is summarised below:

The performance obligation is satisfied upon delivery and acceptance of products or services. Payment is generally due between 2 months and 3 months from customers from delivery.

As the contracts with customers are rendered in a short period of time, which is generally less than one year, the Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts.

Other income and gains

An analysis of other income and gains is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Other income					
Interest income	1,825	1,354	954	386	158
Additional deduction of value added tax	4,604	8,072	10,781	3,083	3,435
Government grants*	6,392	11,245	14,095	3,936	6,880
Investment income from financial assets at fair value through profit or loss	1,613	841	1,164	357	749
Early payment concessions	3,451	29	–	–	–
Commission income	–	2,492	1,120	588	1,008
Others	220	514	271	29	15
Total other income	18,105	24,547	28,385	8,379	12,245
Gains					
Fair value gains on financial assets at fair value through profit or loss	–	48	–	29	24
Gain on disposal of property, plant and equipment	121	–	140	–	–
Gain on termination of a lease	–	–	94	94	–
Foreign exchange gains, net	–	530	–	167	–
Total gains	121	578	234	290	24
	18,226	25,125	28,619	8,669	12,269

* The Group has received government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Interest on bank loans	456	1,772	2,957	1,557	1,456
Interest on discounted bills receivables	83	329	–	–	–
Interest on lease liabilities	547	712	641	131	156
Interest on other payables *(note 25)*	173	112	–	–	–
Other finance costs	142	306	–	–	–
	1,401	3,231	3,598	1,688	1,612

For the details of pre-**[REDACTED]** investments, please refer to note 30 to this report.

7. (LOSS)/PROFIT BEFORE TAX

The Group's (loss)/profit before tax is arrived at after charging/(crediting):

		Year ended 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Cost of inventories sold*		779,253	1,313,750	1,627,407	494,529	575,071
Cost of services provided		4,581	1,432	3,118	1,338	8,111
Research and development expenses		60,958	76,938	124,455	40,281	47,257
Depreciation of property, plant and equipment**	13	38,882	42,421	58,488	17,351	22,981
Depreciation of right-of-use assets**	15	1,761	2,483	2,992	876	1,575
Amortisation of intangible assets **	14	2,260	2,604	2,819	879	1,095
(Gain)/loss on disposal of property, plant and equipment***		(121)	57	(140)	25	–
Gain on termination of a lease***		–	–	(94)	(94)	–
Foreign exchange losses/(gains), net***		189	(530)	284	(167)	196
Lease payments in respect of short-term leases	15	634	192	811	294	764
Impairment/(reversal of impairment) of trade receivables	19	141	5,005	(2,804)	(1,428)	665
Impairment/(reversal of impairment) of other receivables	20	23	52	19	(1)	12
Total impairment losses on financial assets, net		164	5,057	(2,785)	(1,429)	677
Write-down of inventories to net realisable value****		7,391	11,030	10,018	9,738	14,077
Product warranty provision*****	29	2,908	5,163	3,899	583	69
Auditor's remuneration		330	943	349	–	50
[REDACTED] expense		–	–	11,537	–	4,206
Workforce service fee******		87,900	195,382	151,223	46,842	65,690
Employee benefit expenses (excluding directors', supervisors' and chief executive's remuneration *(note 8)*)						
– Wages and salaries		82,016	103,474	234,970	77,851	65,776
– Pension scheme contributions		14,580	16,749	34,467	11,302	13,662
– Share-based payment expenses		2,593	3,809	2,976	1,582	(526)
Total		99,189	124,032	272,413	90,735	78,912

* The amounts disclosed for cost of inventories sold included write-down of inventories to net realisable value.

** The depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets are included in "Cost of sales", "Selling and distribution expenses", "Administrative expenses" and "Research and development expenses" in profit or loss, respectively.

*** The amounts are included in "Other expenses" or "Other income and gains" in profit or loss.

**** The amounts are included in "Cost of sales" in profit or loss.

***** The amounts are included in "Selling and distribution expenses" in profit or loss.

****** The amounts are included in "Cost of sales", "Selling and distribution expenses" and "Administrative expenses" in profit or loss. Some of the outsourced staff were converted into employees of the Company, resulting in a significant increase in wages and salaries for the year ended 31 December 2025.

8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors', supervisors' and chief executive's remuneration as recorded during the Relevant Periods and the four months ended 30 April 2025 is set out below:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Fees	–	–	14	–	147
Other emoluments:					
Salaries, allowances and benefits in kind	3,991	3,865	4,994	1,402	1,586
Performance related bonus	659	957	1,843	363	250
Pension scheme contributions	411	427	620	127	75
Share-based payment expenses	4,503	5,274	980	328	2,100
	9,564	10,523	8,451	2,220	4,158

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the Relevant Periods and the four months ended 30 April 2025 were as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Mr. Leung Ming Yan	–	–	4	–	45
Dr. Su Haibin	–	–	4	–	45
Ms. Wong Yan Ki Angel	–	–	6	–	57
Total	–	–	14	–	147

Mr. Leung Ming Yan, Dr. Su Haibin and Ms. Wong Yan Ki Angel were appointed as independent non-executive directors of the Company with effect from December 2025.

(b) Directors, supervisors and the chief executive

Year ended 31 December 2023

	Salaries, allowances and benefits in kind	Performance related bonus	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors					
Mr. Cai Zhenpeng *(note(i))*	675	144	97	–	916
Mr. Geng Deliang *(note(ii))*	1,214	420	143	208	1,985
Mr. Wei Zongqing *(note(iii))*	388	–	45	2,000	2,433
Mr. Wang Zaiwei *(note(iv))*	1,079	47	99	2,051	3,276
Mr. Chen Zhibin *(note(v))*	–	–	–	–	–
Ms. Xu Yi *(note(vi))*	–	–	–	–	–
Mr. Zhong Jin *(note(vii))*	–	–	–	–	–
	3,356	611	384	4,259	8,610
Supervisor					
Mr. Xu Fangmin *(note(xiii))*	635	48	27	244	954
Total	3,991	659	411	4,503	9,564

Year ended 31 December 2024

	Salaries, allowances and benefits in kind	Performance related bonus	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors					
Mr. Cai Zhenpeng *(note(i))*	784	300	108	–	1,192
Mr. Geng Deliang *(note(ii))*	1,257	420	145	208	2,030
Mr. Wei Zongqing *(note(iii))*	–	–	–	–	–
Mr. Wang Zaiwei *(note(iv))*	1,079	53	103	342	1,577
Mr. Wu Yang *(note(viii))*	160	40	22	4,480	4,702
Mr. Chen Zhibin *(note(v))*	–	–	–	–	–
Ms. Xu Yi *(note(vi))*	–	–	–	–	–
Mr. Zhong Jin *(note(vii))*	–	–	–	–	–
Ms. Liang Xuechen *(note(ix))*	–	–	–	–	–
Mr. Zhong Yuli *(note(x))*	–	–	–	–	–
	3,280	813	378	5,030	9,501
Supervisor					
Mr. Xu Fangmin *(note(xiii))*	585	144	49	244	1,022
Total	3,865	957	427	5,274	10,523

Year ended 31 December 2025

	Salaries, allowances and benefits in kind	Performance related bonus	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors					
Dr. Cai Rongjun *(note(xv))*	–	–	–	–	–
Mr. Cai Zhenpeng *(note(i))*	1,021	498	119	–	1,638
Mr. Zhao Wei *(note(xi))*	539	690	76	65	1,370
Mr.Wang Zaiwei *(note(iv))*	1,117	63	103	187	1,470
Mr.Wu Yang *(note(viii))*	658	144	115	302	1,219
Mr. Geng Deliang *(note(ii))*	694	245	85	64	1,088
Mr. Chen Zhibing *(note(v))*	–	–	–	–	–
Mr. Zhong Yuli *(note(x))*	–	–	–	–	–
Ms. Liang Xuechen *(note(ix))*	–	–	–	–	–
Mr. Niu Junling *(note(xii))*	–	–	–	–	–
	4,029	1,640	498	618	6,785
Supervisors					
Mr. Xu Fangmin *(note(xiii))*	583	138	49	209	979
Mr. Wei Hua *(note(xiv))*	185	55	42	51	333
Mr. Wang Ke *(note(xiv))*	197	10	31	102	340
	965	203	122	362	1,652
Total	4,994	1,843	620	980	8,437

Four months ended 30 April 2026

	Salaries, allowances and benefits in kind	Performance related bonus	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors					
Dr. Cai Rongjun *(note(xv))*	–	–	–	–	–
Mr. Cai Zhenpeng *(note(i))*	478	120	27	–	625
Mr. Zhao Wei *(note(xi))*	716	130	30	2,092	2,968
Mr. Wang Zaiwei *(note(iv))*	392	–	18	8	418
Total	1,586	250	75	2,100	4,011

	Salaries, allowances and benefits in kind	Performance related bonus	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors					
Mr. Cai Zhenpeng *(note(i))*	290	166	26	–	482
Mr. Geng Deliang *(note(ii))*	377	82	38	69	566
Mr. Wang Zaiwei *(note(iv))*	345	21	24	114	504
Mr. Wu Yang *(note(viii))*	192	48	26	64	330
Mr. Chen Zhibing *(note(v))*	–	–	–	–	–
Mr. Zhong Yuli *(note(x))*	–	–	–	–	–
Ms. Liang Xuechen *(note(ix))*	–	–	–	–	–
	1,204	317	114	247	1,882
Supervisor					
Mr. Xu Fangmin *(note(xiii))*	198	46	13	81	338
Total	1,402	363	127	328	2,220

Notes:

(i) Mr. Cai Zhenpeng was appointed as a director, vice chairman and the chief executive officer of the Company with effect from November 2017.

(ii) Mr. Geng Deliang was appointed as a director of the Company with effect from January 2019 until July 2025.

(iii) Mr. Wei Zongqing was appointed as a director of the Company with effect from July 2022 until September 2024.

(iv) Mr. Wang Zaiwei was appointed as a director of the Company with effect from December 2020.

(v) Mr. Chen Zhibin was appointed as a director of the Company with effect from June 2020 until September 2025.

(vi) Ms. Xu Yi was appointed as a director of the Company with effect from June 2020 until September 2024.

(vii) Mr. Zhong Jin was appointed as a director of the Company with effect from January 2022 until December 2024.

(viii) Mr. Wu Yang was appointed as a director of the Company with effect from September 2024 until December 2025.

(ix) Ms. Liang Xuechen was appointed as a director of the Company with effect from September 2024 until December 2025.

(x) Mr. Zhong Yuli was appointed as a director of the Company with effect from December 2024 until December 2025.

(xi) Mr. Zhao Wei was appointed as a director of the Company with effect from July 2025.

(xii) Mr. Niu Junling was appointed as a director of the Company with effect from September 2025 until December 2025.

(xiii) Mr. Xu Fangmin was appointed as a supervisor of the Company with effect from July 2022 until December 2025.

(xiv) Mr. Wei Hua and Wang Ke were appointed as supervisors of the Company with effect from September 2025 until December 2025.

(xv) Dr. Cai Rongjun was appointed as a director and the chairman of the Board with effect from December 2025.

During the Relevant Periods and the four months ended 30 April 2025, share awards were granted to certain directors through share incentive platforms, further details of which are included in the disclosures in note 32 to the Historical Financial Information. The fair value of such awarded shares, which has been recognised in profit or loss, was determined as at the date of grant and the amount included in the Historical Financial Information for the Relevant Periods and the four months ended 30 April 2025 is included in the above directors' remuneration disclosures.

No emoluments were paid by the Company to the directors and supervisors as an inducement to join or upon joining the Company or as compensation for loss of office during the Relevant Periods and the four months ended 30 April 2025.

Save for the disclosed above, there was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods and the four months ended 30 April 2025.

The Company had dissolved the supervisory committee from 15 December 2025.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods and the four months ended 30 April 2025 included three, three, three, three and four directors, respectively, details of whose remuneration are set out in note 8 above. Details of the remuneration for the remaining two, two, two, two and one highest paid employees who are neither a director nor chief executive of the Company during the Relevant Periods and the four months ended 30 April 2025 are as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	1,360	1,558	994	198	546
Performance related bonus	83	120	309	46	150
Pension scheme contributions	112	180	163	17	87
Share-based payment expenses	309	207	211	–	131
	1,864	2,065	1,677	261	914

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	Numbers of employees			Numbers of employees *(Unaudited)*	
Below HK$1,000,000	1	1	1	1	2
HK$1,000,001 to HK$1,500,000	1	1	1	–	–
	2	2	2	1	2

During the Relevant Periods and the four months ended 30 April 2025, share awards were granted to certain non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 32 to the Historical Financial Information. The fair value of such shares, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for the Relevant Periods and the four months ended 30 April 2025 is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese Mainland

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% of the taxable profits determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on January 1, 2008.

The Company was qualified as a high and new technology enterprise and was subject to income tax at a preferential tax rate of 15% during the Relevant Periods and the four months ended 30 April 2025. This qualification is subject to review by the relevant governmental authority in the PRC for every three years.

Japan

The subsidiary in Japan was subject to the standard corporate tax rate of 23.2%, additionally, there were local corporate taxes, business taxes, resident taxes, and local corporate special taxes during the Relevant Periods and the four months ended 30 April 2025.

The income tax credit of the Group for the Relevant Periods and the four months ended 30 April 2025 is analysed as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Current income tax	158	832	1,299	375	496
Deferred income tax	(12,737)	(6,149)	(5,059)	(2,572)	(4,651)
Total tax credit for the year/period	(12,579)	(5,317)	(3,760)	(2,197)	(4,155)

A reconciliation of the expected income tax calculated at the preferential tax rate and (loss)/profit before income tax, with the actual income tax at the effective tax rate is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
(Loss)/profit before tax	(42,681)	99,438	116,638	22,945	32,293
Tax charge at the preferential tax rate of 15%	(6,402)	14,916	17,496	3,442	4,844
Entities subject to higher statutory income tax rate	170	1,909	2,950	1,255	(1,726)
Tax losses utilised from previous years	(402)	(208)	(232)	(29)	(75)
Additional deductible allowance for qualified research and development expenses	(7,639)	(10,363)	(13,627)	(5,525)	(5,685)
Temporary differences and tax losses not recognised	168	–	121	–	6,252
Expenses not deductible for tax	1,526	2,114	1,183	420	753
Tax losses recognised in current year	–	(13,685)	(11,651)	(1,760)	(8,518)
Tax credit at the Group's effective tax rate	(12,579)	(5,317)	(3,760)	(2,197)	(4,155)

According to the PRC Corporate Income Tax regulations, the Company and its subsidiary, New Shicoh Motor (Hefei) Co., Ltd., were entitled to an additional deduction of 100% of qualified research and development expenses from taxable income from 2023.

11. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods and the four months ended 30 April 2025.

12. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic (loss)/earnings per share amounts was based on the (loss)/profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the Relevant Periods and the four months ended 30 April 2025.

No adjustment has been made to the basic (loss)/earnings per share amounts presented for the Relevant Periods and the four months ended 30 April 2025 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The calculations of basic and diluted (loss)/earnings per share are based on:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
				RMB'000 *(Unaudited)*	*RMB'000*
(Loss)/earnings					
(Loss)/profit attributable to ordinary equity holders of the parent, used in the basic (loss)/earnings per share calculation *(RMB'000)*	(30,102)	104,755	120,398	25,142	36,448
Shares					
Weighted average number of ordinary shares in issue during the year, used in the basic (loss)/earnings per share calculation ('000)	106,582	106,826	106,826	106,826	106,826

For the details of Pre-**[REDACTED]** investments, please refer to note 30 to this report.

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Building	Freehold land	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023								
At 1 January 2023								
Cost	4,523	2,635	295,638	2,249	28,173	54,302	19,381	406,901
Accumulated depreciation and impairment	(359)	–	(79,507)	(908)	(8,589)	(18,508)	–	(107,871)
Net carrying amount	4,164	2,635	216,131	1,341	19,584	35,794	19,381	299,030
At 1 January 2023, net of accumulated depreciation and impairment	4,164	2,635	216,131	1,341	19,584	35,794	19,381	299,030
Additions	–	–	198	–	–	1,913	43,425	45,536
Transfer	–	–	34,190	151	1,050	99	(35,490)	–
Disposals	–	–	(2,831)	(153)	–	–	–	(2,984)
Depreciation provided during the year	(207)	–	(27,322)	(369)	(4,871)	(6,113)	–	(38,882)
Exchange realignment	(170)	(108)	–	–	(44)	–	–	(322)
At 31 December 2023, net of accumulated depreciation and impairment	3,787	2,527	220,366	970	15,719	31,693	27,316	302,378
At 31 December 2023								
Cost	4,338	2,527	326,635	2,198	29,102	56,314	27,316	448,430
Accumulated depreciation and impairment	(551)	–	(106,269)	(1,228)	(13,383)	(24,621)	–	(146,052)
Net carrying amount	3,787	2,527	220,366	970	15,719	31,693	27,316	302,378

	Building	Freehold land	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024								
At 1 January 2024								
Cost	4,338	2,527	326,635	2,198	29,102	56,314	27,316	448,430
Accumulated depreciation and impairment	(551)	–	(106,269)	(1,228)	(13,383)	(24,621)	–	(146,052)
Net carrying amount	3,787	2,527	220,366	970	15,719	31,693	27,316	302,378
At 1 January 2024, net of accumulated depreciation and impairment	3,787	2,527	220,366	970	15,719	31,693	27,316	302,378
Additions	–	–	–	–	–	1,065	112,930	113,995
Transfer	–	–	77,292	1,123	1,607	3,561	(83,583)	–
Disposals	–	–	(7,817)	(10)	(90)	–	–	(7,917)
Depreciation provided during the year	(194)	–	(30,935)	(314)	(4,355)	(6,623)	–	(42,421)
Exchange realignment	(296)	(200)	–	–	(43)	–	–	(539)
At 31 December 2024, net of accumulated depreciation and impairment	3,297	2,327	258,906	1,769	12,838	29,696	56,663	365,496
At 31 December 2024								
Cost	3,994	2,327	394,530	3,064	29,939	60,940	56,663	551,457
Accumulated depreciation and impairment	(697)	–	(135,624)	(1,295)	(17,101)	(31,244)	–	(185,961)
Net carrying amount	3,297	2,327	258,906	1,769	12,838	29,696	56,663	365,496

	Building	Freehold land	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025								
At 1 January 2025								
Cost	3,994	2,327	394,530	3,064	29,939	60,940	56,663	551,457
Accumulated depreciation and impairment	(697)	–	(135,624)	(1,295)	(17,101)	(31,244)	–	(185,961)
Net carrying amount	3,297	2,327	258,906	1,769	12,838	29,696	56,663	365,496
At 1 January 2025, net of accumulated depreciation and impairment	3,297	2,327	258,906	1,769	12,838	29,696	56,663	365,496
Additions	–	–	32	–	18	506	213,990	214,546
Transfer	–	–	156,630	–	8,388	43,144	(208,162)	–
Disposals	–	–	(4,435)	–	(112)	–	–	(4,547)
Depreciation provided during the year	(199)	–	(39,502)	(569)	(4,651)	(13,567)	–	(58,488)
Exchange realignment	(89)	(72)	–	–	(6)	–	–	(167)
At 31 December 2025, net of accumulated depreciation and impairment	3,009	2,255	371,631	1,200	16,475	59,779	62,491	516,840
At 31 December 2025								
Cost	3,870	2,255	544,424	3,064	38,098	104,590	62,491	758,792
Accumulated depreciation and impairment	(861)	–	(172,793)	(1,864)	(21,623)	(44,811)	–	(241,952)
Net carrying amount	3,009	2,255	371,631	1,200	16,475	59,779	62,491	516,840

	Building	Freehold land	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
30 April 2026								
At 1 January 2026								
Cost	3,870	2,255	544,424	3,064	38,098	104,590	62,491	758,792
Accumulated depreciation and impairment	(861)	–	(172,793)	(1,864)	(21,623)	(44,811)	–	(241,952)
Net carrying amount	3,009	2,255	371,631	1,200	16,475	59,779	62,491	516,840
At 1 January 2026, net of accumulated depreciation and impairment	3,009	2,255	371,631	1,200	16,475	59,779	62,491	516,840
Additions	–	–	–	–	48	474	29,297	29,819
Transfer	–	–	40,129	–	4,763	1,283	(46,175)	–
Disposals	–	–	(50)	–	–	–	–	(50)
Depreciation provided during the period	(61)	–	(16,134)	(148)	(1,999)	(4,639)	–	(22,981)
Exchange realignment	(131)	(100)	–	–	(11)	–	–	(242)
At 30 April 2026, net of accumulated depreciation and impairment	2,817	2,155	395,576	1,052	19,276	56,897	45,613	523,386
At 30 April 2026								
Cost	3,699	2,155	584,494	3,064	42,854	106,347	45,613	788,226
Accumulated depreciation and impairment	(882)	–	(188,918)	(2,012)	(23,578)	(49,450)	–	(264,840)
Net carrying amount	2,817	2,155	395,576	1,052	19,276	56,897	45,613	523,386

The Company

	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023						
At 1 January 2023						
Cost	244,189	1,989	21,382	42,566	13,236	323,362
Accumulated depreciation and impairment	(67,510)	(866)	(7,217)	(17,556)	–	(93,149)
Net carrying amount	176,679	1,123	14,165	25,010	13,236	230,213
At 1 January 2023, net of accumulated depreciation and impairment	176,679	1,123	14,165	25,010	13,236	230,213
Additions	–	–	–	1,316	40,790	42,106
Transfer	25,741	–	589	474	(26,804)	–
Disposals	(1,259)	(153)	–	–	–	(1,412)
Depreciation provided during the year	(22,028)	(242)	(3,651)	(4,566)	–	(30,487)
At 31 December 2023, net of accumulated depreciation and impairment	179,133	728	11,103	22,234	27,222	240,420
At 31 December 2023						
Cost	268,004	1,789	21,971	44,356	27,222	363,342
Accumulated depreciation and impairment	(88,871)	(1,061)	(10,868)	(22,122)	–	(122,922)
Net carrying amount	179,133	728	11,103	22,234	27,222	240,420

	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
At 1 January 2024						
Cost	268,004	1,789	21,971	44,356	27,222	363,342
Accumulated depreciation and impairment	(88,871)	(1,061)	(10,868)	(22,122)	–	(122,922)
Net carrying amount	179,133	728	11,103	22,234	27,222	240,420
At 1 January 2024, net of accumulated depreciation and impairment	179,133	728	11,103	22,234	27,222	240,420
Additions	–	–	–	852	111,581	112,433
Transfer	76,306	1,123	1,583	3,561	(82,573)	–
Disposals	(6,125)	(11)	–	–	–	(6,136)
Depreciation provided during the year	(25,304)	(239)	(3,430)	(5,086)	–	(34,059)
At 31 December 2024, net of accumulated depreciation and impairment	224,010	1,601	9,256	21,561	56,230	312,658
At 31 December 2024						
Cost	336,692	2,694	23,554	48,769	56,230	467,939
Accumulated depreciation and impairment	(112,682)	(1,093)	(14,298)	(27,208)	–	(155,281)
Net carrying amount	224,010	1,601	9,256	21,561	56,230	312,658

	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025						
At 1 January 2025						
Cost	336,692	2,694	23,554	48,769	56,230	467,939
Accumulated depreciation and impairment	(112,682)	(1,093)	(14,298)	(27,208)	–	(155,281)
Net carrying amount	224,010	1,601	9,256	21,561	56,230	312,658
At 1 January 2025, net of depreciation and impairment	224,010	1,601	9,256	21,561	56,230	312,658
Additions	32	–	–	333	208,226	208,591
Transfer	151,615	–	8,154	43,144	(202,913)	–
Disposals	(3,886)	–	(6)	–	–	(3,892)
Depreciation provided during the year	(33,866)	(466)	(3,892)	(12,116)	–	(50,340)
At 31 December 2025, net of depreciation and impairment	337,905	1,135	13,512	52,922	61,543	467,017
At 31 December 2025						
Cost	482,280	2,696	31,700	92,246	61,543	670,465
Accumulated depreciation and impairment	(144,375)	(1,561)	(18,188)	(39,324)	–	(203,448)
Net carrying amount	337,905	1,135	13,512	52,922	61,543	467,017

	Plant and machinery	Motor vehicles	Electronic equipment and others	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
30 April 2026						
At 1 January 2026						
Cost	482,280	2,696	31,700	92,246	61,543	670,465
Accumulated depreciation and impairment	(144,375)	(1,561)	(18,188)	(39,324)	–	(203,448)
Net carrying amount	337,905	1,135	13,512	52,922	61,543	467,017
At 1 January 2026, net of depreciation and impairment	337,905	1,135	13,512	52,922	61,543	467,017
Additions	–	–	–	474	28,294	28,768
Transfer	39,327	–	4,741	1,283	(45,351)	–
Disposals	(50)	–	–	–	–	(50)
Depreciation provided during the period	(14,394)	(113)	(1,734)	(4,241)	–	(20,482)
At 30 April 2026, net of depreciation and impairment	362,788	1,022	16,519	50,438	44,486	475,253
At 30 April 2026						
Cost	521,548	2,696	36,441	94,003	44,486	699,174
Accumulated depreciation and impairment	(158,760)	(1,674)	(19,922)	(43,565)	–	(223,921)
Net carrying amount	362,788	1,022	16,519	50,438	44,486	475,253

14. INTANGIBLE ASSETS

The Group

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2023			
At 1 January 2023			
Cost	10,259	6,144	16,403
Accumulated amortisation	(5,228)	(2,672)	(7,900)
Net carrying amount	5,031	3,472	8,503
At 1 January 2023, net of accumulated amortisation	5,031	3,472	8,503
Additions	–	3,135	3,135
Amortisation provided during the year	(1,184)	(1,076)	(2,260)
Exchange realignment	–	(21)	(21)
At 31 December 2023, net of accumulated amortisation	3,847	5,510	9,357
At 31 December 2023			
Cost	10,259	9,245	19,504
Accumulated amortisation	(6,412)	(3,735)	(10,147)
Net carrying amount	3,847	5,510	9,357

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2024			
At 1 January 2024			
Cost	10,259	9,245	19,504
Accumulated amortisation	(6,412)	(3,735)	(10,147)
Net carrying amount	3,847	5,510	9,357
At 1 January 2024, net of accumulated amortisation	3,847	5,510	9,357
Additions	–	268	268
Amortisation provided during the year	(1,184)	(1,420)	(2,604)
Exchange realignment	–	(26)	(26)
At 31 December 2024, net of accumulated amortisation	2,663	4,332	6,995
At 31 December 2024			
Cost	10,259	9,449	19,708
Accumulated amortisation	(7,596)	(5,117)	(12,713)
Net carrying amount	2,663	4,332	6,995

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2025			
At 1 January 2025			
Cost	10,259	9,449	19,708
Accumulated amortisation	(7,596)	(5,117)	(12,713)
Net carrying amount	2,663	4,332	6,995
At 1 January 2025, net of accumulated amortisation	2,663	4,332	6,995
Additions	206	3,005	3,211
Amortisation provided during the year	(1,194)	(1,625)	(2,819)
Exchange realignment	–	3	3
At 31 December 2025, net of accumulated amortisation	1,675	5,715	7,390
At 31 December 2025			
Cost	10,465	12,431	22,896
Accumulated amortisation	(8,790)	(6,716)	(15,506)
Net carrying amount	1,675	5,715	7,390

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
30 April 2026			
At 1 January 2026			
Cost	10,465	12,431	22,896
Accumulated amortisation	(8,790)	(6,716)	(15,506)
Net carrying amount	1,675	5,715	7,390
At 1 January 2026, net of accumulated amortisation	1,675	5,715	7,390
Additions	–	479	479
Amortisation provided during the period	(408)	(687)	(1,095)
Exchange realignment	–	(4)	(4)
At 30 April 2026, net of accumulated amortisation	1,267	5,503	6,770
At 30 April 2026			
Cost	10,465	12,876	23,341
Accumulated amortisation	(9,198)	(7,373)	(16,571)
Net carrying amount	1,267	5,503	6,770

The Company

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2023			
At 1 January 2023			
Cost	10,259	5,307	15,566
Accumulated amortisation	(5,228)	(2,364)	(7,592)
Net carrying amount	5,031	2,943	7,974
At 1 January 2023, net of accumulated amortisation	5,031	2,943	7,974
Additions	–	3,135	3,135
Amortisation provided during the year	(1,184)	(917)	(2,101)
At 31 December 2023, net of accumulated amortisation	3,847	5,161	9,008
At 31 December 2023			
Cost	10,259	8,442	18,701
Accumulated amortisation	(6,412)	(3,281)	(9,693)
Net carrying amount	3,847	5,161	9,008

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2024			
At 1 January 2024			
Cost	10,259	8,442	18,701
Accumulated amortisation	(6,412)	(3,281)	(9,693)
Net carrying amount	3,847	5,161	9,008
At 1 January 2024, net of accumulated amortisation	3,847	5,161	9,008
Additions	–	268	268
Amortisation provided during the year	(1,184)	(1,281)	(2,465)
At 31 December 2024, net of accumulated amortisation	2,663	4,148	6,811
At 31 December 2024			
Cost	10,259	8,710	18,969
Accumulated amortisation	(7,596)	(4,562)	(12,158)
Net carrying amount	2,663	4,148	6,811

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2025			
At 1 January 2025			
Cost	10,259	8,710	18,969
Accumulated amortisation	(7,596)	(4,562)	(12,158)
Net carrying amount	2,663	4,148	6,811
At 1 January 2025, net of accumulated amortisation	2,663	4,148	6,811
Additions	206	2,961	3,167
Amortisation provided during the year	(1,194)	(1,489)	(2,683)
At 31 December 2025, net of accumulated amortisation	1,675	5,620	7,295
At 31 December 2025			
Cost	10,465	11,671	22,136
Accumulated amortisation	(8,790)	(6,051)	(14,841)
Net carrying amount	1,675	5,620	7,295

	Patents and licences	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
30 April 2026			
At 1 January 2026			
Cost	10,465	11,671	22,136
Accumulated amortisation	(8,790)	(6,051)	(14,841)
Net carrying amount	1,675	5,620	7,295
At 1 January 2026, net of accumulated amortisation	1,675	5,620	7,295
Additions	–	479	479
Amortisation provided during the period	(408)	(652)	(1,060)
At 30 April 2026, net of accumulated amortisation	1,267	5,447	6,714
At 30 April 2026			
Cost	10,465	12,150	22,615
Accumulated amortisation	(9,198)	(6,703)	(15,901)
Net carrying amount	1,267	5,447	6,714

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings. Leases of buildings generally have lease terms between 2 and 10 years.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Relevant Periods are as follows:

The Group

Buildings

	Year ended 31 December			Four months ended 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at 1 January	12,892	12,400	15,552	16,422
Additions	1,270	5,639	4,510	818
Depreciation charge	(1,761)	(2,483)	(2,992)	(1,575)
Termination	–	–	(643)	–
Exchange realignment	(1)	(4)	(5)	(2)
Carrying amount at 31 December/30 April	12,400	15,552	16,422	15,663

The Company

Buildings

	Year ended 31 December			Four months ended 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at 1 January	12,873	12,326	15,535	13,608
Additions	1,159	5,639	1,408	–
Depreciation charge	(1,706)	(2,430)	(2,692)	(826)
Termination	–	–	(643)	(1,225)
Carrying amount at 31 December/30 April	12,326	15,535	13,608	11,557

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

The Group

	Year ended 31 December			Four months ended 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at 1 January	17,364	19,051	24,979	21,458
Additions	1,270	5,639	4,510	818
Accretion of interest recognised during the year/period	547	712	641	156
Termination	–	–	(737)	–
Lease payment	(130)	(419)	(7,931)	(258)
Exchange realignment	–	(4)	(4)	(3)
Carrying amount at 31 December/30 April	19,051	24,979	21,458	22,171
Analysed into:				
Current portion	9,737	11,816	7,691	8,431
Non-current portion	9,314	13,163	13,767	13,740

The Company

	Year ended 31 December			Four months ended 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at 1 January	17,345	18,976	24,961	18,389
Additions	1,159	5,639	1,408	–
Accretion of interest recognised during the year/period	545	711	625	107
Termination	–	–	(737)	(1,403)
Lease payment	(73)	(365)	(7,868)	(20)
Carrying amount at 31 December/30 April	18,976	24,961	18,389	17,073
Analysed into:				
Current portion	9,681	11,798	6,089	5,355
Non-current portion	9,295	13,163	12,300	11,718

(c) The amounts recognised in profit or loss in relation to leases are as follows:

The Group

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Lease payments in respect of short-term leases	634	192	811	294	764
Interest on lease liabilities	547	712	641	131	156
Gain on termination of a lease	–	–	94	94	–
Depreciation charge of right-of-use assets	1,761	2,483	2,992	876	1,575
Total amount recognised in profit or loss	2,942	3,387	4,538	1,395	2,495

The Company

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Lease payments in respect of short-term leases	634	192	744	294	704
Interest on lease liabilities	545	711	625	131	107
Gain on termination of a lease	–	–	94	94	178
Depreciation charge of right-of-use assets	1,706	2,430	2,692	858	826
Total amount recognised in profit or loss	2,885	3,333	4,155	1,377	1,815

(d) The total cash outflow for leases is disclosed in note 33 to the Historical Financial Information.

16. INVESTMENTS IN SUBSIDIARIES

The Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
New Shicoh Motor (Hefei) Co., Ltd.	50,327	50,457	50,588	50,592
New Shicoh Motor Co., Ltd. (Japan)*	43,302	44,327	44,327	44,327
Xinsikao (Shanghai) Technology Co., Ltd.	–	–	1,000	1,000
New Shicoh Motor (Shenzhen) Co., Ltd.	N/A	N/A	1,000	1,000
New Shicoh Motor (Dongguan) Co., Ltd.**	N/A	N/A	1,000	1,000
New Shicoh Motor (Nanchang) Co., Ltd.**	N/A	N/A	1,000	1,000
	93,629	94,784	98,915	98,919

* New Shicoh Motor Co., Ltd. (Japan) ("**New Shicoh Japan**") is one of the principal subsidiaries of the Company and principally engaged in the research and development activities. The directors of the Company determined that there existed indicators that the investment in New Shicoh Japan may be impaired as at each end of the Relevant Periods and have performed impairment assessment. As the recoverable amount of the investment in New Shicoh Japan was higher than its carrying amount, no provision for impairment was made for the Relevant Periods.

** New Shicoh Motor (Dongguan) Co., Ltd. ("**New Shicoh Dongguan**") and New Shicoh Motor (Nanchang) Co., Ltd. ("**New Shicoh Nanchang**") were registered in 2025 and are manufacturing entities of the Group. The directors of the Company determined that there existed indicators that the investments in these subsidiaries may be impaired as at 30 April 2026 and have performed impairment assessment. As the recoverable amounts were higher than their carrying amounts, no provision for impairment was made for the Relevant Periods.

17. INVENTORIES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	45,430	36,260	46,758	49,367
Work in process	20,472	31,430	63,341	123,687
Finished goods	56,261	137,268	146,090	166,382
	122,163	204,958	256,189	339,436

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	41,532	34,427	44,206	42,413
Work in process	19,595	30,092	62,327	120,783
Finished goods	50,186	125,904	136,452	147,581
	111,313	190,423	242,985	310,777

18. DEFERRED TAX

The movements in deferred tax liabilities and assets for the Relevant Periods are as follows:

Deferred tax assets

The Group

	Leases liabilities	Impairment of financial assets	Impairment of inventories and other assets	Tax loss	Deferred income	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	2,602	673	9,318	27,649	2,236	42,478
Deferred tax credited/(debited) to profit or loss during the year	244	25	(4,183)	15,576	905	12,567
As at 31 December 2023 and 1 January 2024	2,846	698	5,135	43,225	3,141	55,045
Deferred tax credited/(debited) to profit or loss during the year	898	759	407	4,537	(59)	6,542
As at 31 December 2024 and 1 January 2025	3,744	1,457	5,542	47,762	3,082	61,587
Deferred tax (debited)/credited to profit or loss during the year	(986)	(420)	426	5,030	631	4,681
As at 31 December 2025 and 1 January 2026	2,758	1,037	5,968	52,792	3,713	66,268

	Leases liabilities	Impairment of financial assets	Impairment of inventories and other assets	Tax loss	Deferred income	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax credited/(debited) to profit or loss during the period	858	99	510	4,123	(221)	5,369
As at 30 April 2026	3,616	1,136	6,478	56,915	3,492	71,637

The Company

	Leases liabilities	Impairment of financial assets	Impairment of inventories and other assets	Tax loss	Deferred income	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	2,602	673	7,907	22,354	2,236	35,772
Deferred tax credited/(debited) to profit or loss during the year	244	25	(3,863)	14,807	905	12,118
As at 31 December 2023 and 1 January 2024	2,846	698	4,044	37,161	3,141	47,890
Deferred tax credited/(debited) to profit or loss during the year	898	759	892	6,259	(59)	8,749
As at 31 December 2024 and 1 January 2025	3,744	1,457	4,936	43,420	3,082	56,639
Deferred tax (debited)/credited to profit or loss during the year	(986)	(420)	519	5,986	631	5,730
As at 31 December 2025 and 1 January 2026	2,758	1,037	5,455	49,406	3,713	62,369
Deferred tax (debited)/credited to profit or loss during the period	(197)	99	401	4,284	(221)	4,366
As at 30 April 2026	2,561	1,136	5,856	53,690	3,492	66,735

Deferred tax liabilities

The Group

	Right-of-use assets	Depreciation allowance in excess of related depreciation	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	1,930	934	2,864
Deferred tax credited to profit or loss during the year	(81)	(89)	(170)
As at 31 December 2023 and 1 January 2024	1,849	845	2,694
Deferred tax charged/(credited) to profit or loss during the year	481	(88)	393
As at 31 December 2024 and 1 January 2025	2,330	757	3,087
Deferred tax credited to profit or loss during the year	(289)	(89)	(378)
As at 31 December 2025 and 1 January 2026	2,041	668	2,709
Deferred tax charged/(credited) to profit or loss during the period	748	(30)	718
As at 30 April 2026	2,789	638	3,427

The Company

	Right-of-use assets	Depreciation allowance in excess of related depreciation	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	1,932	934	2,866
Deferred tax credited to profit or loss during the year	(83)	(89)	(172)
As at 31 December 2023 and 1 January 2024	1,849	845	2,694
Deferred tax charged/(credited) to profit or loss during the year	481	(88)	393
As at 31 December 2024 and 1 January 2025	2,330	757	3,087
Deferred tax credited to profit or loss during the year	(289)	(89)	(378)
As at 31 December 2025 and 1 January 2026	2,041	668	2,709
Deferred tax credited to profit or loss during the period	(307)	(30)	(337)
As at 30 April 2026	1,734	638	2,372

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the consolidated statement of financial position	52,351	58,500	63,559	68,210

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the statement of financial position	45,196	53,552	59,660	64,363

Deferred tax assets have not been recognised in respect of the following items:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Tax losses	238,588	146,459	68,269	31,202
Deductible temporary differences	2	1	267	5,233
	238,590	146,460	68,536	36,435

The Group has accumulated tax losses in Chinese Mainland of RMB225,687,000, RMB134,456,000, RMB57,264,000, RMB20,515,000 in aggregate as at 31 December 2023, 2024, 2025 and 30 April 2026, respectively. These losses can be carried forward to offset against future taxable profits generated by the individual companies that incurred the losses, within the next one to ten years.

The Group's accumulated tax losses in Japan were RMB12,901,000, RMB12,003,000, RMB11,005,000, RMB10,687,000 as at 31 December 2023, 31 December 2024 and 31 December 2025 and 30 April 2026, respectively. These losses can be carried forward to offset against future taxable profits generated by the individual companies that incurred the losses, within the next one to ten years.

Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

19. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	318,061	624,755	665,461	760,267
Bills receivables	27,850	32,582	13,325	75,284
	345,911	657,337	678,786	835,551
Less: Impairment of trade receivables	4,513	9,518	6,714	7,379
Trade and bills receivables, net	341,398	647,819	672,072	828,172

The Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	318,061	624,755	665,427	760,252
Due from subsidiaries	13,726	1,493	–	18,787
Bills receivables	27,850	32,582	13,325	75,284
	359,637	658,830	678,752	854,323
Less: Impairment of trade receivables	4,513	9,518	6,714	7,379
Trade and bills receivables, net	355,124	649,312	672,038	846,944

Included in the Group's trade and bills receivables are amounts due from the Group's related parties of RMB92,230,000, RMB50,489,000, RMB132,075,000 and RMB232,032,000 as at 31 December 2023, 2024, 2025 and 30 April 2026 (note 36), respectively, which are repayable on credit terms similar to those offered to the major customers of the Group.

The Group's trading terms with its customers are mainly on credit. The Group generally gives a credit period of 60 to 90 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. The Group has certain concentration of credit risk as 85.94%, 91.43%, 84.32%, and 82.32% of trade and bills receivables were due from the top five customers as at 31 December 2023, 2024, 2025 and 30 April 2026, respectively. The Group does not hold any collateral or other credit enhancements over its trade and bills receivables.

An ageing analysis of the trade and bills receivables as at the end of each of the Relevant Periods, based on the revenue recognition date and net of loss allowance, is as follows:

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	339,795	646,939	671,966	827,852
Over 1 year	1,603	880	106	320
Total	341,398	647,819	672,072	828,172

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	339,795	648,079	671,932	846,624
Over 1 year	15,329	1,233	106	320
Total	355,124	649,312	672,038	846,944

The movements in the loss allowance for impairment of the trade receivables are as follows:

The Group and the Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year	4,372	4,513	9,518	6,714
Impairment losses/(reversal of impairment), net *(note 7)*	141	5,005	(2,804)	665
At end of year/period	4,513	9,518	6,714	7,379

An impairment analysis is performed at the end of each of Relevant Periods using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Trade receivables for which the counterparties failed to make the demanded repayments are defaulted receivables. The Group has provided full impairment for the defaulted receivables. The Group estimated that the expected loss rate for the bills receivables and the Company's trade receivables due from subsidiaries are minimal.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

The Group and the Company

As at 31 December 2023

	Default receivables	Trade receivables ageing with		Total
		With 1 year	Over 1 year	
Expected credit loss rate	100.00%	0.53%	42.32%	1.42%
Gross carrying amount *(RMB'000)*	1,675	313,607	2,779	318,061
Expected credit losses *(RMB'000)*	1,675	1,662	1,176	4,513

As at 31 December 2024

	Default receivables	Trade receivables ageing with		Total
		With 1 year	Over 1 year	
Expected credit loss rate	100.00%	0.74%	78.76%	1.52%
Gross carrying amount *(RMB'000)*	1,675	618,937	4,143	624,755
Expected credit losses *(RMB'000)*	1,675	4,580	3,263	9,518

The Group

As at 31 December 2025

	Default receivables	Trade receivables ageing with		Total
		With 1 year	Over 1 year	
Expected credit loss rate	100.00%	0.70%	78.73%	1.01%
Gross carrying amount *(RMB'000)*	1,675	663,283	503	665,461
Expected credit losses *(RMB'000)*	1,675	4,643	396	6,714

As at 30 April 2026

	Default receivables	Trade receivables ageing with		Total
		With 1 year	Over 1 year	
Expected credit loss rate	100.00%	0.69%	61.57%	0.97%
Gross carrying amount *(RMB'000)*	1,675	757,762	830	760,267
Expected credit losses *(RMB'000)*	1,675	5,193	511	7,379

The Company

As at 31 December 2025

	Default receivables	Trade receivables ageing with		Total
		With 1 year	Over 1 year	
Expected credit loss rate	100.00%	0.70%	78.73%	1.01%
Gross carrying amount *(RMB'000)*	1,675	663,249	503	665,427
Expected credit losses *(RMB'000)*	1,675	4,643	396	6,714

As at 30 April 2026

	Default receivables	Trade receivables ageing with		Total
		With 1 year	Over 1 year	
Expected credit loss rate	100.00%	0.69%	61.57%	0.97%
Gross carrying amount *(RMB'000)*	1,675	757,747	830	760,252
Expected credit losses *(RMB'000)*	1,675	5,193	511	7,379

20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Value-added tax recoverable	8,401	3,118	3,249	5,613
Prepaid income tax	–	3,472	4,743	1,420
Other assets *(note (a))*	26,868	27,677	46,463	66,934
Certificate of deposit *(note (b))*	21,654	–	–	–
Deferred **[REDACTED]** expenses	–	–	3,148	4,358
Receivables for claim from a supplier *(note 29)*	–	–	–	12,223
Prepayments	1,935	2,424	4,220	4,376
Other receivables and deposit	599	3,759	4,513	4,762
Subtotal	59,457	40,450	66,336	99,686
Less: Impairment of other receivables and deposit	(21)	(173)	(87)	(86)
	59,436	40,277	66,249	99,600
Non-Current				
Other receivables and deposits	2,360	360	457	729
Prepayments for property, plant and equipment	52	544	11,177	11,346
Subtotal	2,412	904	11,634	12,075
Less: Impairment of other receivables and deposit	(118)	(18)	(123)	(136)
	2,294	886	11,511	11,939

The Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Value-added tax recoverable	2,068	–	648	1,868
Prepaid income tax	–	3,472	3,356	–
Other assets *(note (a))*	25,858	26,341	44,339	55,637
Certificate of deposit *(note (b))*	21,654	–	–	–
Deferred **[REDACTED]** expenses	–	–	3,148	4,358
Receivables for claim from a supplier *(note 29)*	–	–	–	12,223
Prepayments	1,757	2,008	3,791	3,271
Other receivables and deposit	556	3,707	3,893	3,941
Due from subsidiaries	52,178	34,439	21,429	36,867
	104,071	69,967	80,604	118,165
Less: Impairment of other receivables and deposit	(21)	(173)	(77)	(71)
	104,050	69,794	80,527	118,094
Non-Current				
Other receivables and deposits	2,360	360	457	457
Prepayments for property, plant and equipment	52	544	11,177	11,346
Less: Impairment of other receivables and deposit	(118)	(18)	(123)	(123)

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	2,294	886	11,511	11,680

(a) Other assets represented the costs of moulds and tooling incurred to fulfil the contracts with customers. The capitalised costs are amortised to profit or loss over the estimated economic life.

(b) The certificate of deposit was denominated in RMB with expected yield rates of 3.55% per annum. It was classified and measured at amortised cost as it gives rise to cash flows that are solely payments of principal and interest and is held within a business model with the objective to collect contractual cash flows.

Other receivables are unsecured, non-interest-bearing and are collectable within one year.

As at 31 December 2023, 2024, 2025 and 30 April 2026 the impairment of the other receivables and deposits were measured based on 12-month expected credit loss if they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, they were measured based on lifetime expected credit loss. The Company estimated that the expected loss rate for its other receivables due from subsidiaries is minimal.

The movements in the loss allowance for impairment of other receivables and deposits are as follows:

The Group

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year	116	139	191	210
Impairment losses/(reversal of impairment), net *(note 7)*	23	52	19	12
At the end of the year/period	139	191	210	222

The Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year	116	139	191	200
Impairment losses/(reversal of impairment), net	23	52	9	(6)
At the end of the year/period	139	191	200	194

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and the Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Structured deposits	–	20,048	–	50,024

The structured deposits issued by banks in Chinese Mainland are classified and measured at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

22. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	60,685	204,604	234,255	57,068
Restricted cash	183,917	135,526	55,833	66,385
	244,602	340,130	290,088	123,453
Less:				
Restricted cash*	(183,917)	(135,526)	(55,833)	(66,385)
Cash and cash equivalents	60,685	204,604	234,255	57,068
Denominated in:				
RMB	239,308	333,649	288,197	119,212
United States Dollar ("**USD**")	4,793	6,291	1,105	3,739
JPY	501	190	786	502
	244,602	340,130	290,088	123,453

The RMB is not freely convertible into other currencies, however, under Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and restricted cash balances are deposited with creditworthy banks with no recent history of default.

* As at 31 December 2023, 2024, 2025 and 30 April 2026, the restricted cash was mainly used as guarantee deposits for the issuance of bills payable. As at 31 December 2025 and 30 April 2026, the restricted cash of RMB30,000,000 and RMB40,000,000, respectively, was frozen for the purchase of structured deposits.

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	55,768	197,445	230,333	54,022
Restricted cash	183,917	135,526	55,833	66,385
	239,685	332,971	286,166	120,407
Less:				
Restricted cash	(183,917)	(135,526)	(55,833)	(66,385)
Cash and cash equivalents	55,768	197,445	230,333	54,022
Denominated in				
RMB	234,892	326,680	285,061	116,668
United States Dollar ("**USD**")	4,793	6,291	1,105	3,739
	239,685	332,971	286,166	120,407

23. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank acceptance bills	129,499	8,655	13,685	35,471

The Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank acceptance bills	129,499	8,655	12,997	35,408

The above bank acceptance bills are issued by reputable banks in Chinese Mainland. They are classified and measured at fair value through other comprehensive income as they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling. Due to their relatively short remaining maturity, the fair value approximates to the carrying amount.

24. TRADE AND BILLS PAYABLES

The Group

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	383,042	668,138	656,092	789,549
Bills payables	326,782	229,781	174,258	147,054
	709,824	897,919	830,350	936,603

An ageing analysis of the trade and bills payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	705,807	893,536	826,232	932,304
Over 1 year	4,017	4,383	4,118	4,299
	709,824	897,919	830,350	936,603

The trade payables are non-interest-bearing and are normally settled within a period of 30 to 120 days.

Included in the Group's trade and bills payables are amounts due to the Group's related parties of RMB7,422,000, RMB19,845,000 and RMB15,815,000, and RMB14,162,000 as at 31 December 2023, 2024, 2025 and 30 April 2026 (note 36), respectively, which are payable on credit terms similar to those granted by the major suppliers of the Group.

In addition to the restricted cash (note 22), as at 31 December 2023, 2024, 2025 and 30 April 2026, the Group's bills payables of RMB90,090,000, RMB79,313,000, RMB148,545,000, and RMB109,383,000 were guaranteed by the related parties (note 36).

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	333,991	615,927	589,353	725,240
Bills payables	294,604	222,938	159,258	140,054
Due to subsidiaries	124,559	87,932	113,109	95,810
	753,154	926,797	861,720	961,104

An ageing analysis of the trade and bills payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	749,177	922,618	858,158	957,312
Over 1 year	3,977	4,179	3,562	3,792
	753,154	926,797	861,720	961,104

25. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payable for endorsed bills receivable that are not derecognised *(note a)*	–	1,703	12,248	42,832
Payroll payable	12,707	30,511	42,256	34,608
Other tax payable	683	3,682	2,231	1,658
Payables for property, plant and equipment	23,751	38,404	63,047	63,946
Payables to former shareholders *(note b)*	12,278	9,390	–	–
[REDACTED] expenses payables	–	–	5,659	129
Other payables	22,307	32,994	37,531	54,878
	71,726	116,684	162,972	198,051

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payable for endorsed bills receivable that are not derecognised *(note a)*	–	1,703	12,248	42,885
Payroll payable	11,802	28,827	39,742	29,094
Other tax payable	626	3,560	1,987	1,241
Payables for property, plant and equipment	22,061	37,321	62,130	62,266
Payables to former shareholders *(note b)*	12,278	9,390	–	–
[REDACTED] expenses payables	–	–	5,659	129
Other payables	20,842	30,880	36,928	52,624
	67,609	111,681	158,694	188,239

Other payables are non-interest-bearing and repayable on demand.

(a) For the endorsed bills receivable that the Group neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the bills receivables and associated liabilities. Further details are set out in note 37 to the Historical Financial Information.

(b) It represented the loans from a former shareholder at the principal amount of RMB18,500,000 and bearing interest at an agreed rate. The loans and accrued interests were fully repaid in December 2025.

26. INTEREST-BEARING BANK LOANS

The Group and the Company

	At 31 December									As at 30 April		
	2023			2024			2025			2026		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current												
Bank loans – secured	3.5	2024	10,010	3.0-3.2	2025	48,062	–	–	–	–	–	–
Bank loans – unsecured	3.5	2024	10,112	3.1	2025	15,021	–	–	–	–	–	–
Current portion of long term bank loans – secured	–	–	–	3.1	2025	200	2.4-3.3	2026	22,367	2.4–3.3	2027	34,892
Bank loans – discounted bills receivables			66			–			–			–
Total – current			20,188			63,283			22,367			34,892
Non-current												
Bank loans – secured			–	3.1-3.3	2026-2029	35,713	2.4-3.3	2027-2030	165,589	2.4-3.3	2027-2030	161,070
Total – non-current			–			35,713			165,589			161,070
Total			20,188			98,996			187,956			195,962
Analysed into												
Bank loans repayable												
Within one year or on demand			20,188			63,283			22,367			34,892
In the second year			–			14,134			55,322			62,700
In the third to fifth years, inclusive			–			21,579			110,267			98,370
Total			20,188			98,996			187,956			195,962

As at 31 December 2023, 2024, 2025 and 30 April 2026, the Group's bank borrowings of RMB10,010,000, RMB83,975,000 and RMB187,956,000, and RMB195,962,000 were guaranteed by the related parties (note 36).

All bank and other borrowings were denominated in RMB and the carrying amounts approximate to their fair values as at 31 December 2023, 2024, 2025 and 30 April 2026.

27. CONTRACT LIABILITIES

The Group

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances from customers				
Sale of goods	769	2,391	2,925	3,835
Technical services	–	–	11,338	–
	769	2,391	14,263	3,835
Analysed for reporting purposes as:				
Current liabilities	769	2,391	14,263	3,835
	769	2,391	14,263	3,835

The Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances from customers				
Sale of goods	769	2,391	9,603	9,948
Technical services	–	–	11,338	–
	769	2,391	20,941	9,948
Analysed for reporting purposes as:				
Current liabilities	769	2,391	20,941	9,948
	769	2,391	20,941	9,948

* The increase in contract liabilities in 2025 was mainly due to the increase in short-term advances received from customers in relation to the provision of technical services at the end of the reporting period.

28. DEFERRED INCOME

The Group and the Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grants	20,940	20,548	24,753	23,281
At beginning of year	14,906	20,940	20,548	24,753
Grants received during the year/period	9,046	3,182	10,181	–
Released to profit or loss during the year/period	(3,012)	(3,574)	(5,976)	(1,472)
At end of year/period	20,940	20,548	24,753	23,281

Deferred income represented amounts received from the governments for projects and is credited to profit or loss on a straight-line basis over the expected lives of the related assets or recognised as income on a systematic basis over the periods that the costs, for which they are intended to compensate, are expensed.

29. PROVISION

The Group and the Company

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Product warranty provision(a)	1,842	3,028	3,326	3,340
Litigation provision(b)	–	–	–	12,223
	1,842	3,028	3,326	15,563

(a) The Group generally provides 18 to 36 months warranties to its customers on certain of its products for general repairs of defects occurring during the warranty period. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

(b) It represents the provision for a lawsuit filed by a supplier (the "**Plaintiff**") against the Group. The Plaintiff requested a total compensation of RMB12,223,000 for the costs of materials that the Plaintiff had produced based on the order placed by the Group and subsequently cancelled. As the cancellation of the sales order by the customer of the Group simultaneously caused the Group to cancel the purchase order with the supplier, based on the opinion from the Company's legal advisor and all the available information, it is virtually certain that the customer should compensate the Group for the losses caused by the order cancellation, including all the payments made by the Group to the Group's suppliers. The Group recognised the provision in respect of the probable compensation costs to the supplier, and the contingent asset for the amount that the Group expects to receive from the customer (note 20). For details, please refer to section "Business – Legal Proceedings and Compliance – Legal Proceedings" of the document. In May 2026, the court approved the Plaintiff's application for property preservation, resulting in the restriction of RMB12,223,000 in the Group's bank accounts as a provisional measure.

	Product warranty provision	Litigation provision	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	1,153	–	1,153
Additional provision *(note 7)*	2,908	–	2,908
Amounts utilised during the year	(2,219)	–	(2,219)
At 31 December 2023	1,842	–	1,842
At 1 January 2024	1,842	–	1,842
Additional provision *(note 7)*	5,163	–	5,163
Amounts utilised during the year	(3,977)	–	(3,977)
At 31 December 2024	3,028	–	3,028
At 1 January 2025	3,028	–	3,028
Additional provision *(note 7)*	3,899	–	3,899
Amounts utilised during the year	(3,601)	–	(3,601)
At 31 December 2025	3,326	–	3,326
At 1 January 2026	3,326	–	3,326
Additional provision *(note 7, note 20)*	69	12,223	12,292
Amounts utilised during the period	(55)	–	(55)
At 30 April 2026	3,340	12,223	15,563

30. SHARE CAPITAL/PAID-IN CAPITAL

The Group and the Company

Share Capital

A summary of movements in the share capital is as follows:

	Number of shares in issue	Share capital
	(in thousand)	*RMB'000*
As at 1 January 2023, 31 December 2023, 1 January 2024, 31 December 2024 and 1 January 2025	–	–
Issue of ordinary shares upon conversion into a joint stock company of RMB1 each**	106,826	106,826
As at 31 December 2025 and 30 April 2026	106,826	106,826

Paid-in Capital

A summary of movements in the paid-in capital is as follows:

	RMB'000
As at 1 January 2023	102,375
Capital contribution by shareholders*	4,451
1 January 2024, 31 December 2024 and 1 January 2025	106,826
Conversion into a joint stock company**	(106,826)
As at 31 December 2025 and 30 April 2026	–

* During the year ended 31 December 2023, the Company received capital contribution with an aggregate cash proceed of RMB99,010,000, which was net of share issue expenses of RMB990,000, from certain investors. The capital contribution has resulted in the increase in paid-in capital and capital reserve by RMB4,451,000 and RMB94,559,000, respectively.

** In November 2025, the Company converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as of the conversion base date, including the paid-in capital, capital reserves and accumulated losses, were converted into 106,826,000 ordinary shares of RMB1.00 each. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company's capital reserve.

Pursuant to the shareholders subscription agreements entered into prior to Relevant Periods and on 20 January 2023, the Company issued an aggregate of 38,226,031 ordinary shares to the Pre-**[REDACTED]** investors at a total net cash proceeds of approximately RMB655,000,000 (collectively the "**Pre-[REDACTED] Investments**"). Additionally, pursuant to the share transfer agreements entered in December 2021 and January 2022, Shenzhen Hezheng Industrial Investment Co., Ltd., transferred a total of 7,744,888 ordinary shares to certain Pre-**[REDACTED]** investors for a total consideration of RMB174,000,000. Pursuant to the above agreements, the Pre-**[REDACTED]** Investors were granted by the Company with special rights ("**Special Rights**") which included redemption rights and liquidation preferences rights.

There was no exercise of redemption rights and liquidation preferences rights granted by the Company throughout the Relevant Periods.

On 19 August 2025 and 23 December 2025, the Company and the Pre-**[REDACTED]** investors subsequently entered into supplemental agreements, agreeing that the redemption rights and liquidation preference rights granted by the Company to Pre-**[REDACTED]** investors have been irrecoverably terminated and shall be *void ab initio*, respectively. Taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplemental agreements, the directors considered that it is appropriate to present the Pre-**[REDACTED]** Investments as equity throughout the Relevant Periods.

Had the Special Rights granted by the Company to the Pre-**[REDACTED]** investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements in December 2025.

(i) the redemption financial liabilities, total current liabilities, net current liabilities and net deficits would have been:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Redemption financial liabilities	994,205	1,059,717	1,126,037
Total current liabilities	1,808,291	2,154,838	2,167,009
Net current liabilities	(911,193)	(892,951)	(868,726)
Net deficits	(562,667)	(514,946)	(457,113)

(ii) the finance costs associated with the redemption financial liabilities, the net losses/profits for the year/period, basic and dilutive loss/earnings per share would have been:

	Year ended 31 December			Four months ended 30 April
	2023	**2024**	**2025**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*
Financial costs associated with the redemption financial liabilities	66,894	65,512	66,320	21,804
Total net (losses)/profits	(96,996)	39,243	54,078	3,338
Basic and dilutive (loss)/earnings per share *(expressed in RMB)*	(0.91)	0.37	0.51	0.03

31. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods and the four months ended 30 April 2025 are presented in the consolidated statements of changes in equity.

(i) Capital reserve

Capital reserve of the Group represents the difference between the value of the paid-up capital and the consideration received.

(ii) Share-based payment reserve

The share-based payment reserve of the Group represents the share-based compensation reserve due to equity-settled share-based payment transactions, details of which were set out in note 32 to the Historical Financial Information.

(iii) Exchange fluctuation reserve

The exchange fluctuation reserve of the Group represents exchange differences arising from the translation of financial statements of foreign operations.

(iv) Reserve funds

The reserve funds of the Group represent the surplus reserve allocated from the Company's after-tax profits generated in previous years in accordance with the Company Law of the PRC.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods and the four months ended 30 April 2025 are presented as follows:

	Capital reserve	Share-based payment reserve	Reserve funds	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	553,940	13,460	27	(286,889)	280,538
Loss for the year	–	–	–	(29,953)	(29,953)
Total comprehensive loss for the year	–	–	–	(29,953)	(29,953)
Share-based payments	–	7,096	–	–	7,096
Capital contribution by shareholders	94,559	–	–	–	94,559
At 31 December 2023	648,499	20,556	27	(316,842)	352,240
At 1 January 2024	648,499	20,556	27	(316,842)	352,240
Profit for the year	–	–	–	98,878	98,878
Total comprehensive income for the year	–	–	–	98,878	98,878
Share-based payments	–	9,083	–	–	9,083
At 31 December 2024	648,499	29,639	27	(217,964)	460,201
At 1 January 2025	648,499	29,639	27	(217,964)	460,201
Profit for the year	–	–	–	105,957	105,957
Total comprehensive income for the year	–	–	–	105,957	105,957
Share-based payments	–	3,956	–	–	3,956
Conversion into a joint stock company	(86,776)	–	(27)	86,803	–
At 31 December 2025	561,723	33,595	–	(25,204)	570,114
At 1 January 2026	561,723	33,595	–	(25,204)	570,114
Profit for the period	–	–	–	60,456	60,456
Total comprehensive income for the period	–	–	–	60,456	60,456
Share-based payments	–	1,574	–	–	1,574
At 30 April 2026	561,723	35,169	–	35,252	632,144
At 1 January 2025	648,499	29,639	27	(217,964)	460,201
Profit for the year	–	–	–	14,723	14,723
Total comprehensive income for the year	–	–	–	14,723	14,723
Share-based payments	–	1,910	–	–	1,910
At 30 April 2025 (unaudited)	648,499	31,549	27	(203,241)	476,834

32. SHARE-BASED PAYMENTS

(a) Employee Incentive Platforms

The Company have established two pre-**[REDACTED]** employee incentive platforms (the "**Employee Incentive Platforms**") for certain employees of the Company ("**Share Incentive Participants**") in order to recognise the contributions of the Share Incentive Participants to the growth and development of the Company, and incentivise them to further promote the development of the Company.

Jiashan Changxin Zhitou Asset Management Partnership (Limited Partnership) ("**Jiashan Changxin**") and Hefei Jiatou Entrepreneurship Management Partnership (Limited Partnership) ("**Hefei Jiatou**") were the Employee Incentive Platforms to hold the shares specially awarded to the eligible participants as the ultimate beneficial owners. The Company has no control over the Employee Incentive Platforms.

On 31 December 2020, the Company granted 1,514,703 restricted share units ("**RSUs**") of the Company to 39 eligible employees at a subscribed price of RMB3.93 through Jiashan Changxin. On 30 June 2021, the Company granted 2,008,821 RSUs of the Company to 42 eligible employees at a subscribed price of RMB3.93 through Jiashan Changxin and Hefei Jiatou. On 28 February 2025, the Company granted 299,000 RSUs of the Company to 12 eligible employees at a subscribed price of RMB3.93 through Jiashan Changxin. On 23 December 2025, the Company granted 1,558,000 RSUs of the Company to one eligible employee at a subscribed price of RMB3.93 through Jiashan Changxin and Hefei Jiatou.

All of the RSUs granted to the Share Incentive Participants shall be subject to both a **[REDACTED]**-based condition (the "**[REDACTED] Condition**") as well as service conditions. The **[REDACTED]** Condition would be satisfied when the ordinary shares of the Company are successfully **[REDACTED]** on a recognised stock exchange.

(b) Equity Compensation Arrangements at the Shareholder Level

Shenzhen Changxin Technology Investment Partnership (Limited Partnership) ("**Shenzhen Changxin**"), a limited partnership established in the PRC on 30 December 2020, holds 8.33% of the Company's issued shares, with Cai Zhenpeng as its controlling shareholders.

On 31 December 2020, Cai Zhenpeng transferred 178,044 shares held by Shenzhen Changxin in the Company to two eligible employees at a transfer price of RMB0.11 per share. On 31 March 2023, one of the eligible employees transferred 89,022 shares held by Shenzhen Changxin in the Company to one eligible employee at a transfer price of RMB1.00, which were subsequently transferred to another eligible employee at a transfer price of RMB1.00 on 5 November 2024. On 30 December 2024, Cai Zhenpeng transferred 150,268 shares held by Shenzhen Changxin in the Company to this eligible employee at a transfer price of RMB6.65 per share. Since the transfer prices of the above transactions were below the Company's market fair value at the time of transfer, these transactions were accounted for as share-based payment arrangements.

The fair values of the Company's shares and RSUs granted on 31 December 2020 and 31 March 2023 were determined with reference to recent transaction prices. The fair values of the RSUs granted on 30 June 2021, 28 February 2025, 23 December 2025 and the Company's shares granted on 30 December 2024 were measured as the market value at the grant dates, which were determined by an external valuer using the discounted cash flows method. The following table lists the key inputs to the fair value model used:

	30 June 2021	**30 December 2024 and 28 February 2025**	**23 December 2025**
Revenue growth rate *(%)*	(3.60)-82.60	4.00-31.59	4.00-23.20
Gross margin rate *(%)*	(20.21)-24.28	16.43-19.78	16.84-19.58
Weighted average cost of capital (WACC) *(%)*	11.30	10.40	10.50

The RSUs granted and outstanding during the Relevant Periods are as follows:

	Number of shares
At 1 January 2023	3,189,173
Granted during the period	–
Forfeited during the year	(485,569)
Cancelled during the year	(229,007)
At 31 December 2023	2,474,597
At 1 January 2024	2,474,597
Granted during the period	–
Forfeited during the year	(60,992)
Cancelled during the year	–
At 31 December 2024	2,413,605
At 1 January 2025	2,413,605
Granted during the year	1,856,841
Forfeited during the year	(134,663)
Cancelled during the year	(30,000)
At 30 December 2025	4,105,783
At 1 January 2026	4,105,783
Granted during the period	–
Forfeited during the period	(126,142)
Cancelled during the period	–
At 30 April 2026	3,979,641

The aforesaid transactions have been accounted for as share-based payment transactions. During the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2026, the Group recognised share award expenses of RMB7,096,000, RMB9,083,000, RMB3,956,000, and RMB1,574,000 respectively.

33. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2025 and 2026, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB1,270,000, RMB5,639,000, RMB4,510,000, RMB113,000 and RMB818,000 respectively, in respect of lease arrangements for buildings premises.

(b) Changes in liabilities arising from financing activities

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

	Interest bearing bank loans	Lease liabilities	Other payables to the former shareholder	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	34,171	17,364	12,105	63,640
Changes from financing cash flow	86,530	(130)	–	86,400
Changes from non-cash transactions	(101,052)	1,270	–	(99,782)
Accretion of interest	539	547	173	1,259
At 31 December 2023 and 1 January 2024	20,188	19,051	12,278	51,517
Changes from financing cash flow	123,535	(419)	(3,000)	120,116
Changes from non-cash transactions	(46,828)	5,639	–	(41,189)
Accretion of interest	2,101	712	112	2,925
Foreign exchange movement	–	(4)	–	(4)
At 31 December 2024 and 1 January 2025	98,996	24,979	9,390	133,365
Changes from financing cash flow	86,003	(7,931)	(9,390)	68,682
Changes from non-cash transactions	–	4,510	–	4,510
Termination	–	(737)	–	(737)
Accretion of interest	2,957	641	–	3,598
Foreign exchange movement	–	(4)	–	(4)
At 31 December 2025 and 1 January 2026	187,956	21,458	–	209,414
Changes from financing cash flow	6,550	(258)	–	6,292
Changes from non-cash transactions	–	818	–	818
Accretion of interest	1,456	156	–	1,612
Foreign exchange movement	–	(3)	–	(3)
At 30 April 2026	195,962	22,171	–	218,133
At 1 January 2025	98,996	24,979	9,390	133,365
Changes from financing cash flow	11,801	(56)	(5,000)	6,745
Changes from non-cash transactions	–	113	–	113
Termination	–	(737)	–	(737)
Accretion of interest	1,557	131	–	1,688
Foreign exchange movement	–	1	–	1
At 30 April 2025(unaudited)	112,354	24,431	4,390	141,175

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Within operating activities	634	192	811	294	764
Within financing activities	240	419	8,178	161	715
	874	611	8,989	455	1,479

34. PLEDGE OF ASSETS

Details of the Group's restricted cash is included in note 22 to the Historical Financial Information.

35. COMMITMENTS

The Group had the following capital commitments at the end of each of the Relevant Periods.

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted, but not provided for:				
Purchase of items of property, plant and equipment	14,779	22,358	112,610	52,533

The Group had the following short-term lease commitments at the end of the Relevant Periods. The future lease payments for these non-cancellable lease contracts are falling due as follows:

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	74	2,809	3,875	2,825

36. RELATED PARTY TRANSACTIONS

The directors are of the view that the following are related parties that have material transactions or balances with the Group during the Relevant Periods and the four months ended 30 April 2025.

(a) Name and relationships of the related parties

Name	Relationship
Dr. Cai Rongjun	Non-executive Director, chairman of the Board and one of the Controlling Shareholders
Mr. Cai Zhenpeng	Executive Director, vice chairman, chief executive officer and one of the Controlling Shareholders
OFILM Group Co., Ltd. and its subsidiaries ("**OFILM**")	Controlled by Dr. Cai Rongjun, one of the Controlling Shareholders
Jiangxi Xinfei New Materials Co., Ltd.	Controlled by Dr. Cai Rongjun, one of the Controlling Shareholders
Shenzhen Hezheng Industrial Investment Co., Ltd. ("**Shenzhen Hezheng**")	One of the Controlling Shareholders
Dongguan Oufei Imaging Industry Investment and Development Co., Ltd.	Controlled by Dr. Cai Rongjun, one of the Controlling Shareholders

(b) Recurring transactions with related parties:

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Sales of products and services to related parties *(note i)*:					
OFILM	324,005	431,854	594,381	160,656	289,777
Jiangxi Xinfei New Materials Co., Ltd.	320	243	–	–	–
	324,325	432,097	594,381	160,656	289,777
Purchases of products and services from related parties *(note ii)*:					
OFILM	545	101	2,513	28	12
Jiangxi Xinfei New Materials Co., Ltd.	10,507	41,953	41,243	15,450	8,996
	11,052	42,054	43,756	15,478	9,008
Purchases of equipment from related parties *(note ii)*:					
OFILM	1,907	–	–	–	–

(i) The sale to the related parties were made according to the published prices and conditions offered to the major customers of the Group. The credit terms granted to the related parties were generally in line with the credit terms granted to other customers.

(ii) The purchases from the related parties were made according to the published prices and conditions offered by the related parties to their major customers.

(c) Outstanding balances with related parties:

The Group

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables:				
OFILM	92,230	50,489	132,075	232,032
Trade and bills payables:				
Jiangxi Xinfei New Materials Co., Ltd.	7,274	19,845	15,815	14,159
OFILM	148	–	–	3
	7,422	19,845	15,815	14,162
Contract liabilities:				
OFILM	72	–	339	903
Lease liabilities *(note i)*:				
Dongguan Oufei Imaging Industry Investment and Development Co., Ltd.	–	–	1,385	1,868
Prepayments, other receivables and other assets				
OFILM	–	36	1,721	1,685
Other payables and accruals:				
OFILM	2,549	5	328	724

(i) The Group entered into three tenancy agreements with the related party to lease certain properties for a period of 3 years. The rental fees were determined based on the published prices and conditions of the properties.

As at 31 December 2023, 2024, 2025 and 30 April 2026, all the remaining balances with related parties are trade in nature.

(d) Guarantee provided by related parties:

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Mr. Cai Zhenpeng				
Bank loans	10,010	83,975	187,956	195,962
Bills payables	90,090	79,313	148,545	109,383
	100,100	163,288	336,501	305,345

The guarantees for bank loans and bill payables were provided free of charge with the duration period from 2023 to 2030 and from 2023 to 2027 respectively. The guarantees provided by related parties are expected to be released before the **[REDACTED]**.

Redemption rights of the Pre-*[REDACTED] *investors granted by the Dr. Cai Rongjun and Shenzhen Hezheng

According to the share subscription agreements and supplemental agreement entered into by the Company and the shareholders from January 2019 to January 2023, the Pre-**[REDACTED]** investors were granted the redemption right by Dr. Cai Rongjun and Shenzhen Hezheng ("the **CS Redemption Right**"). Pursuant to another supplemental agreement entered into by the Company and the shareholders in December 2025, the CS Redemption Right will be terminated immediately before the **[REDACTED]**.

The Company has not provided any form of guarantee in connection with any potential failure of the Dr. Cai Rongjun and Shenzhen Hezheng to fulfill their obligations relating to the CS Redemption Right. Accordingly, as the CS Redemption Right does not constitute any obligation of the Company, no financial liability regarding such rights were recorded by the Company during the Relevant Periods.

(e) Compensation of key management personnel of the Group

	Year ended 31 December			Four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Fees	–	–	14	–	147
Salaries, allowances and benefits in kind	3,991	3,865	4,994	1,402	1,586
Performance related bonus	659	957	1,843	363	250
Pension scheme contributions	411	427	620	127	75
Equity-settled share-based payment expenses	4,503	5,274	980	328	2,100
	9,564	10,523	8,451	2,220	4,158

Further details of directors' and the chief executive's remuneration are included in note 8 to the Historical Financial Information.

37. TRANSFER OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

At 31 December 2023, 2024, 2025, and 30 April 2026, the Group endorsed certain bills receivable accepted by banks in Chinese Mainland (the "**Endorsed Bills**") with carrying amounts of nil, RMB1,703,000, RMB12,248,000, and RMB42,832,000 to certain of its suppliers in order to settle the trade payables due to such suppliers (the "**Endorsement**"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties. The aggregate carrying amounts of the trade payables settled by the Endorsed Bills during the year/period to which the suppliers have recourse were RMB4,000,000, RMB10,180,000, RMB122,120,000, and RMB42,832,000 as at 31 December 2023, 2024, 2025 and 30 April 2026, respectively.

During the years ended 31 December 2023, 2024, 2025, and the four months ended 30 April 2025 and 2026, the Group had non-cash decrease to bills receivables and interest-bearing bank borrowings of RMB18,769,000, RMB67,000, nil, nil and nil, respectively, in respect of the discounted bills receivable that are not derecognised.

Transferred financial assets that are derecognised in their entirety

At 31 December 2023, 2024, 2025, and 30 April 2026, the Group endorsed certain bills receivable accepted by banks in Chinese Mainland to certain of its suppliers in order to settle the trade payables due to such suppliers, and discounted certain bills receivable to banks in Chinese Mainland, (together, the "**Derecognised Bills**") with carrying amounts in aggregate of RMB51,154,000, RMB255,659,000, RMB317,124,000, and RMB161,145,000, respectively. The Derecognised Bills had a maturity of one to six months at the end of each of the Relevant Periods. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills may exercise the right of recourse against any, several or all of the persons liable for the Derecognised Bills, including the Group, in disregard of the order of precedence (the "**Continuing Involvement**"). In the opinion of the directors, the risk of the Group being claimed by the holders of the Derecognised Bills is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

During the years ended 31 December 2023, 2024, 2025, and the four months ended 30 April 2025 and 2026, the Group recognised other expenses of RMB321,000, RMB604,000, RMB403,000, RMB109,000 and nil on the dates of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the Relevant Periods or cumulatively.

38. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Relevant Periods were as follows:

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at amortised cost:				
Trade and bills receivables	341,398	647,819	672,072	828,172
Restricted cash	183,917	135,526	55,833	66,385
Cash and cash equivalents	60,685	204,604	234,255	57,068
Financial assets included in deposit and other receivables	24,474	3,928	4,760	5,269
Financial assets at fair value through other comprehensive income:				
Debt investments at fair value through other comprehensive income	129,499	8,655	13,685	35,471
Financial assets at fair value through profit and loss:				
Structured deposits	–	20,048	–	50,024
	739,973	1,020,580	980,605	1,042,389
Financial liabilities at amortised cost:				
Trade and bills payables	709,824	897,919	830,350	936,603
Financial liabilities included in other payables and accruals	58,336	82,491	118,485	161,785
Lease liabilities	19,051	24,979	21,458	22,171
Interest-bearing bank loans	20,188	98,996	187,956	195,962
	807,399	1,104,385	1,158,249	1,316,521

For the details of pre-**[REDACTED]** investments, please refer to note 30 to this report.

39. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

All the carrying amounts of the Group's financial instruments approximate to their fair values due to the short-term maturities of these instruments.

The Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the Relevant Periods, the finance department analysed the movements in the values of financial instruments and determined the major inputs applied in the valuation. The valuation is reviewed and approved by the finance manager. The valuation process and results are discussed with the directors of the Company once a year for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the financial assets at fair value through profit and loss have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

Fair value hierarchy

Financial assets:

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	129,499	–	129,499

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	8,655	–	8,655
Financial assets at fair value through profit or loss	–	20,048	–	20,048

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	13,685	–	13,685

As at 30 April 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	35,471	–	35,471
Financial assets at fair value through profit or loss	–	50,024	–	50,024

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, financial assets at fair value through profit or loss and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term and long-term borrowings. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. At 31 December 2024 and 31 December 2025 and 30 April 2026, approximately 100% of the Group's long-term interest-bearing borrowings bore interest at floating rates. The Group currently does not enter into any hedging instrument for both of the fair value interest rate risk and cash flow interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) and the Group's equity.

	Increase/ (decrease) in basis points	**Increase/ (decrease) in profit before tax**	**Increase/ (decrease) in equity***
		RMB'000	*RMB'000*
Year ended 31 December 2023			
RMB	50	(94)	–
RMB	(50)	94	–
Year ended 31 December 2024			
RMB	50	(545)	–
RMB	(50)	545	–
Year ended 31 December 2025			
RMB	50	(2,141)	–
RMB	(50)	2,141	–
Four months ended 30 April 2026			
RMB	50	(2,090)	–
RMB	(50)	2,090	–

* Excluding accumulated losses

Foreign currency risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect the Group's financial condition and results of operations.

The following table demonstrates the sensitivity at the end of each of the Relevant Periods to a reasonably possible change in foreign currency exchange rates, with all other variables held constant, of the Group's (loss)/profit before tax (due to changes in the translated value of monetary assets and liabilities).

	Increase/ (decrease) in foreign currency exchange rates	(Decrease)/ increase in profit before tax
	%	*RMB'000*
Year ended 31 December 2023		
If RMB weakens against the USD	5	(1,539)
If RMB strengthens against the USD	5	1,539
Year ended 31 December 2024		
If RMB weakens against the USD	5	(1,633)
If RMB strengthens against the USD	5	1,633
Year ended 31 December 2025		
If RMB weakens against the USD	5	(1,645)
If RMB strengthens against the USD	5	1,645
Four months ended 30 April 2026		
If RMB weakens against the USD	5	(1,451)
If RMB strengthens against the USD	5	1,451

Credit risk

The Group trades only with recognised and creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, restricted cash and financial assets included in deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Relevant Periods.

The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	–	–	–	345,911	345,911
Financial assets included in deposits and other receivables*	24,613	–	–	–	24,613
Restricted cash	183,917	–	–	–	183,917
Debt investments at fair value through other comprehensive income	129,499	–	–	–	129,499
Cash and cash equivalents	60,685	–	–	–	60,685
	398,714	–	–	345,911	744,625

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	–	–	–	657,337	657,337
Financial assets included in deposits and other receivables*	4,119	–	–	–	4,119
Restricted cash	135,526	–	–	–	135,526
Debt investments at fair value through other comprehensive income	8,655	–	–	–	8,655
Cash and cash equivalents	204,604	–	–	–	204,604
	352,904	–	–	657,337	1,010,241

As at 31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	–	–	–	678,786	678,786
Financial assets included in deposits and other receivables*	4,970	–	–	–	4,970
Restricted cash	55,833	–	–	–	55,833
Debt investments at fair value through other comprehensive income	13,685	–	–	–	13,685
Cash and cash equivalents	234,255	–	–	–	234,255
	308,743	–	–	678,786	987,529

As at 30 April 2026

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	–	–	–	835,551	835,551
Financial assets included in deposits and other receivables *	17,714	–	–	–	17,714
Restricted cash	66,385	–	–	–	66,385
Debt investments at fair value through other comprehensive income	35,471	–	–	–	35,471
Cash and cash equivalents	57,068	–	–	–	57,068
	176,638	–	–	835,551	1,012,189

* The credit quality of the financial assets included in deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations. The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

As at 31 December 2023

	Less than 12 months or on demand	**1 to 10 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
Trade and bills payables	709,824	–	709,824
Financial liabilities included in other payables and accruals	58,336	–	58,336
Lease liabilities	10,247	10,573	20,820
Interest-bearing bank loans	20,852	–	20,852
	799,259	10,573	809,832

As at 31 December 2024

	Less than 12 months or on demand	**1 to 10 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
Trade and bills payables	897,919	–	897,919
Financial liabilities at fair value through profit and loss	–	–	–
Financial liabilities included in other payables and accruals	82,491	–	82,491
Lease liabilities	12,238	13,797	26,035
Interest-bearing bank loans	65,261	37,791	103,052
	1,057,909	51,588	1,109,497

As at 31 December 2025

	Less than 12 months or on demand	**1 to 10 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
Trade and bills payables	830,350	–	830,350
Financial liabilities at fair value through profit and loss	–	–	–
Financial liabilities included in other payables and accruals	118,485	–	118,485
Lease liabilities	8,119	15,181	23,300
Interest-bearing bank loans	27,611	173,336	200,947
	984,565	188,517	1,173,082

As at 30 April 2026

	Less than 12 months or on demand	1 to 10 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade and bills payables	936,603	–	936,603
Financial liabilities at fair value through profit and loss	–	–	–
Financial liabilities included in other payables and accruals	161,785	–	161,785
Lease liabilities	9,051	14,713	23,764
Interest-bearing bank loans	40,345	168,098	208,443
	1,147,784	182,811	1,330,595

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The asset-liability ratios as at the end of each of the Relevant Periods are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total assets	1,275,878	1,709,316	1,914,005	2,102,124
Total liabilities	844,340	1,164,545	1,245,081	1,395,473
Asset-liability ratio*	66%	68%	65%	66%

* Asset-liability ratio is calculated by dividing total liabilities by total assets.

41. EVENTS AFTER THE RELEVANT PERIODS

There is no significant subsequent event undertaken by the Company after 30 April 2026.

42. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of its subsidiaries in respect of any period subsequent to 30 April 2026.