

APPENDIX I

ACCOUNTANTS’ REPORT

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF STANDARD ROBOTS (WUXI) CO., LTD. AND CITIC SECURITIES (HONG KONG) LIMITED AND GUOTAI JUNAN CAPITAL LIMITED

Introduction

We report on the historical financial information of Standard Robots (Wuxi) Co., Ltd. (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-3 to I-[*], which comprises the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated 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 31 December 2023, 2024, 2025 and 30 April 2026, and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-3 to I-[*] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [REDACTED] (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.

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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 31 December 2023, 2024, 2025 and 30 April 2026 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 comparative financial information of the Group which comprises the consolidated statements 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 and presentation 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 12 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

[Date]

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I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms 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.

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	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	5	162,166	250,522	301,493	44,747	106,940
Cost of sales		(110,997)	(153,364)	(179,250)	(24,751)	(59,384)
Gross profit		51,169	97,158	122,243	19,996	47,556
Other income and gains	6	7,080	7,920	3,324	751	2,819
Selling and marketing expenses		(57,358)	(64,595)	(114,203)	(20,217)	(41,985)
Administrative expenses		(25,466)	(23,575)	(114,695)	(32,551)	(28,496)
Research and development expenses		(56,098)	(36,611)	(76,729)	(13,527)	(29,129)
Impairment losses on financial assets and contract assets, net		(14,709)	(22,853)	(18,371)	(10,112)	(10,408)
Other expenses		(2,634)	(1,208)	(2,506)	(5)	(2,089)
Finance costs	7	(2,332)	(1,380)	(1,084)	(421)	(103)
LOSS BEFORE TAX	8	(100,348)	(45,144)	(202,021)	(56,086)	(61,835)
Income tax expense	11	—	—	—	—	—
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		<u>(100,348)</u>	<u>(45,144)</u>	<u>(202,021)</u>	<u>(56,086)</u>	<u>(61,835)</u>
Attributable to:						
Owners of the parent.		<u>(100,348)</u>	<u>(45,144)</u>	<u>(202,021)</u>	<u>(56,086)</u>	<u>(61,835)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted (RMB per share)						
— For loss for the year/period	13	<u>(0.59)</u>	<u>(0.25)</u>	<u>(0.96)</u>	<u>(0.29)</u>	<u>(0.28)</u>

For the details of pre-[REDACTED] investments, please refer to note 31 to this report.

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 April
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	14	13,289	7,312	4,595	5,514
Intangible assets	15	807	490	267	277
Right-of-use assets.	16	4,035	10,011	5,567	13,603
Prepayments, other receivables and other assets	23	414	10,524	11,694	13,213
Total non-current assets		18,545	28,337	22,123	32,607
CURRENT ASSETS					
Inventories	19	110,460	59,432	63,577	122,454
Trade and bills receivables.	20	51,817	93,422	162,683	172,446
Debt investments at fair value through other comprehensive income	21	1,896	697	1,257	1,746
Contract assets	22	8,464	12,834	14,707	12,279
Prepayments, other receivables and other assets	23	9,850	6,435	12,589	22,743
Financial assets at fair value through profit or loss (“FVTPL”)	18	—	17,008	80,609	40,791
Restricted cash	24	390	3,256	17,463	18,015
Time deposits	24	—	1,000	—	—
Cash and cash equivalents	24	33,454	83,358	77,140	49,686
Total current assets		216,331	277,442	430,025	440,160

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		As at 31 December			As at 30 April
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
CURRENT LIABILITIES					
Trade payables	25	45,785	52,299	80,563	135,054
Contract liabilities	28	34,054	16,111	25,375	10,808
Other payables and accruals .	26	23,608	20,171	33,464	28,657
Interest-bearing bank and other borrowings	27	25,028	42,881	—	—
Lease liabilities	16	4,565	4,286	2,908	6,971
Deferred income	29	—	8,000	—	—
Provisions	30	8,164	15,755	16,164	17,603
Total current liabilities		141,204	159,503	158,474	199,093
NET CURRENT ASSETS. .		75,127	117,939	271,551	241,067
TOTAL ASSETS LESS					
CURRENT					
LIABILITIES		93,672	146,276	293,674	273,674
NON-CURRENT					
LIABILITIES					
Lease liabilities	16	—	5,809	2,901	7,249
Deferred income	29	8,000	—	1,225	1,069
Total non-current liabilities .		8,000	5,809	4,126	8,318
Net assets		85,672	140,467	289,548	265,356
EQUITY					
Equity attributable to					
owners of the parent					
Paid-in capital	31	5,673	6,015	—	—
Share capital	31	—	—	22,105	22,105
Reserves	32	79,999	134,452	267,443	243,251
Total equity		85,672	140,467	289,548	265,356

For the details of pre-[REDACTED] investments, please refer to note 31 to this report.

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent				Total equity
	Paid-in capital	Capital reserve	Share-based payment reserve	Accumulated losses	
	<i>RMB'000</i> <i>(note 31)</i>	<i>RMB'000</i> <i>(note 32)</i>	<i>RMB'000</i> <i>(note 33)</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2023	4,949	263,994	119,907	(386,960)	1,890
Loss for the year	—	—	—	(100,348)	(100,348)
Total comprehensive loss for the year	—	—	—	(100,348)	(100,348)
Share-based payments <i>(note 33)</i>	—	—	4,980	—	4,980
Capital contribution by shareholders	724	178,426	—	—	179,150
As at 31 December 2023 . . .	5,673	442,420*	124,887*	(487,308)*	85,672

Year ended 31 December 2024

	Attributable to owners of the parent				Total equity
	Paid-in capital	Capital reserve	Share-based payment reserve	Accumulated losses	
	<i>RMB'000</i> <i>(note 31)</i>	<i>RMB'000</i> <i>(note 32)</i>	<i>RMB'000</i> <i>(note 33)</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2024	5,673	442,420	124,887	(487,308)	85,672
Loss for the year	—	—	—	(45,144)	(45,144)
Total comprehensive loss for the year	—	—	—	(45,144)	(45,144)
Share-based payments <i>(note 33)</i>	—	—	5,050	—	5,050
Capital contribution by shareholders	342	94,547	—	—	94,889
As at 31 December 2024 . . .	6,015	536,967*	129,937*	(532,452)*	140,467

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Year ended 31 December 2025

	Attributable to owners of the parent					Total equity
	Share capital	Paid-in capital	Capital reserve	Share-based payment reserve	Accumulated losses	
	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 32)	RMB'000 (note 33)	RMB'000	RMB'000
As at 1 January 2025	—	6,015	536,967	129,937	(532,452)	140,467
Loss for the year	—	—	—	—	(202,021)	(202,021)
Total comprehensive loss for the year	—	—	—	—	(202,021)	(202,021)
Share-based payments (note 33)	—	—	—	150,619	—	150,619
Capital contribution by shareholders	—	483	—	—	—	483
Issue of shares	2,105	—	197,895	—	—	200,000
Conversion into a joint stock company	20,000	(6,498)	(506,662)	—	493,160	—
As at 31 December 2025	22,105	—	228,200*	280,556*	(241,313)*	289,548

Four months ended 30 April 2026

	Attributable to owners of the parent				
	Share capital	Capital reserve	Share-based payment reserve	Accumulated losses	Total equity
	RMB'000 (note 31)	RMB'000 (note 32)	RMB'000 (note 33)	RMB'000	RMB'000
As at 1 January 2026	22,105	228,200	280,556	(241,313)	289,548
Loss for the period	—	—	—	(61,835)	(61,835)
Total comprehensive loss for the period	—	—	—	(61,835)	(61,835)
Share-based payments (note 33)	—	—	35,905	—	35,905
Capital contribution by shareholders	—	1,738	—	—	1,738
As at 30 April 2026	22,105	229,938*	316,461*	(303,148)*	265,356

* The reserve accounts comprise the consolidated reserve of RMB79,999,000, RMB134,452,000, RMB267,443,000 and RMB243,251,000 in the consolidated statements of financial position as at 31 December 2023, 2024, 2025 and 30 April 2026, respectively.

Four months ended 30 April 2025 (Unaudited)

	Attributable to owners of the parent				
	Paid-in capital	Capital reserve	Share-based payment reserve	Accumulated losses	Total equity
	RMB'000 (note 31)	RMB'000 (note 32)	RMB'000 (note 33)	RMB'000	RMB'000
As at 1 January 2025	6,015	536,967	129,937	(532,452)	140,467
Loss for the period	—	—	—	(56,086)	(56,086)
Total comprehensive loss for the period	—	—	—	(56,086)	(56,086)
Share-based payments (note 33)	—	—	26,317	—	26,317
Capital contribution by shareholders	483	—	—	—	483
As at 30 April 2025 (unaudited)	6,498	536,967	156,254	(588,538)	111,181

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CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December			Four months ended 30 April	
	Notes	2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM						
OPERATING ACTIVITIES						
Loss before tax		(100,348)	(45,144)	(202,021)	(56,086)	(61,835)
Adjustment for:						
Finance costs	7	2,332	1,380	1,084	421	103
Bank interest income	6	(416)	(181)	(578)	(91)	(37)
Interest income from certificate of deposits.	6	—	(37)	(190)	(63)	(63)
Depreciation of property, plant and equipment	8	7,817	6,644	4,749	1,424	1,060
Depreciation of right-of-use assets	8	8,108	5,095	4,444	1,470	2,061
Amortisation of intangible assets	8	318	317	256	93	52
Write-down of inventories to net realisable value	8	23,225	19,072	14,523	8,438	7,874
Impairment of financial assets and contract assets, net	8	14,709	22,853	18,371	10,112	10,408
Loss/(gain) on disposal of property, plant and equipment, net	8	1,026	(124)	89	—	—
Gain on lease termination.	8	(730)	(67)	—	—	—
Investment income from financial assets at fair value through profit or loss	6	(1,117)	(573)	(866)	(100)	(254)
Fair value gains on financial assets at fair value through profit or loss	6	—	(8)	(609)	—	(182)
Foreign exchange losses/(gains)	8	67	(734)	1,213	(136)	1,799
Share-based payment compensation	33	6,114	5,928	147,188	28,942	35,905
		(38,895)	14,421	(12,347)	(5,576)	(3,109)
(Increase)/decrease in inventories		(22,204)	31,956	(18,668)	(16,417)	(66,751)
(Increase)/decrease in trade and bills receivables		(36,739)	(63,253)	(85,749)	13,220	(21,352)
(Increase)/decrease in debt investments at fair value through other comprehensive income		(691)	1,199	(560)	231	(489)
(Increase)/decrease in contract assets		(2,345)	(4,370)	(1,873)	3,880	2,428
Decrease/(increase) in prepayments, other receivables and other assets		4,979	3,409	(4,373)	(5,097)	(11,142)
Increase in restricted cash		(390)	(2,866)	(14,207)	(4,595)	(552)
(Decrease)/increase in trade payables		(19,260)	6,012	25,658	1,940	54,491
Increase/(decrease) in other payables and accruals		5,500	(3,521)	14,001	(239)	(4,807)
Increase/(decrease) in deferred income		—	—	1,225	—	(156)
(Decrease)/increase in contract liabilities		(10,245)	(17,943)	9,264	10,626	(14,567)
(Decrease)/increase in provisions.		(249)	7,591	409	(844)	1,439
Cash used in operations		(120,539)	(27,365)	(87,220)	(2,871)	(64,567)
Interest received		416	181	564	90	36
Net cash flows used in operating activities		(120,123)	(27,184)	(86,656)	(2,781)	(64,531)

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		Year ended 31 December			Four months ended 30 April	
	Notes	2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of items of property, plant and equipment		(4,739)	(896)	(2,066)	(562)	(1,992)
Purchase of intangible assets		—	—	(33)	—	(62)
Purchase of certificate of deposits . . .		—	(10,000)	—	—	—
Purchase of wealth management products		(236,000)	(117,950)	(300,000)	(40,000)	(10,000)
Proceeds from redemption of wealth management products		237,117	101,523	237,875	27,109	50,254
Proceeds from disposal of property, plant and equipment		642	285	7	—	—
Purchase of time deposits		—	(1,000)	—	—	—
Proceeds from maturity of time deposits		—	—	1,014	—	—
Net cash flows (used in)/from investing activities.		(2,980)	(28,038)	(63,203)	(13,453)	38,200
CASH FLOWS FROM FINANCING ACTIVITIES						
New bank borrowings		45,000	68,000	9,000	9,000	—
Repayment of bank loans		(79,650)	(50,150)	(51,850)	(18,850)	—
Principal portion of lease payments . .	16	(8,620)	(5,474)	(4,286)	(1,372)	(1,686)
Interest paid.		(2,382)	(1,377)	(1,115)	(454)	(103)
Capital contribution	32	179,150	94,889	483	483	1,738
Issue of shares		—	—	200,000	—	—
Payment for share issue expense		—	—	(4,998)	—	—
Payment for [REDACTED] expense. .		—	—	(2,824)	—	(466)
Settlement of cash-settled share based payments	33	(7,083)	(794)	(278)	(278)	—
Net cash flows from/(used in) financing activities.		126,415	105,094	144,132	(11,471)	(517)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS.						
Cash and cash equivalents at beginning of year/period		30,129	33,454	83,358	83,358	77,140
Effect of foreign exchange rate changes, net		13	32	(491)	5	(606)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD. . . .		33,454	83,358	77,140	55,658	49,686
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and cash equivalents as stated in the consolidated statements of financial position	24	33,454	83,358	77,140	55,658	49,686

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STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December			As at 30 April
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	14	7,282	3,756	2,607	3,972
Intangible assets	15	807	490	267	277
Right-of-use assets.	16	3,773	8,126	5,298	13,059
Investment in subsidiaries . .	17	40,543	59,096	67,076	69,556
Prepayments, other receivables and other assets	23	12	10,479	11,694	12,811
Total non-current assets . . .		52,417	81,947	86,942	99,675
CURRENT ASSETS					
Inventories	19	84,352	35,068	38,361	75,470
Trade and bills receivables. .	20	80,441	102,248	172,430	156,704
Debt investments at fair value through other comprehensive income . . .	21	1,896	697	1,257	1,746
Contract assets	22	8,464	12,834	14,707	12,279
Prepayments, other receivables and other assets	23	7,740	4,981	8,676	18,599
Financial assets at fair value through profit or loss (“FVTPL”)	18	—	17,008	80,609	40,791
Restricted cash	24	390	3,256	17,463	18,015
Time deposits	24	—	1,000	—	—
Cash and cash equivalents . .	24	30,959	72,980	48,040	32,712
Total current assets		214,242	250,072	381,543	356,316

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		As at 31 December			As at 30 April
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
CURRENT LIABILITIES					
Trade payables	25	57,995	44,785	61,955	96,485
Contract liabilities	28	33,305	15,497	25,375	10,808
Other payables and accruals .	26	21,606	17,385	23,631	18,376
Interest-bearing bank and other borrowings	27	25,028	42,881	—	—
Lease liabilities	16	4,279	2,668	2,643	6,419
Provisions	30	8,164	15,755	16,164	17,603
Total current liabilities		150,377	138,971	129,768	149,691
NET CURRENT ASSETS. .		63,865	111,101	251,775	206,625
TOTAL ASSETS LESS					
CURRENT					
LIABILITIES		116,282	193,048	338,717	306,300
NON-CURRENT					
LIABILITIES					
Lease liabilities	16	—	5,543	2,901	7,249
Deferred income	29	—	—	625	469
Total non-current liabilities .		—	5,543	3,526	7,718
Net assets		116,282	187,505	335,191	298,582
EQUITY					
Paid-in capital	31	5,673	6,015	—	—
Share capital	31	—	—	22,105	22,105
Reserves	32	110,609	181,490	313,086	276,477
Total equity		116,282	187,505	335,191	298,582

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II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company, formerly known as Standard Robot Co., Ltd, was established in the People’s Republic of China (the “**PRC**”) as a limited liability company on 14 June 2016 and converted into a joint stock company with limited liability on 29 May 2025. The address of the Company’s registered office is No. 98 Jianghai West Road, Liangxi District, Wuxi City, Jiangsu Province, PRC.

During the Relevant Periods, the Company and its subsidiaries (together, the “**Group**”) were mainly engaged in the design, development, manufacture and commercialisation of intelligent service robots.

In the opinion of the directors, the single largest group of shareholders of the Company included: (i) Mr. Wang Yongkun; and (ii) Mr. Li Hongxiang.

As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, the particulars of the subsidiaries are set out below:

Name	Notes	Place and date of establishment and place of operations	Registered share capital	Percentage of equity attributable to the Company	Principal activities
				Direct	
Standard Robot (Kunshan) Co., Ltd. 斯坦德機器人 (昆山)有限公司*.	(a)	PRC/Chinese Mainland 8 March 2021	RMB50,000,000	100%	Manufacture of intelligent robots
Standard Robots Technology (Wuxi) Co., Ltd. 斯坦德機器人科技 (無錫)有限公司*.	(c)	PRC/Chinese Mainland 22 July 2024	RMB50,000,000	100%	Research and development company
Standard Robot intelligent (Shenzhen) Co., Ltd. 斯坦德機器人智能 (深圳)有限公司*.	(b)	PRC/Chinese Mainland 10 April 2025	RMB50,000,000	100%	Research and development company
Standard Shengji (Shenzhen) Intelligent Robots Co., Ltd. 斯坦德盛基(深圳)智能機器人有限公司*.	(c)	PRC/Chinese Mainland 8 April 2026	RMB1,000,000	60%	Sales of intelligent robots

* The English names of these companies 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.

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Notes:

- (a) The statutory financial statements of the entity for the years ended 31 December 2023 and 2024, prepared in accordance with Accounting Standards for Business Enterprises — Basic Standard and specific accounting standards, implementation guidance, interpretations and other relevant provisions (“**PRC GAAP**”) issued by the Ministry of Finance, were audited by Shenzhen Guangyi Certified Public Accountants (深圳廣宜會計師事務所), certified public accountants registered in the PRC. The statutory financial statements of the entity for the year ended 31 December 2025 prepared under PRC GAAP were audited by Suzhou Zhongqing Accounting Firm (General Partnership) (蘇州中晴會計師事務所(普通合夥)), certified public accountants registered in the PRC.
- (b) The statutory financial statements of the entity for the year ended 31 December 2025 prepared under PRC GAAP were audited by Shenzhen Tiandi Accounting Firm (General Partnership) (深圳天地會計師事務所(普通合夥)), certified public accountants registered in the PRC.
- (c) No audited statutory financial statements have been prepared and issued for these entities during the Relevant Periods as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdiction of incorporation.

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, liquidation preferences and anti-dilution rights, which are void ab initio as described in note 31 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 31 of this report.

The Historical Financial Information has been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. All HKFRS Accounting Standards effective for the accounting period commencing from 1 January 2026, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

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

Basis of consolidation

The Historical Financial Information includes the financial statements 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

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

The financial statements of the subsidiaries are 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.

Going concern basis

According to the cash flow forecast prepared by the management and taking into account the financial resources available to the Group, including cash and cash equivalents on hand and the internally generated funds from operations, the directors of the Company consider that the Group will have adequate funds available to enable it to meet its financial liabilities and obligations as and when they fall due for the next twelve months from 30 April 2026. Accordingly, the Historical Financial Information for the Relevant Periods has been prepared on a going concern basis.

2.2 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following revised HKFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information.

Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ¹
HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
HKFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
Amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	<i>Disclosures about Uncertainties in the Financial Statements</i> ³

¹ No mandatory effective date yet determined but available for adoption

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ The examples do not have an effective date or transitional provisions

The Group is in the process of making a detailed assessment of the impact of these new and revised HKFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised HKFRS Accounting Standards, except for HKFRS 18, may result in changes in

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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 HKFRS 18 is not expected to have a 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 statements of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of HKFRS 18 on the Group’s financial information.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Fair value measurement

The Group measures its financial assets at FVTPL and debt investments at fair value through other comprehensive income at fair value at the end of each of the reporting 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 financial statements 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 reporting periods.

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Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, 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 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 reporting 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 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;

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- (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, 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 estimated useful lives and residual values are as follows:

	Estimated useful lives	Residual value
Machinery and equipment.	3 to 5 years	0% to 5%
Office equipment and fixtures. . .	3 to 5 years	0% to 5%
Motor vehicles.	4 years	0% to 5%
Other equipment	3 to 5 years	0% to 5%
Leasehold improvements	Shorter of lease term and estimated useful life	NA

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 methods are reviewed, and adjusted if appropriate, at least at each financial year end.

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 [REDACTED] and the carrying amount of the relevant asset.

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Construction in progress is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

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 each financial year end.

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 3 to 5 years.

Research and development costs

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 (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less 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. 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.

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Buildings

2 to 5 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 buildings (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 is 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 and bills 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 and bills 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 HKFRS 15 in accordance with the policies set out for “Revenue recognition” below.

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In order for a financial asset to be classified and measured at amortised 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 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 consolidated statements 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 statements of financial position) when:

- the rights to receive cash flows from the asset have expired; or

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- 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 the Group’s 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 the end of each of the Relevant Periods, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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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 receivables and contract assets 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 receivables and contract assets 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 financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

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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 payables, other payables and accruals, interest-bearing bank borrowings and lease liabilities.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade and other payables, and loans and 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, and only 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.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis 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.

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.

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For the purpose of the consolidated statements 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.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting periods of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

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 country 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 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 difference; 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 carryforward of unused tax credits and unused tax losses can be utilised, except:

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- 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 difference; 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 of 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.

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.

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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) Sales of robotic solutions

Robotic solutions involve design, production, deployment and commissioning of customised robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract. The Group determines that the promised goods and services in robotic solutions represent one performance obligation, because these promises are highly interdependent, and the customer is unable to derive significant benefits from the access to an individual promise for the intended purposes without receipt of the other goods or services.

As none of the criteria under paragraph 35 of HKFRS 15 can be met for the control transfers over time, revenue from the sale of robotic solutions is recognised at point in time when the robotic solutions are accepted by the customers.

(b) Sales of robots and others

Revenue from the sale of robots and others is recognised at the point in time when control of the product or service is transferred to the customer, generally on delivery or acceptance of the products or services as agreed in the sales contracts.

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 assets

If the Group performs by transferring services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

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).

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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 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 Company operates share award schemes. Employees (including directors) of the Group receive remuneration and rewards 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 at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 33 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 option 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.

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Where the terms of an equity-settled option are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the option 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 option is cancelled, it is treated as if it had vested on the date of cancelation, and any expense not yet recognised for the option is recognised immediately.

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially at the grant date and at each reporting date up to and including the settlement date, further details of which are given in note 33 to the Historical Financial Information. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The cumulative expense recognised for cash-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of awards that will ultimately vest.

Other employee benefits

Pension scheme

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 operating in Chinese Mainland 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.

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 reporting period.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company’s 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 profit or loss.

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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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

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.

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.

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 financial statements, 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.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group’s Historical Financial Information requires management to make Judgments, 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:

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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.

Development expenses

Expenses incurred on each pipeline project 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.

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.

Fair value of share-based payments

The equity-settled share-based payments were estimated based on fair value of the awards as at the date of grant using valuation model depending on the terms and conditions of the grant. The fair value of the cash-settled share-based payments was estimated at the grant date and at each reporting date up to and including the settlement date using valuation models. This requires the Group to determine the most appropriate inputs to the valuation model and make assumptions about them. Further details are included in note 33 to the Historical Financial Information.

Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories at the end of each of the Relevant Periods 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 robots’ 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 of the Relevant Periods. 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.

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Provision for expected credit losses on trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. 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 (i.e., gross domestic product) 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 receivables and contract assets is disclosed in note 20 and note 22 to the Historical Financial Information, respectively.

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 reporting period. 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.

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4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and 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	RMB'000
				(Unaudited)	
Chinese mainland*	141,883	190,123	225,239	36,570	34,338
Others**	20,283	60,399	76,254	8,177	72,602
	<u>162,166</u>	<u>250,522</u>	<u>301,493</u>	<u>44,747</u>	<u>106,940</u>

* Includes domestic sales subject to standard Chinese VAT invoicing and local delivery processes.

** Primarily consists of (i) Japan, (ii) Taiwan, China, and (iii) certain Southeast Asia countries such as Vietnam and Thailand. In addition, sales to bonded warehouse and free trade zone located in Chinese mainland are also included in sales to other countries and regions as these transactions (i) require customs clearance procedures (similar to cross-border exports); and (ii) are exempt from PRC VAT invoicing, aligning them operationally with overseas sales, notwithstanding the relevant customers may still based within the geographical regions of the PRC.

(b) Non-current assets

The Group’s most of non-current assets are located in Chinese Mainland. Thus, no geographic information is presented.

(c) Information about major customers

Revenue from a major customer which accounted for 10% or more of the Group’s revenue during the Relevant Periods and the four months ended 30 April 2025 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	RMB'000
				(Unaudited)	
Customer 1	N/A*	31,289	N/A*	N/A*	34,376
Customer 2	N/A*	N/A*	N/A*	N/A*	16,572

* The corresponding revenue of the customer is not disclosed as the revenue individually did not account for 10% or more of the Group’s revenue during the corresponding period.

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5. REVENUE

An analysis of revenue is as follows:

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	RMB'000
				(Unaudited)	
Types of goods					
Robotic solutions	141,982	228,087	254,631	33,584	40,786
Robots and others*	20,184	22,435	46,862	11,163	66,154
Total	162,166	250,522	301,493	44,747	106,940
Timing of revenue recognition					
Goods transferred at a point in time	162,166	250,522	301,493	44,747	106,940

* “Others” primarily represents the revenue derived from the sales of the RoboVerse system software, technical support services and other parts, components and accessories.

The following table shows the amounts of revenue recognised in the Relevant Periods and four months ended 30 April 2025 that were included in the contract liabilities at the beginning of each of the reporting periods:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	43,270	34,054	16,111	16,111	25,375

(b) Performance obligations

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

Sales of robotic solutions

The performance obligation is satisfied when the customer takes possession of and accepts the robotic solution. Payment terms and conditions are based on the billing schedule established in the contracts with customers.

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Sale of products

The performance obligation is satisfied upon delivery and acceptance of products and payment is generally due within 3 months from delivery.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Amounts expected to be recognised as revenue				
Within one year	164,883	121,991	168,433	185,959
Total	<u>164,883</u>	<u>121,991</u>	<u>168,433</u>	<u>185,959</u>

The amounts of transaction prices allocated to the remaining performance obligations mainly relate to robotic solutions, of which the performance obligations are to be satisfied within one year.

6. 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					
Government grants*	4,181	6,142	1,076	361	792
Bank interest income	416	181	578	91	37
Interest income from certificate of deposits	—	37	190	63	63
Investment income from financial assets at fair value through profit or loss	1,117	573	866	100	254
Compensation income from a lawsuit	—	—	—	—	1,491
Others	38	50	5	—	—
Total other income	<u>5,752</u>	<u>6,983</u>	<u>2,715</u>	<u>615</u>	<u>2,637</u>
Gains					
Foreign exchange gains	—	734	—	136	—
Gains on disposal of property, plant and equipment	598	128	—	—	—
Gains on lease termination	730	67	—	—	—
Fair value gains on financial assets at FVTPL	—	8	609	—	182
Total gains	<u>1,328</u>	<u>937</u>	<u>609</u>	<u>136</u>	<u>182</u>
Total other income and gains	<u>7,080</u>	<u>7,920</u>	<u>3,324</u>	<u>751</u>	<u>2,819</u>

* Certain government grants have been received related to the Group’s day-to-day operations. Government grants also included compensation for expenses or losses that already incurred by the Group or for the purpose of giving immediate financial support to the Group. There are no unfulfilled conditions or contingencies relating to these grants.

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7. 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 expenses on:					
Bank and other borrowings	1,913	1,150	826	319	—
Lease liabilities.	419	230	258	102	103
Total	2,332	1,380	1,084	421	103

For the details of pre-[REDACTED] investments, please refer to note 31 to this report.

8. LOSS BEFORE TAX

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

	Notes	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
Cost of inventories sold*		110,997	153,364	179,250	24,751	59,384
Depreciation of property, plant and equipment**	14	7,817	6,644	4,749	1,424	1,060
Depreciation of right-of-use assets** . . .	16(a)	8,108	5,095	4,444	1,470	2,061
Amortisation of intangible assets** . . .	15	318	317	256	93	52
Research and development costs.		56,098	36,611	76,729	13,527	29,129
Loss/(gain) on disposal of property, plant and equipment***		1,026	(124)	89	—	—
Gains on lease termination***	6	(730)	(67)	—	—	—
Foreign exchange difference, net*** . . .		67	(734)	1,213	(136)	1,799
Lease payments not included in the measurement of lease liabilities.	16(c)	102	63	763	31	38
Auditor’s remuneration		16	30	18	9	19
Impairment losses of trade and bills receivables.	20	11,869	18,148	16,034	10,353	9,788
Impairment losses/(reversal of impairment) of contract assets.	22	2,840	4,705	2,337	(241)	620
Write-down of inventories to net realisable value*		23,225	19,072	14,523	8,438	7,874
Product warranty provision****	30	7,756	15,708	12,994	1,679	6,480
[REDACTED] expenses		—	—	20,155	—	2,085

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Notes	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
Employee benefit expense (excluding directors’, supervisors’ and chief executive’s remuneration (note 9))**:	9				
—Wages and salaries	95,515	78,925	89,882	30,497	45,624
— Pension scheme contributions	3,891	3,531	4,744	1,473	2,150
— Share-based payment expenses	5,372	5,186	93,336	3,966	24,553
Total	104,778	87,642	187,962	35,936	72,327

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

** The depreciation of property, plant and equipment, amortisation of intangible assets, depreciation of right-of-use assets and employee benefit expense are included in “Cost of sales”, “Selling and distribution expenses”, “Administrative expenses”, and “Research and development expenses” in the consolidated statements of profit or loss and other comprehensive income.

*** The amounts are included in “Other income and gains” and “Other expenses” in the consolidated statements of profit or loss and other comprehensive income.

**** The amount is included in “Selling and marketing expenses” in the consolidated statements of profit or loss and other comprehensive income.

9. DIRECTORS’ CHIEF EXECUTIVE’S AND SUPERVISORS’ REMUNERATION

Directors’, chief executive’s and supervisors’ remuneration for the Relevant Periods and the four months ended 30 April 2025 disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, 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
Fees	—	—	408	—	213
Other emoluments:					
Salaries, allowances and benefits in kind	2,790	3,005	2,824	921	596
Performance related bonuses	1,128	147	205	72	95
Pension scheme contributions	40	44	52	20	15
Share-based payment expenses	742	742	53,852	24,976	11,352
Total	4,700	3,938	57,341	25,989	12,271

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(a) Independent non-executive directors

Mr. Zang Yunzhi, Mr. Sun Wei Yung Kevin and Mr. Fan Zhiyong were appointed as independent non-executive directors of the Company in May 2025.

The fees paid to independent non-executive directors during the year ended 31 December 2025 and the four months ended 30 April 2026 were as follows:

	Year ended 31 December	Four months ended 30 April
	2025	2026
	RMB'000	RMB'000
Mr. Zang Yunzhi	136	71
Mr. Sun Wei Yung Kevin	136	71
Mr. Fan Zhiyong	136	71
Total	408	213

(b) Directors, supervisor and the chief executive

Year ended 31 December 2023

	Fees	Salaries, allowances and benefits in kinds	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Directors and chief executive:						
Mr. Wang Yongkun (i)	—	783	420	10	—	1,213
Mr. Li Hongxiang (ii)	—	650	144	10	—	804
Mr. Wang Jinpeng (iii)	—	789	420	10	530	1,749
Mr. Wang Maolin (iv)	—	568	144	10	212	934
Mr. Zhu Jia (v)	—	—	—	—	—	—
Mr. Zhang Xingchen (vi)	—	—	—	—	—	—
Mr. Luo Hong (vii)	—	—	—	—	—	—
Mr. Wei Xiao'an (viii)	—	—	—	—	—	—
Mr. Ni Liang (x)	—	—	—	—	—	—
Supervisors:						
Mr. Lin Enfeng (ix)	—	—	—	—	—	—
Mrs. Tai Hanning (xi)	—	—	—	—	—	—
Mr. Qiu Lianyong (xii)	—	—	—	—	—	—
Total	—	2,790	1,128	40	742	4,700

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ACCOUNTANTS’ REPORT

Year ended 31 December 2024

	Fees	Salaries, allowances and benefits in kinds	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Directors and chief executive:						
Mr. Wang Yongkun (i)	—	1,091	100	11	—	1,202
Mr. Li Hongxiang (ii)	—	586	—	11	—	597
Mr. Wang Jinpeng (iii)	—	803	—	11	530	1,344
Mr. Wang Maolin (iv)	—	525	47	11	212	795
Mr. Zhu Jia (v)	—	—	—	—	—	—
Mr. Zhang Xingchen (vi)	—	—	—	—	—	—
Mr. Luo Hong (vii)	—	—	—	—	—	—
Mr. Wei Xiao'an (viii)	—	—	—	—	—	—
Mr. Ni Liang (x)	—	—	—	—	—	—
Supervisor:						
Mr. Qiu Lianyong (xii)	—	—	—	—	—	—
Total	—	3,005	147	44	742	3,938

Year ended 31 December 2025

	Fees	Salaries, allowances and benefits in kinds	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Directors and chief executive:						
Mr. Wang Yongkun (i)	—	1,256	15	15	24,728	26,014
Mr. Li Hongxiang (ii)	—	670	96	15	—	781
Mr. Wang Jinpeng (iii)	—	775	94	15	29,036	29,920
Mr. Wang Maolin (iv)	—	123	—	7	88	218
Mr. Zhu Jia (v)	—	—	—	—	—	—
Mr. Zhang Xingchen (vi)	—	—	—	—	—	—
Mr. Luo Hong (vii)	—	—	—	—	—	—
Mr. Wei Xiao'an (viii)	—	—	—	—	—	—
Mr. Ni Liang (x)	—	—	—	—	—	—
Supervisor:						
Mr. Qiu Lianyong (xii)	—	—	—	—	—	—
Total	—	2,824	205	52	53,852	56,933

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ACCOUNTANTS’ REPORT

Four months ended 30 April 2026

	Fees	Salaries, allowances and benefits in kinds	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Directors and chief executive:						
Mr. Wang Yongkun (i)	—	272	—	5	—	277
Mr. Li Hongxiang (ii)	—	144	48	5	—	197
Mr. Wang Jinpeng (iii)	—	180	47	5	11,352	11,584
Mr. Zhu Jia (v)	—	—	—	—	—	—
Mr. Zhang Xingchen (vi)	—	—	—	—	—	—
Mr. Wei Xiao'an (viii)	—	—	—	—	—	—
Mr. Ni Liang (x)	—	—	—	—	—	—
Supervisor:						
Mr. Qiu Lianying (xii)	—	—	—	—	—	—
Total	—	596	95	15	11,352	12,058

Four months ended 30 April 2025 (unaudited)

	Fees	Salaries, allowances and benefits in kinds	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Directors and chief executive:						
Mr. Wang Yongkun (i)	—	417	—	5	24,728	25,150
Mr. Li Hongxiang (ii)	—	166	30	5	—	201
Mr. Wang Jinpeng (iii)	—	227	42	5	177	451
Mr. Wang Maolin (iv)	—	111	—	5	71	187
Mr. Zhu Jia (v)	—	—	—	—	—	—
Mr. Zhang Xingchen (vi)	—	—	—	—	—	—
Mr. Luo Hong (vii)	—	—	—	—	—	—
Mr. Wei Xiao'an (viii)	—	—	—	—	—	—
Mr. Ni Liang (x)	—	—	—	—	—	—
Supervisor:						
Mr. Qiu Lianying (xii)	—	—	—	—	—	—
Total	—	921	72	20	24,976	25,989

Notes:

- (i) Mr. Wang Yongkun was appointed as the executive chairman in April 2018.
- (ii) Mr. Li Hongxiang was appointed as an executive director in June 2016.
- (iii) Mr. Wang Jinpeng was appointed as an executive director in August 2020.
- (iv) Mr. Wang Maolin was appointed as an executive director in October 2021 and retired as executive director in May 2025.
- (v) Mr. Zhu Jia was appointed as non-executive director in August 2020. Mr. Zhu Jia did not receive any director's emolument, annual performance bonus and/or share based payments granted from the Company.
- (vi) Mr. Zhang Xingchen was appointed as a non-executive director in September 2020. Mr. Zhang Xingchen did not receive any director's emolument, annual performance bonus and/or share based payments granted from the Company.

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- (vii) Mr. Luo Hong was appointed a non-executive director in June 2016 and resigned as a non-executive director in May 2025. Mr. Luo Hong did not receive any director’s emolument, annual performance bonus and/or share based payments granted from the Company.
- (viii) Mr. Wei Xiao’an was appointed a non-executive director in October 2021. Mr. Wei Xiao’an did not receive any director’s emolument, annual performance bonus and/or share based payments granted from the Company.
- (ix) Mr. Lin Enfeng was appointed as non-executive director in August 2017, changed to supervisor in August 2020, and resigned as supervisor in March 2023. Mr. Lin Enfeng did not receive any director’s emolument, annual performance bonus and/or share based payments granted from the Company.
- (x) Mr. Ni Liang was appointed as non-executive director in March 2023. Mr. Ni Liang did not receive any director’s emolument, annual performance bonus and/or share based payments granted from the Company.
- (xi) Mrs. Tai Hanning was appointed as supervisor in March 2023 and resigned as supervisor in November 2023. Mrs. Tai Hanning did not receive any director’s emolument, annual performance bonus and/or share based payments granted from the Company.
- (xii) Mr. Qiu Lianyong was appointed as supervisor in November 2023. Mr. Qiu Lianyong did not receive any director’s emolument, annual performance bonus and/or share based payments granted from the Company.

During the Relevant Periods and the four months ended 30 April 2025, share awards were granted to certain directors in respect to their services rendering to the Group, further details of which are set out in note 33 to the Historical Financial Information. The fair value of such granted share awards, 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 is included in the above directors’ remuneration disclosures.

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

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the Relevant Periods and the four months ended 30 April 2025 included three, two, two, two and one directors of the Company, respectively, details of whose remuneration are set out in note 9 to the Historical Financial Information above. Details of the remuneration the remaining two, three, three, three and four highest paid employees who are neither a director nor chief executive of the Company for the five highest paid employees 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	RMB'000
				(Unaudited)	
Salaries, allowances and benefits					
in kind	1,805	1,761	1,612	611	702
Performance related bonuses	16	187	613	138	356
Pension scheme contributions	20	62	136	14	35
Share-based payment expenses	109	—	5,592	336	863
Total	1,950	2,010	7,953	1,099	1,956

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The emoluments of the five highest paid individuals were within the following bands:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
				(Unaudited)	
HKD500,001 to HKD1,000,000 . . .	1	3	—	4	3
HKD1,000,001 to HKD1,500,000 .	1	—	—	—	—
HKD1,500,001 to HKD2,000,000 .	—	—	2	—	—
HKD4,500,001 to HKD5,000,000 .	—	—	1	—	—
Total	2	3	3	4	3

During the Relevant Periods and the four months ended 30 April 2025, share awards were granted to certain highest paid employees in respect of their services and contributions to the Group, further details of which are set out in note 33 to the Historical Financial Information. The fair value of such awards, which has been recognised in profit or loss immediately upon the date of grant or 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 highest paid employees’ remuneration disclosures.

11. 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.

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% of the assessable profits, in accordance with the PRC Income Tax Law and the respective regulations which were approved and became effective on 1 January 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 years ended 31 December 2023 and 2024. For the year ended 2025 and the four months ended 30 April 2026, the applicable tax rate was 25%.

A reconciliation of the tax expense applicable to loss before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

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	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 before tax	(100,348)	(45,144)	(202,021)	(56,086)	(61,835)
Tax at the statutory tax rate	(25,087)	(11,286)	(50,505)	(14,022)	(15,459)
Effect of different tax rates enacted by local authorities	8,307	2,872	—	—	—
Effect of research and development expenses that are additionally deducted	(8,162)	(5,038)	(10,760)	(2,694)	(4,839)
Expenses not deductible for tax	1,127	1,076	37,705	7,471	9,236
Effect of deductible temporary difference not recognised	2,551	2,441	7,536	3,224	5,151
Tax losses utilised from previous periods	—	—	(2,244)	—	(4,927)
Tax losses not recognised	21,264	9,935	18,268	6,021	10,838
Total	—	—	—	—	—

According to the PRC Corporate Income Tax regulations, the Company is entitled to additional deduction of qualified research and development expenses from the taxable income. The percentage of additional deduction was 100% during the Relevant Periods and the four months ended 30 April 2025.

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	432,976	484,105	547,186	569,284
Deductible temporary differences	86,099	101,535	131,680	151,083

The Group has accumulated tax losses in Chinese Mainland of RMB432,976,000, RMB484,105,000 and RMB547,186,000 and RMB569,284,000 as at 31 December 2023, 2024, 2025 and 30 April 2026, respectively, that would expire in one to ten years for offsetting against future taxable profits of the companies located in Chinese Mainland in which the tax losses arose.

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

12. DIVIDEND

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

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13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for each of the Relevant Periods and the four months ended 30 April 2025 attributable to ordinary equity holders of the parent, and the weighted average number of share capital issue during the Relevant Periods and the four months ended 30 April 2025. The weighted average numbers of ordinary shares in issue for the Relevant Periods and the four months ended 30 April 2025 before the conversion of the Company into a joint stock company were determined by assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:3.08 as upon conversion of the Company into a joint stock company in May 2025.

No adjustment has been made to the basic loss 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.

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The calculation of basic loss per share is based on:

	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 attributable to ordinary equity holders of the parent (RMB'000)	(100,348)	(45,144)	(202,021)	(56,086)	(61,835)
Weighted average number of ordinary shares in issue during the year/period used in the basic and diluted loss per share calculation ('000)*	170,399	180,352	209,388	190,884	221,053

For the details of pre-[REDACTED] investments, please refer to note 31 to this report.

* The weighted average number of ordinary shares in issue used in the basic loss per share calculation has been adjusted retrospectively to reflect the subdivision of shares on a one-for-ten basis, which shall take effect immediately before the [REDACTED].

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2023						
At 1 January 2023:						
Cost	6,784	2,068	106	9,198	9,664	27,820
Accumulated depreciation . . .	(1,196)	(582)	(29)	(3,513)	(4,051)	(9,371)
Net carrying amount	5,588	1,486	77	5,685	5,613	18,449
At 1 January 2023 net of accumulated depreciation . . .	5,588	1,486	77	5,685	5,613	18,449
Additions	160	—	448	80	3,637	4,325
Depreciation provided during the year	(1,169)	(362)	(109)	(2,711)	(3,466)	(7,817)
Disposals	(26)	(146)	—	(233)	(1,263)	(1,668)
At 31 December 2023 net of accumulated depreciation . . .	4,553	978	416	2,821	4,521	13,289
At 31 December 2023:						
Cost	6,894	1,507	554	7,838	10,466	27,259
Accumulated depreciation . . .	(2,341)	(529)	(138)	(5,017)	(5,945)	(13,970)
Net carrying amount	4,553	978	416	2,821	4,521	13,289

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	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2024						
At 1 January 2024:						
Cost	6,894	1,507	554	7,838	10,466	27,259
Accumulated depreciation . . .	(2,341)	(529)	(138)	(5,017)	(5,945)	(13,970)
Net carrying amount	4,553	978	416	2,821	4,521	13,289
At 1 January 2024 net of accumulated depreciation . . .	4,553	978	416	2,821	4,521	13,289
Additions	62	—	—	332	434	828
Depreciation provided during the year	(1,171)	(277)	(137)	(2,008)	(3,051)	(6,644)
Disposals	—	(112)	—	(49)	—	(161)
At 31 December 2024 net of accumulated depreciation . . .	3,444	589	279	1,096	1,904	7,312
At 31 December 2024:						
Cost	6,956	1,272	554	7,943	10,900	27,625
Accumulated depreciation . . .	(3,512)	(683)	(275)	(6,847)	(8,996)	(20,313)
Net carrying amount	3,444	589	279	1,096	1,904	7,312
	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2025						
At 1 January 2025:						
Cost	6,956	1,272	554	7,943	10,900	27,625
Accumulated depreciation . . .	(3,512)	(683)	(275)	(6,847)	(8,996)	(20,313)
Net carrying amount	3,444	589	279	1,096	1,904	7,312
At 1 January 2025 net of accumulated depreciation . . .	3,444	589	279	1,096	1,904	7,312
Additions	106	46	—	1,976	—	2,128
Depreciation provided during the year	(1,449)	(262)	(139)	(995)	(1,904)	(4,749)
Disposals	(96)	—	—	—	—	(96)
At 31 December 2025 net of accumulated depreciation . . .	2,005	373	140	2,077	—	4,595
At 31 December 2025:						
Cost	6,907	1,318	553	5,444	10,467	24,689
Accumulated depreciation . . .	(4,902)	(945)	(413)	(3,367)	(10,467)	(20,094)
Net carrying amount	2,005	373	140	2,077	—	4,595

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	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
30 April 2026							
At 1 January 2026:							
Cost	6,907	1,318	553	5,444	10,467	—	24,689
Accumulated depreciation . . .	(4,902)	(945)	(413)	(3,367)	(10,467)	—	(20,094)
Net carrying amount	2,005	373	140	2,077	—	—	4,595
At 1 January 2026 net of							
accumulated depreciation . . .	2,005	373	140	2,077	—	—	4,595
Additions	91	—	—	1,077	359	465	1,992
Depreciation provided during the period	(547)	(90)	(37)	(356)	(30)	—	(1,060)
Disposals	(13)	—	—	—	—	—	(13)
At 30 April 2026 net of							
accumulated depreciation . . .	1,536	283	103	2,798	329	465	5,514
At 30 April 2026:							
Cost	6,985	1,318	553	6,521	10,826	465	26,668
Accumulated depreciation . . .	(5,449)	(1,035)	(450)	(3,723)	(10,497)	—	(21,154)
Net carrying amount	1,536	283	103	2,798	329	465	5,514

The Company

	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2023						
At 1 January 2023:						
Cost	591	1,790	3	7,052	3,535	12,971
Accumulated depreciation . . .	(89)	(512)	(2)	(2,869)	(1,389)	(4,861)
Net carrying amount	502	1,278	1	4,183	2,146	8,110
At 1 January 2023 net of						
accumulated depreciation . . .	502	1,278	1	4,183	2,146	8,110
Additions	—	—	447	—	3,603	4,050
Depreciation provided during the year	(59)	(311)	(85)	(2,141)	(1,744)	(4,340)
Disposals	(26)	(86)	—	(76)	(350)	(538)
At 31 December 2023 net of						
accumulated depreciation . . .	417	881	363	1,966	3,655	7,282
At 31 December 2023:						
Cost	541	1,332	450	5,944	6,705	14,972
Accumulated depreciation . . .	(124)	(451)	(87)	(3,978)	(3,050)	(7,690)
Net carrying amount	417	881	363	1,966	3,655	7,282

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	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2024						
At 1 January 2024:						
Cost	541	1,332	450	5,944	6,705	14,972
Accumulated depreciation . . .	(124)	(451)	(87)	(3,978)	(3,050)	(7,690)
Net carrying amount	417	881	363	1,966	3,655	7,282
At 1 January 2024 net of						
accumulated depreciation . . .	417	881	363	1,966	3,655	7,282
Additions	63	—	—	311	—	374
Depreciation provided during						
the year.	(54)	(244)	(112)	(1,582)	(1,751)	(3,743)
Disposals	—	(112)	—	(45)	—	(157)
At 31 December 2024 net of						
accumulated depreciation . . .	426	525	251	650	1,904	3,756
At 31 December 2024:						
Cost	604	1,097	450	6,037	6,705	14,893
Accumulated depreciation . . .	(178)	(572)	(199)	(5,387)	(4,801)	(11,137)
Net carrying amount	426	525	251	650	1,904	3,756
	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2025						
At 1 January 2025:						
Cost	604	1,097	450	6,037	6,705	14,893
Accumulated depreciation . . .	(178)	(572)	(199)	(5,387)	(4,801)	(11,137)
Net carrying amount	426	525	251	650	1,904	3,756
At 1 January 2025 net of						
accumulated depreciation . . .	426	525	251	650	1,904	3,756
Additions.	105	46	—	1,821	—	1,972
Depreciation provided during the						
year.	(59)	(223)	(112)	(732)	(1,904)	(3,030)
Disposals.	(91)	—	—	—	—	(91)
At 31 December 2025 net of						
accumulated depreciation . . .	381	348	139	1,739	—	2,607
At 31 December 2025:						
Cost	565	1,142	450	3,383	6,705	12,245
Accumulated depreciation . . .	(184)	(794)	(311)	(1,644)	(6,705)	(9,638)
Net carrying amount	381	348	139	1,739	—	2,607

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	Machinery and equipment	Office equipment and fixtures	Motor vehicles	Other equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
30 April 2026							
At 1 January 2026:							
Cost	565	1,142	450	3,383	6,705	—	12,245
Accumulated depreciation . . .	(184)	(794)	(311)	(1,644)	(6,705)	—	(9,638)
Net carrying amount	381	348	139	1,739	—	—	2,607
At 1 January 2026 net of							
accumulated depreciation . . .	381	348	139	1,739	—	—	2,607
Additions	91	—	—	879	359	465	1,794
Depreciation provided during the period	(26)	(76)	(37)	(260)	(30)	—	(429)
At 30 April 2026 net of							
accumulated depreciation . . .	446	272	102	2,358	329	465	3,972
At 30 April 2026:							
Cost	656	1,142	450	4,262	11,259	465	18,234
Accumulated depreciation . . .	(210)	(870)	(348)	(1,904)	(10,930)	—	(14,262)
Net carrying amount	446	272	102	2,358	329	465	3,972

Impairment testing of non-financial assets

Non-financial assets (including the property, plant and equipment, right-of-use assets and intangible assets) of the Group are assessed as one cash-generating unit for impairment testing as at the end of each of the Relevant Periods.

The recoverable amount of the cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering the remaining useful life of non-financial assets approved by senior management. The pre-tax discount rate applied to the cash flow projections, the revenue growth rate and the profit margin used to extrapolate the cash flows of the cash-generating unit are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
Average revenue growth rate	30.53%	25.74%	26.82%	26.82%
Average profit margin	41.74%	42.33%	44.18%	44.18%
Pre-tax discount rate	18.2%	18.2%	19.0%	19.0%

The calculation of value in use is based on the following assumptions:

Revenue growth rate — the rate is based on the average revenue growth achieved in the past years and expected market development.

Profit margin — the margin is derived through combining historical performance analysis and forward-looking market projections incorporating industry-specific demand drivers, competitive dynamics, and macroeconomic development.

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Pre-tax discount rate — the rate reflects management’s estimate of the risks specific to the unit.

The values assigned to the key assumptions on revenue growth rate, profit margin, discount rates are consistent with management’s past experience and external information sources.

As at 31 December 2023, 2024, 2025 and 30 April 2026, the recoverable amount of the cash-generating unit has exceeded its carrying amount and no impairment provision was made.

15. INTANGIBLE ASSETS

The Group and the Company

	Software
	<i>RMB’000</i>
31 December 2023	
Cost at 1 January 2023 net of accumulated amortisation	1,125
Amortisation during the year	(318)
At 31 December 2023	<u>807</u>
At 31 December 2023:	
Cost	1,495
Accumulated amortisation	(688)
Net carrying amount	<u>807</u>
31 December 2024	
Cost at 1 January 2024 net of accumulated amortisation	807
Amortisation during the year	(317)
At 31 December 2024	<u>490</u>
At 31 December 2024:	
Cost	1,495
Accumulated amortisation	(1,005)
Net carrying amount	<u>490</u>
31 December 2025	
Cost at 1 January 2025 net of accumulated amortisation	490
Additions	33
Amortisation during the year	(256)
At 31 December 2025	<u>267</u>
At 31 December 2025:	
Cost	1,528
Accumulated amortisation	(1,261)
Net carrying amount	<u>267</u>

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	Software
	<i>RMB’000</i>
30 April, 2026	
Cost at 1 January 2026 net of accumulated amortisation	267
Additions	62
Amortisation during the period.	(52)
At 30 April, 2026	<u>277</u>
At 30 April, 2026:	
Cost	1,590
Accumulated amortisation	(1,313)
Net carrying amount	<u>277</u>

16. LEASES

The Group as a lessee

During the Relevant Periods, the Group entered into certain long-term lease contracts for buildings which generally have lease terms between two and five years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(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
	<i>RMB’000</i>
As at 1 January 2023	18,732
Additions	244
Early termination	(6,833)
Depreciation charge	(8,108)
As at 31 December 2023.	<u>4,035</u>
As at 1 January 2024	4,035
Additions	11,465
Early termination	(394)
Depreciation charge	(5,095)
As at 31 December 2024.	<u>10,011</u>
As at 1 January 2025	10,011
Depreciation charge	(4,444)
As at 31 December 2025.	<u>5,567</u>
As at 1 January 2026	5,567
Additions	10,097
Depreciation charge	(2,061)
As at 30 April 2026	<u>13,603</u>

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The Company

	Buildings
	<i>RMB'000</i>
As at 1 January 2023	14,398
Additions	244
Early termination	(5,223)
Depreciation charge	(5,646)
As at 31 December 2023.	<u>3,773</u>
As at 1 January 2024	3,773
Additions	8,234
Early termination	(394)
Depreciation charge	(3,487)
As at 31 December 2024.	<u>8,126</u>
As at 1 January 2025	8,126
Depreciation charge	(2,828)
As at 31 December 2025.	<u>5,298</u>
As at 1 January 2026	5,298
Additions	9,276
Depreciation charge	(1,515)
As at 30 April 2026	<u>13,059</u>

(b) Lease liabilities

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

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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 the beginning of the year/period	20,504	4,565	10,095	5,809
New leases	244	11,465	—	10,097
Accretion of interest recognised during the year/period	419	230	258	103
Payments	(9,039)	(5,704)	(4,544)	(1,789)
Early termination	(7,563)	(461)	—	—
Carrying amount at the end of the year/period	<u>4,565</u>	<u>10,095</u>	<u>5,809</u>	<u>14,220</u>
Analysed into:				
Current portion	4,565	4,286	2,908	6,971
Non-current portion	—	5,809	2,901	7,249

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 the beginning of the year/period	15,924	4,279	8,211	5,544
New leases	244	8,234	—	9,276
Accretion of interest recognised during the year/period	346	159	225	97
Payments	(6,412)	(4,000)	(2,892)	(1,249)
Early termination	(5,823)	(461)	—	—
Carrying amount at the end of the year/period	<u>4,279</u>	<u>8,211</u>	<u>5,544</u>	<u>13,668</u>
Analysed into:				
Current portion	4,279	2,668	2,643	6,419
Non-current portion	—	5,543	2,901	7,249

The maturity analysis of lease liabilities is disclosed in note 40 to the Historical Financial Information.

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(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
Interest on lease liabilities	419	230	258	102	103
Gains on lease termination	730	67	—	—	—
Depreciation charge of right-of-use assets	8,108	5,095	4,444	1,470	2,061
Expense relating to short-term leases*	102	63	763	31	38
Total amount recognised in profit or loss	9,359	5,455	5,465	1,603	2,202

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
Interest on lease liabilities	346	159	225	85	97
Gain on lease termination	600	67	—	—	—
Depreciation charge of right-of-use assets	5,646	3,487	2,828	931	1,515
Expense relating to short-term leases*	96	42	741	24	29
Total amount recognised in profit or loss	6,688	3,755	3,794	1,040	1,641

* Included in “Administrative expenses” and “Selling and marketing expenses” in the consolidated statements of profit or loss and other comprehensive income.

(d) The total cash outflow for leases is set out in note 34 to the Historical Financial Information.

17. INVESTMENT IN SUBSIDIARIES

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Investment in subsidiaries, at cost				
Standard Robots (Kunshan) Co., Ltd	40,543	51,096	55,076	55,556
Standard Robots Technology (Wuxi) Co., Ltd.	—	8,000	8,000	8,000
Standard Robots Intelligence (Shenzhen) Co., Ltd	—	—	4,000	6,000
	40,543	59,096	67,076	69,556

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Standard Robots Intelligence (Shenzhen) Co., Ltd (“**Standard Shenzhen**”) is engaged in the research and development and incurred losses. Standard Robots (Kunshan) Co., Ltd (“**Standard Kunshan**”) is the sole manufacturing entity of the Group. The directors of the Company determined that the investments in Standard Kunshan and Standard Shenzhen have impairment indicators as at each end of the Relevant Periods and have performed impairment testing. As the recoverable amount of investments in the subsidiaries is higher than the carrying amount of the investments, therefore no provision was made for the Relevant Periods.

18. 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
Wealth management products	—	17,008	80,609	40,791

As at 31 December 2023, 2024, 2025 and 30 April 2026, the financial assets at fair value through profit or loss represented floating return monetary fund and wealth management products issued by certain banks in Chinese Mainland, with expected return rates ranging from 1.89% to 2.99% per annum. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

19. 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	20,232	15,108	17,991	30,100
Work in progress	6,814	5,801	10,298	25,389
Finished goods	9,094	9,693	11,836	18,293
Contract fulfillment costs	74,320	28,830	23,452	48,672
Total	110,460	59,432	63,577	122,454

As at 31 December 2023, 2024, 2025 and 30 April 2026, the amount of inventories was net of a write-down of approximately RMB30,017,000, RMB19,579,000, RMB21,628,000 and RMB25,681,000, respectively.

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The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Raw materials	1,994	755	2,223	8,554
Work in progress	797	211	498	1,539
Finished goods	7,241	5,272	8,886	14,680
Contract fulfillment costs	74,320	28,830	26,754	50,697
Total	84,352	35,068	38,361	75,470

As at 31 December 2023, 2024, 2025 and 30 April 2026, the amount of inventories was net of a write-down of approximately RMB25,881,000, RMB14,825,000, RMB14,233,000 and RMB22,607,000, respectively.

20. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bills receivable	9,764	5,503	6,393	7,589
Trade receivables	78,604	145,461	233,043	252,566
	88,368	150,964	239,436	260,155
Less: Allowance for credit losses	(36,551)	(57,542)	(76,753)	(87,709)
Total	51,817	93,422	162,683	172,446

Bills receivable are subject to impairment under the general approach and the impairment is considered to be minimal.

The Group’s trading terms with its customers are mainly on credit. For sales of products, the credits period is normally 90 days. For sales of robotic solutions, the settlement is made in accordance with the terms specified in the sales contracts. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. The balances of trade receivables are non-interest-bearing.

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 allowance for expected credit losses, is as follows:

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	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	51,040	90,093	147,885	154,408
1 to 2 years	777	3,329	13,260	16,371
Over 2 years	—	—	1,538	1,667
Total	<u>51,817</u>	<u>93,422</u>	<u>162,683</u>	<u>172,446</u>

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

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of year/period.	23,241	36,551	57,542	76,753
Impairment losses, net of reversal (note 8)	11,869	18,148	16,034	9,788
Amount written off as uncollectable . . .	—	—	(128)	—
Transfer from contract assets.	1,441	2,843	3,305	1,168
At end of year/period	<u>36,551</u>	<u>57,542</u>	<u>76,753</u>	<u>87,709</u>

The increase in the loss allowance was due to an increase in the gross carrying amount after the settlement of trade receivables of over 1 year trade receivables.

An impairment analysis is performed at each reporting date 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 (i.e., by product/service, customer type and rating). 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.

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

As at 31 December 2023			
	Amount	Expected loss rate	Impairment
	<i>RMB’000</i>	%	<i>RMB’000</i>
Defaulted receivables	1,022	100.00	1,022
Other trade receivables aged:			
Within 1 year	63,641	19.80	12,601
1 year to 2 years	9,930	92.18	9,153
Over 2 years	13,775	100.00	13,775
Total	88,368	41.36	36,551

As at 31 December 2024			
	Amount	Expected loss rate	Impairment
	<i>RMB’000</i>	%	<i>RMB’000</i>
Defaulted receivables	1,022	100.00	1,022
Other trade receivables aged:			
Within 1 year	119,398	24.54	29,305
1 year to 2 years	16,312	79.59	12,983
Over 2 years	14,232	100.00	14,232
Total	150,964	38.12	57,542

As at 31 December 2025			
	Amount	Expected loss rate	Impairment
	<i>RMB’000</i>	%	<i>RMB’000</i>
Defaulted receivables	1,022	100.00	1,022
Other trade receivables aged:			
Within 1 year	181,355	18.46	33,470
1 year to 2 years	34,604	61.68	21,344
Over 2 years	22,455	93.15	20,917
Total	239,436	32.06	76,753

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	As at 30 April 2026		
	Amount	Expected loss rate	Impairment
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>
Defaulted receivables	1,022	100.00	1,022
Other trade receivables aged:			
Within 1 year	189,453	18.50	35,045
1 year to 2 years	43,230	62.13	26,859
Over 2 years	26,450	93.70	24,783
Total	<u>260,155</u>	<u>33.71</u>	<u>87,709</u>

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bills receivable	7,611	4,937	5,209	5,146
Trade receivables	78,604	142,877	223,991	219,159
Due from subsidiaries	30,777	11,312	18,251	13,670
	116,992	159,126	247,451	237,975
Less: Allowance for credit losses	(36,551)	(56,878)	(75,021)	(81,271)
Total	<u>80,441</u>	<u>102,248</u>	<u>172,430</u>	<u>156,704</u>

The Company estimated that the expected loss rate for its trade receivables due from subsidiaries is minimal.

An aging 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 allowance for expected credit losses, is as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	79,664	98,919	157,631	138,666
1 to 2 years	777	3,329	13,260	16,371
2 to 3 years	—	—	1,539	1,667
Total	<u>80,441</u>	<u>102,248</u>	<u>172,430</u>	<u>156,704</u>

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21. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group and the Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bank acceptance bills	1,896	697	1,257	1,746

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 with the objective of both collecting contractual cashflows and selling. The fair value approximates to the carrying value due to the short maturity.

22. CONTRACT ASSETS

The Group and the Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Contract assets arising from:				
Warranty retention receivables	11,049	17,281	18,186	15,210
Less: Impairment of contract assets	(2,585)	(4,447)	(3,479)	(2,931)
Net carrying amount	8,464	12,834	14,707	12,279

Contract assets are mainly generated by the robotic solutions contracts. According to the contract term, a certain percentage of contract amount is retention receivables which will be collected upon the completion of warranty period. The retention receivables are recognised as contract assets when the robotic solutions are accepted by the customer and are reclassified to trade receivables upon the completion of warranty period which is one year.

The movements in the loss allowance for impairment of contract assets are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At the beginning of the year	1,186	2,585	4,447	3,479
Impairment losses, net (<i>note 8</i>).	2,840	4,705	2,337	620
Transfer to trade and bills receivables . .	(1,441)	(2,843)	(3,305)	(1,168)
At the end of the year	2,585	4,447	3,479	2,931

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An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are referred to those of the trade and bills receivables as the contract assets and the trade and bills receivables are from the same customer bases. The provision rates of contract assets have also considered the probability of default, historical loss record as well as forward-looking information. The calculation are adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

Set out below is the information about the credit risk exposure on contract assets:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Expected credit loss rate	23.40%	25.73%	19.13%	19.27%
Gross carrying amount	11,049	17,281	18,186	15,210
Expected credit losses	(2,585)	(4,447)	(3,479)	(2,931)

23. 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
Non-current:				
Prepayments for property, plant and equipment	414	68	1,048	956
Other receivables and deposits	—	419	419	1,967
Certificate of deposits (<i>note (a)</i>)	—	10,037	10,227	10,290
	414	10,524	11,694	13,213
Current:				
Prepayments	6,568	3,650	4,526	9,795
Value-added tax recoverable	175	362	2,603	4,984
Other receivables and deposits (<i>note (b)</i>)	3,107	2,423	2,252	4,396
Deferred [REDACTED] expenses	—	—	3,208	3,568
	9,850	6,435	12,589	22,743
Total	10,264	16,959	24,283	35,956

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The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current:				
Prepayments for property, plant and equipment	12	23	1,048	956
Other receivables and deposits	—	419	419	1,565
Certificate of deposits (note (a))	—	10,037	10,227	10,290
	12	10,479	11,694	12,811
Current:				
Prepayments	5,195	3,079	3,408	8,431
Value-added tax recoverable	—	—	400	2,431
Other receivables and deposits (note (b))	2,545	1,902	1,660	4,169
Deferred [REDACTED] expenses	—	—	3,208	3,568
	7,740	4,981	8,676	18,599
Total	7,752	15,460	20,370	31,410

- (a) Certificate of deposits are issued by banks in Chinese Mainland and they are classified and measured at amortised costs as they are held within the business model with the objective to collect contractual cashflows.
- (b) The other receivables as at 30 April 2026 included an amount of RMB1,511,000 due from a defendant in a lawsuit based on a court judgment issued in April 2026. The amount was fully received in May 2026.

The other receivables and deposits are interest-free and unsecured.

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 were not past due and there was 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 loss allowances for the above other receivables and deposits were assessed as minimal.

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24. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and bank balances	33,844	87,614	94,603	67,701
Less: Restricted cash	390	3,256	17,463	18,015
Time deposits with maturity over three months	—	1,000	—	—
Cash and cash equivalents.	33,454	83,358	77,140	49,686
Denominated in:				
RMB	32,671	80,383	36,524	25,048
US\$	783	2,975	40,616	24,638
Total cash and bank balances	33,454	83,358	77,140	49,686

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and bank balances	31,349	77,236	65,503	50,727
Less: Restricted cash	390	3,256	17,463	18,015
Time deposits with maturity over three months	—	1,000	—	—
Cash and cash equivalents.	30,959	72,980	48,040	32,712
Denominated in:				
RMB	30,176	70,005	23,785	13,123
US\$	783	2,975	24,255	19,589
Total cash and bank balances	30,959	72,980	48,040	32,712

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 are deposited with creditworthy banks with no recent history of default.

As at 31 December 2023, 2024, 2025 and 30 April 2026, restricted cash comprised of cash frozen by judicial authority for certain lawsuit case in the amount of RMB390,000, RMB1,859,000, RMB2,030,000 and RMB2,030,000, respectively. As at 31 December 2024, restricted cash also included deposits held for the designated purposes of RMB1,397,000. As at 31 December 2025 and 30 April 2026, restricted cash also included deposits of RMB15,433,000 and RMB15,985,000, held as performance guarantee under contracts with customers, respectively.

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25. TRADE PAYABLES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	45,785	52,299	80,563	135,054

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

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	35,469	42,853	72,977	127,423
Over 1 year	10,316	9,446	7,586	7,631
Total	45,785	52,299	80,563	135,054

Trade payables are non-interest-bearing and are normally settled within nine months.

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	27,159	23,966	38,868	47,566
Due to subsidiaries	30,836	20,819	23,087	48,919
Total	57,995	44,785	61,955	96,485

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

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	48,620	36,144	54,959	89,316
Over 1 year	9,375	8,641	6,996	7,169
Total	57,995	44,785	61,955	96,485

Trade payables are non-interest-bearing and are normally settled within nine months.

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26. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Payroll payables	11,018	9,494	12,362	14,714
Other tax payables	3,150	1,443	6,985	413
Output value added tax to be transferred	4,209	1,889	1,218	1,251
Cash settled share-based payments (<i>note 33</i>).	3,625	3,709	—	—
Other payables and accruals	1,606	3,636	2,678	2,796
Government grants to be refunded*	—	—	8,000	8,000
[REDACTED] expenses payables	—	—	2,221	1,483
Total	23,608	20,171	33,464	28,657

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Payroll payables	9,705	8,253	9,415	11,398
Other tax payables	3,142	1,430	6,369	35
Output value added tax to be transferred	4,111	1,809	1,218	1,251
Cash settled share-based payments (<i>note 33</i>).	3,043	3,260	—	—
Other payables and accruals	1,605	2,633	2,674	2,690
Due to a subsidiary.	—	—	1,734	1,519
[REDACTED] expenses payables	—	—	2,221	1,483
Total	21,606	17,385	23,631	18,376

Other payables are unsecured and repayable on demand.

* As at 31 December 2025, due to the conditions associated with the government grants of RMB8,000,000 were not satisfied, the amount was expected to be refunded to the government and transferred from deferred income to other payables (*note 29*).

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27. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group and the Company

	As 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
Bank loans — secured*	3.50-3.95	2024	15,016	2.60-3.60	2025	32,870			—			—
Bank loans — unsecured	3.85	2024	10,012	3.45	2025	10,011			—			—
Total			25,028			42,881			—			—

* The bank loans were guaranteed by Mr. Wang Yongkun (note 36).

All bank borrowings are denominated in RMB as at 31 December 2023 and 2024.

28. CONTRACT LIABILITIES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities	34,054	16,111	25,375	10,808

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities	33,305	15,497	25,375	10,808

Contract liabilities mainly include advance payment for sales of robotic solutions. The movement in contract liabilities during the Relevant Periods was mainly due to the Group fulfilled its obligations under contracts.

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29. DEFERRED INCOME

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Government grants	8,000	8,000	1,225	1,069
Analysed into:				
Current portion	—	8,000	—	—
Non-current portion	8,000	—	1,225	1,069

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Government grants	—	—	625	469
Analysed into:				
Non-current portion	—	—	625	469

The Group’s deferred income represented government grants received for projects with conditions to be satisfied. The government grant of RMB8,000,000 were transferred to other payables as the conditions were not satisfied as at 31 December 2025 (note 26).

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30. PROVISIONS

The Group and the Company

	Warranties
	<i>RMB’000</i>
At 1 January 2023	8,413
Additional provision	7,756
Amounts utilised during the year	(8,005)
At 31 December 2023	<u>8,164</u>
At 1 January 2024	8,164
Additional provision	15,708
Amounts utilised during the year	(8,117)
At 31 December 2024	<u>15,755</u>
At 1 January 2025	15,755
Additional provision	12,994
Amounts utilised during the year	(12,585)
At 31 December 2025	<u>16,164</u>
At 1 January 2026	16,164
Additional provision	6,480
Amounts utilised during the period	(5,041)
At 30 April 2026	<u>17,603</u>

The Group generally provides warranties of one year 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.

31. SHARE CAPITAL/PAID-IN CAPITAL

Share capital

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

	Number of shares in issue	Share capital
	<i>(in thousand)</i>	<i>RMB’000</i>
As at 1 January 2025	<u>—</u>	<u>—</u>
Issue of ordinary shares upon conversion into a joint stock company of RMB1 each [#]	20,000	20,000
Issue of shares*	2,105	2,105
As at 31 December 2025 and 30 April 2026	<u>22,105</u>	<u>22,105</u>

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- # In May 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 20,000,000 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.
- * During the year ended 31 December 2025, the Company received capital contributions of RMB200,000,000. The capital contribution increased the share capital and capital reserve by RMB2,105,000 and RMB197,895,000, respectively.

On 16 June 2025, resolution was passed by the shareholders approving, among others, the share subdivision, whereby each of the shares with a nominal value of RMB1.00 each shall be sub-divided into 10 shares with a nominal value of RMB0.10 each, and such share subdivision shall take effect immediately before the [REDACTED], upon which the registered capital of the Company shall be divided into 221,053,000 shares with a nominal value of RMB0.10 per share.

During the four months ended 30 April 2026, the Group received the payments of RMB978,000 and RMB760,000 from Mr. Wang Yongkun and Standard Automation, respectively, which was treated as the deemed contribution from the shareholders and credited to the capital reserve. The share capital of the Company remains unchanged.

Paid-in capital

	<i>RMB’000</i>
As at 1 January 2023	4,949
Capital contribution by shareholders*	724
As at 31 December 2023.	<u>5,673</u>
	<i>RMB’000</i>
As at 1 January 2024	5,673
Capital contribution by shareholders**.	342
As at 31 December 2024.	<u>6,015</u>
	<i>RMB’000</i>
As at 1 January 2025	6,015
Capital contribution by shareholders***.	483
Conversion into a joint stock company.	(6,498)
As at 31 December 2025 and 30 April 2026.	<u>—</u>

- * During the year ended 31 December 2023, the Company received capital contributions of RMB179,150,000, net of transaction costs. The capital contribution increased the paid-in capital and capital reserve by RMB724,000 and RMB178,426,000, respectively.
- ** During the year ended 31 December 2024, the Company received capital contributions of RMB94,889,000, net of transaction costs. The capital contribution increased the paid-in capital and capital reserve by RMB342,000 and RMB94,547,000, respectively.
- *** During the year ended 31 December 2025, the Company received the subscribed capital of RMB483,000 due from the share incentive platform and Mr. Wang Yongkun.

Pursuant to the shareholders agreements entered into between the Company and its shareholders (collectively the “**Agreements**”), the Company issued 12,697,000 ordinary shares (representing the number of shares after conversion into a joint stock company) to certain shareholders (collectively the “**Pre-[REDACTED] Investors**”) for a total net cash proceed of approximately RMB540,854,000

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(collectively the “Pre-[REDACTED] Investments”). Pursuant to the Agreements, the Pre-[REDACTED] Investors were granted by the Company with special rights (“Special Rights”) which included redemption rights, liquidation preferences and anti-dilution rights.

There was no exercise of Special Rights granted by the Company throughout the Relevant Periods.

In June 2025, the Company and the Pre-[REDACTED] Investors subsequently entered into supplemental agreements, agreeing that certain of the Special Rights granted by the Company to Pre-[REDACTED] investors, including redemption rights, liquidation preferences and anti-dilution rights, have been irrecoverably terminated and shall be void ab initio. 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, the redemption financial liabilities, total current liabilities and net deficits would have been:

	As at 31 December	
	2023	2024
	RMB’000	RMB’000
Redemption financial liabilities	563,192	720,678
Total current liabilities	704,396	880,181
Net deficits	(477,520)	(580,211)

The finance costs associated with the redemption financial liabilities, the total net losses, basic and dilutive loss 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
Finance costs associated with the redemption financial liabilities	48,037	62,598	29,376	20,580
Total net losses.	(148,385)	(107,742)	(231,397)	(76,666)
Basic and dilutive loss per share (RMB per share).	(0.87)	(0.60)	(1.11)	(0.40)

32. 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.

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(a) Capital reserve

The share premium of the Group represents the difference between the par value of the shares issued and the consideration received.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share based payments as set out in note 33 to the Historical Financial Information.

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	Accumulated losses	Total reserve
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2023	263,994	119,907	(373,635)	10,266
Loss for the year	—	—	(83,063)	(83,063)
Total comprehensive loss for the year . .	—	—	(83,063)	(83,063)
Share-based payments	—	4,980	—	4,980
Capital contribution by shareholders . . .	178,426	—	—	178,426
As at 31 December 2023	<u>442,420</u>	<u>124,887</u>	<u>(456,698)</u>	<u>110,609</u>
	Capital reserve	Share-based payment reserve	Accumulated losses	Total reserve
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2024	442,420	124,887	(456,698)	110,609
Loss for the year	—	—	(28,716)	(28,716)
Total comprehensive loss for the year . .	—	—	(28,716)	(28,716)
Share-based payments	—	5,050	—	5,050
Capital contribution by shareholders . . .	94,547	—	—	94,547
As at 31 December 2024	<u>536,967</u>	<u>129,937</u>	<u>(485,414)</u>	<u>181,490</u>

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	Capital reserve	Share-based payment reserve	Accumulated losses	Total reserve
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2025	536,967	129,937	(485,414)	181,490
Loss for the year	—	—	(203,416)	(203,416)
Total comprehensive loss for the year . .	—	—	(203,416)	(203,416)
Share-based payments	—	150,619	—	150,619
Issue of shares	197,895	—	—	197,895
Conversion into a joint stock company. .	(506,662)	—	493,160	(13,502)
As at 31 December 2025	<u>228,200</u>	<u>280,556</u>	<u>(195,670)</u>	<u>313,086</u>

	Capital reserve	Share-based payment reserve	Accumulated losses	Total reserve
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2026	228,200	280,556	(195,670)	313,086
Loss for the period	—	—	(74,252)	(74,252)
Total comprehensive loss for the period .	—	—	(74,252)	(74,252)
Share-based payments	—	35,905	—	35,905
Capital contribution by shareholders . . .	1,738	—	—	1,738
As at 30 April 2026	<u>229,938</u>	<u>316,461</u>	<u>(269,922)</u>	<u>276,477</u>

	Capital reserve	Share-based payment reserve	Accumulated losses	Total reserve
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2025	536,967	129,937	(485,414)	181,490
Loss for the period	—	—	(47,394)	(47,394)
Total comprehensive loss for the period .	—	—	(47,394)	(47,394)
Share-based payments	—	26,317	—	26,317
As at 30 April 2025 (unaudited)	<u>536,967</u>	<u>156,254</u>	<u>(532,808)</u>	<u>160,413</u>

33. SHARE INCENTIVE PLAN

Share Award Scheme

The Group approved and adopted the share award scheme (the “**Share Award Scheme**”) for certain employees of the Group in order to recognise their contributions to the growth and development of the Group.

In order to implement the Share Award Scheme, Standard Automation (Shenzhen) Studio (Limited Partnership) (“**Standard Automation**”) was established and designated as share incentive platform to hold the shares specially awarded to the eligible participants as the ultimate beneficial owners. The Group has no control over the share incentive platform.

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In 2017 and 2018, Mr. Wang Huaiqing transferred 458,220 shares and 877,590 shares of the Company to Standard Automation, at a consideration of RMB1 per share and RMB1 per share, respectively.

The shares held by Standard Automation have been granted to Mr. Wang Yongkun and other eligible employees as at the beginning of the Relevant Periods. The share awards granted to Mr. Wang Yongkun were vested immediately. The share awards granted to other eligible employees are subject to the vesting condition of the [REDACTED], which would be satisfied when the ordinary shares of the Company are successfully listed on a recognised stock exchange, and the related share-based payment expenses are amortised over the vesting period.

In October 2021, Mr. Wang Yongkun subscribed for 271,590 shares of the Company at a subscription price of RMB92.5 per share, and the subscription price was modified to RMB1 per share in March 2025 pursuant to the written resolutions of the shareholders of the Company. As the modification increased the fair value of the equity instruments that were fully vested, the incremental fair value measured at the date of modification, was recognised immediately in March 2025.

During the years ended 31 December 2023, 2024, 2025 and four months ended 30 April 2025, the Group recognised equity-settled share-based payment expenses under Share Award Scheme of RMB3,360,000, RMB2,908,000, RMB26,594,000 and RMB25,546,000 (unaudited), respectively. During the four months ended 30 April 2026, the Group recognised a reversal of share-based payment expenses under Share Award Scheme of RMB293,000.

In March 2025, Standard Automation subscribed for 211,237 shares of the Company (equivalent to 650,156 shares after conversion into a joint stock company) at a subscription price of RMB1 per share. In June 2025, Juli Intelligent Technology (Shenzhen) Partnership Enterprise (Limited Partnership) (“**Juli Intelligent**”) was established as a limited partner of Standard Automation and designated as share incentive platform to hold the shares specially awarded to the eligible participants. 433,367 shares of the Company held by Mr. Wang Yongkun through Standard Automation were transferred to Juli Intelligent. The Group has no control over Juli Intelligent. The new subscribed shares, together with the 433,367 shares of the Company held by Juli Intelligent and 602,380 shares of the Company held by Mr. Wang Yongkun through Standard Automation, equivalent to 1,685,903 shares in total after conversion into a joint stock company, will be reserved for the shares to be vested under 2022 Employee Option Scheme and 2025 Employee Option Scheme.

2022 Employee Option Scheme

In April 2022, the Company passed a written resolution of the shareholders of the Company to grant four types of share options to certain directors and employees of the Group (“**2022 Employee Option Scheme**”).

Cash-settled share options

One type of the share options under 2022 Employee Option Scheme has cash settlement alternatives where the employees can receive cash settlement of the share awards in March 2023 and upon [REDACTED], respectively, at the pre-determined redemption prices, on condition that the employees remain in its employment. This type of share options is accounted for as cash-settled share-based payment transactions.

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The Group recognises a liability at the fair value, initially and at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss. The fair value of the liability is determined, by reference to the latest subscription price of the underlying shares, taking into account the terms and conditions on which the cash-settled transaction was granted, and the extent to which the employees have rendered service to date.

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The carrying amounts of cash-settled share-based payment liability and the movements during the Relevant Periods are as follows:

	For the year ended 31 December			For the four months ended 30 April
	2023	2024	2025	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)
Carrying amount at 1 January	9,574	3,625	3,709	3,709
Receipts of subscriptions.	—	—	—	—
Cost of awards recognised during the year	1,134	878	2,625	2,625
Cash settlement	(7,083)	(794)	(278)	(278)
Derecognition of cash-settled share-based payment liability*	—	—	(6,056)	—
Carrying amount at 31 December/ 30 April	3,625	3,709	—	6,056

* In June 2025, the Company amended the terms of the arrangement, relating to the cash-settled share options, from cash-settled to equity-settled. Eligible employees will receive 52,543 shares of the Company held by Juli Intelligent upon the satisfaction of [REDACTED] instead of cash compensation. On the modification date, the cash-settled share-based payment liability amounted to RMB6,056,000 was derecognised and the equity-settled share-based payment transaction to the extent to which services have been received amounted to RMB8,557,000 was recognised in equity, with the difference of RMB2,501,000 was recognised immediately in profit or loss.

Equity-settled share options

The three types of share options under 2022 Employee Option Scheme are equity-settled share options.

During the years ended 31 December 2023 and 2024, the Group granted 1,509 and 6,496 equity-settled share options, respectively, which will be vested in instalments and the vesting of share options is also subject to the [REDACTED] Condition. The exercise prices of share options ranged from RMB0.00 to RMB225 per share. The equity-settled share options granted under 2022 Employee Option Scheme will be settled through Juli Intelligent.

The fair values of the share option granted were estimated as at the grant date by using the Black-Scholes option pricing model. The following table lists the key inputs to the fair value model used:

	2023	2024
Risk-free interest rate (%)	2.68%–2.83%	2.29%
Volatility (%)	46.03%–48.44%	43.61%

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The share options granted and outstanding under 2022 Employee Option Scheme during the Relevant Periods are as follows:

	Number of share options	Weighted average exercise price per share
At 1 January 2023	29,641	72.31
Granted during the year	1,509	—
At 31 December 2023	31,150	68.81
At 1 January 2024	31,150	68.81
Granted during the year	6,496	172.89
At 31 December 2024	37,646	86.77
At 1 January 2025	37,646	86.77
Forfeited during the year	(225)	(225.78)
Effect upon conversion into a joint stock company	77,756	—
At 31 December 2025 and 30 April 2026	115,177	27.92

During the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2025, the Group recognised share award expenses of RMB1,620,000, RMB2,142,000, RMB1,795,000 and RMB771,000 (unaudited), respectively. During the four months ended 30 April 2026, the Group recognised a reversal of share-based payment expenses of RMB130,000, for the above equity-settled share options.

2025 Employee Option Scheme

The Company adopted a share option scheme (the “**2025 Employee Option Scheme**”) which was approved and adopted by the written resolutions of all the shareholders of the Company passed on 29 May 2025 for the purpose of providing incentives or rewards to eligible persons for their contribution to, and continuing efforts to promote the interests of the Group. Eligible persons of the 2025 Employee Option Scheme include any director or employee of the Group who has contributed to or will contribute to the Group. Standard Automation and Juli Intelligent were designated as share incentive platforms to hold the shares specially awarded to the eligible participants under the 2025 Employee Option Scheme.

On 10 June 2025, 1,518,183 share options under the 2025 Employee Option Scheme were granted to eligible employees and directors of the Group. Such share options will be vested in instalments and is also subject to the [REDACTED] Condition and other performance conditions. The exercise prices of share options ranged from RMB0.00 to RMB47.50 per share.

The fair values of the share option granted were estimated as at the grant date by using the Black-Scholes option pricing model. The following table lists the key inputs to the fair value model used:

	2025
Risk-free interest rate (%)	1.67%
Volatility (%)	49.80%

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The share options granted and outstanding under 2025 Employee Option Scheme during the Relevant Periods are as follows:

	Number of share options	Weighted average exercise price per share
At 1 January 2025	—	
Granted during the year	1,518,183	17.86
At 31 December 2025 and 30 April 2026	1,518,183	17.86

During the year ended 31 December 2025 and the four months ended 30 April 2026, the Group recognised share award expenses of RMB113,673,000 and RMB36,328,000, respectively, for the above equity-settled share options.

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023 and 2024 and the four months ended 30 April 2026, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB244,000 and RMB11,465,000 and RMB10,097,000, respectively, in respect of lease arrangements for buildings.

During the years ended 31 December 2024 and 2025, the Group entered into agreements with certain customers and suppliers, pursuant to which, the Group settled trade receivables in the amount of RMB1,590,000 and RMB434,000, respectively, by using the trade payables due to the suppliers.

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(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings	Lease liabilities
	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	59,728	20,504
Changes from financing cash flows	(36,613)	(9,039)
New lease addition	—	244
Accretion of interest	1,913	419
Early termination of lease liabilities	—	(7,563)
At 31 December 2023 and 1 January 2024	25,028	4,565
Changes from financing cash flows	16,703	(5,704)
New lease addition	—	11,465
Accretion of interest	1,150	230
Early termination of lease liabilities	—	(461)
At 31 December 2024 and 1 January 2025	42,881	10,095
Changes from financing cash flows	(43,707)	(4,544)
Accretion of interest	826	258
At 31 December 2025	—	5,809
At 31 December 2025 and 1 January 2026	—	5,809
Changes from financing cash flows	—	(1,789)
New lease addition	—	10,097
Accretion of interest	—	103
At 30 April 2026	—	14,220
At 31 December 2024 and 1 January 2025	42,881	10,095
Changes from financing cash flows	(10,200)	(1,476)
Accretion of interest	319	102
At 30 April 2025 (Unaudited)	33,000	8,721

(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
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(Unaudited)	
Within operating activities . . .	102	63	763	31	38
Within financing activities . . .	9,039	5,704	4,544	1,476	1,789
Total	9,141	5,767	5,307	1,507	1,827

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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
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Contracted, but not provided for:				
Purchases of items of property, plant and equipment.	586	121	96	1,371

36. RELATED PARTY TRANSACTIONS

The Directors are of the view that the following companies are related parties that have material transactions or balances with the Group during the Relevant Periods.

(a) Name and relationships of the related parties:

Name	Relationship
Mr. Wang Yongkun	Director

(b) Certain of the Group’s bank loans are secured by:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Mr. Wang Yongkun	15,016	32,870	—	—

Mr. Wang Yongkun has guaranteed certain bank loans made to the Group as at the end of each of the Relevant Periods, as disclosed in note 27 to the Historical Financial Information. The guarantee period is 12 to 24 months.

As at 31 December 2025, the guarantee by Mr. Wang Yongkun has been released.

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(c) Compensation of key management personnel of the Group:

The remuneration of key management personnels was 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 . .	3,316	3,528	3,861	1,069	864
Performance related bonuses	1,211	194	387	119	195
Pension scheme contributions.	48	57	76	25	25
Share-based payment expenses	901	901	67,716	25,029	16,318
Total compensation paid to key management personnel	5,476	4,680	72,040	26,242	17,402

Further details of directors’ and the chief executive’s and supervisors’ remuneration are set out in note 9 to the Historical Financial Information.

Redemption rights of the Pre-[REDACTED] Investors granted by the Single Largest Group of Shareholders

According to the share subscription agreements entered into by the Company and the shareholders from September 2016 to December 2024, the Pre-[REDACTED] Investors had been granted the redemption right by certain members of the Single Largest Group of Shareholders (collectively, the “SLS Redemption Right”). The Company is not a party to the SLS Redemption Right. Pursuant to another supplemental agreement entered into by the Company and the shareholders in June 2025, the SLS Redemption Right was terminated prior to the first submission of the [REDACTED] to the Stock Exchange

The Company has not provided any form of guarantee in connection with any potential failure of the Single Largest Group of Shareholders to fulfil their obligations relating to the SLS Redemption Right. Accordingly, no financial liability regarding the SLS Redemption Right was recorded by the Company during the Relevant Periods.

37. TRANSFERS 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 in Chinese Mainland (the “**Endorsed Bills**”) with a carrying amount of RMB3,026,000, RMB1,069,000 and RMB2,962,000 and RMB 6,158,000 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 amount of the trade payables settled by the Endorsed Bills during the year or period to which the suppliers have recourse was RMB13,957,000, RMB11,955,000 and RMB9,960,000 and RMB14,739,000 as at 31 December 2023, 2024, 2025 and 30 April 2026.

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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 in Chinese Mainland (the “**Derecognised Bills**”) to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB1,654,000, RMB6,152,000 and RMB6,920,000 and RMB 8,313,000. The Derecognised Bills had a maturity of one to six months at the end of the reporting period. 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 2026, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively. The endorsement has been made evenly throughout the year or period.

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 are 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 fair value:				
Financial assets at FVTPL	—	17,008	80,609	40,791
Debt investments at fair value through other comprehensive income	1,896	697	1,257	1,746
Financial assets at amortised cost:				
Trade and bills receivables.	51,817	93,422	162,683	172,446
Financial assets included in prepayment, other receivables and other assets	3,107	12,879	12,898	16,653
Restricted bank deposits	390	3,256	17,463	18,015
Time deposits	—	1,000	—	—
Cash and cash equivalents	33,454	83,358	77,140	49,686
Total	90,664	211,620	352,050	299,337

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	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial liabilities				
Financial liabilities at fair value:				
Cash settled share-based payments . . .	3,625	3,709	—	—
Financial liabilities at amortised cost:				
Trade payables	45,785	52,299	80,563	135,054
Financial liabilities included in other payables and accruals	1,140	2,999	12,060	11,229
Interest-bearing bank and other borrowings	25,028	42,881	—	—
Lease liabilities	4,565	10,095	5,809	14,220
Total	80,143	111,983	98,432	160,503

39. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair values

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group’s finance department headed by the financial director 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 analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for 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 following methods and assumptions were used to estimate the fair values:

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

The fair value of the cash-settled liability of share-based payments was estimated as at the end of each of the Relevant Periods with reference to the latest subscription prices of the underlying shares, taking into account the terms and conditions upon which the options were granted.

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Fair value hierarchy

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)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial assets			
Debt investments at fair value through other comprehensive income	—	1,896	—
	<u>—</u>	<u>1,896</u>	<u>—</u>
Financial liabilities			
Cash settled share-based payments.	—	3,625	—
	<u>—</u>	<u>3,625</u>	<u>—</u>

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)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial assets			
Debt investments at fair value through other comprehensive income	—	697	—
Financial assets at fair value through profit or loss.	—	17,008	—
Total	<u>—</u>	<u>17,705</u>	<u>—</u>
Financial liabilities			
Cash settled share-based payments.	—	3,709	—
	<u>—</u>	<u>3,709</u>	<u>—</u>

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As at 31 December 2025

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Debt investments at fair value through other comprehensive income	—	1,257	—	1,257
Financial assets at fair value through profit or loss	—	80,609	—	80,609
Total	—	81,866	—	81,866

As at 30 April 2026

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Debt investments at fair value through other comprehensive income	—	1,746	—	1,746
Financial assets at fair value through profit or loss	—	40,791	—	40,791
Total	—	42,537	—	42,537

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s principal financial instruments comprise cash and cash equivalents, restricted cash and financial assets at fair value through profit or loss. 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 and bills receivables and trade payables, which arise directly from its operations.

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

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.

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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 before tax (due to changes in the fair value of monetary assets and liabilities) and the Group’s equity.

	Increase/(decrease) in basis points	Increase/(decrease) in profit before tax	Increase/ (decrease) in equity
	<i>%</i>	<i>RMB’000</i>	<i>RMB’000</i>
Year ended 31 December 2023			
If RMB weakens against the US\$	5	626	626
If RMB strengthens against the US\$	(5)	(626)	(626)
Year ended 31 December 2024			
If RMB weakens against the US\$	5	1,963	1,963
If RMB strengthens against the US\$	(5)	(1,963)	(1,963)
Year ended 31 December 2025			
If RMB weakens against the US\$	5	4,392	4,392
If RMB strengthens against the US\$	(5)	(4,392)	(4,392)
Four months ended 30 April 2026			
If RMB weakens against the US\$	5	3,576	3,576
If RMB strengthens against the US\$	(5)	(3,576)	(3,576)

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 and financial assets included in prepayments, other receivables and other assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

For other receivables and other assets, management makes periodic collective assessment as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The Directors believe that there is no material credit risk inherent in the Group’s outstanding balance of other receivables.

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.

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At 31 December 2023

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables* . .	—	—	—	88,368	88,368
Contract assets*	—	—	—	11,049	11,049
Financial assets included in prepayments, other receivables and other assets — Normal**	3,107	—	—	—	3,107
Debt investments at fair value through other comprehensive income	1,896	—	—	—	1,896
Restricted cash.	390	—	—	—	390
Cash and cash equivalents . . .	33,454	—	—	—	33,454
Total.	38,847	—	—	99,417	138,264

At 31 December 2024

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables* . .	—	—	—	150,964	150,964
Contract assets*	—	—	—	17,281	17,281
Financial assets included in prepayments, other receivables and other assets — Normal**	12,879	—	—	—	12,879
Debt investments at fair value through other comprehensive income	697	—	—	—	697
Restricted cash.	3,256	—	—	—	3,256
Time deposits	1,000	—	—	—	1,000
Cash and cash equivalents . . .	83,358	—	—	—	83,358
Total.	101,190	—	—	168,245	269,435

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At 31 December 2025

	12-month ECLs		Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables* . .	—	—	—	239,436	239,436
Contract assets*	—	—	—	18,186	18,186
Financial assets included in prepayments, other receivables and other assets — Normal**	12,898	—	—	—	12,898
Debt investments at fair value through other comprehensive income	1,257	—	—	—	1,257
Restricted cash.	17,463	—	—	—	17,463
Cash and cash equivalents . .	77,140	—	—	—	77,140
Total.	108,758	—	—	257,622	366,380

At 30 April 2026

	12-month ECLs		Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables* . .	—	—	—	260,155	260,155
Contract assets*	—	—	—	15,210	15,210
Financial assets included in prepayments, other receivables and other assets: — Normal**	16,653	—	—	—	16,653
Debt investments at fair value through other comprehensive income	1,746	—	—	—	1,746
Restricted cash.	18,015	—	—	—	18,015
Cash and cash equivalents . .	49,686	—	—	—	49,686
Total.	86,100	—	—	275,365	361,465

* For trade receivables and contract assets to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 20 and note 22 to the Historical Financial Information.

** The credit quality of the financial assets included in prepayments, 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. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

As at 31 December 2023, 2024, 2025 and 30 April 2026, the Group had certain concentrations of credit risk as 11.26%, 10.99%, 5.65% and 12.11% of the Group’s trade and bills receivables and contract assets were due from the Group’s largest customer, 27.21%, 35.36%, 22.31% and 28.95% of the Group’s gross carry amount of trade and bills receivables and contract assets were due from five largest customers.

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Liquidity risk

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operations and lease liabilities. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity profile of the Group’s financial liabilities and lease liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, was as follows:

As at 31 December 2023

	Less than 12 months or on demand	1 to 5 years	Total
	RMB’000	RMB’000	RMB’000
Trade payables	45,785	—	45,785
Financial liabilities included in other payables and accruals	4,765	—	4,765
Interest-bearing bank and other borrowings . .	25,933	—	25,933
Lease liabilities	4,639	—	4,639
Total	81,122	—	81,122

As at 31 December 2024

	Less than 12 months or on demand	1 to 5 years	Total
	RMB’000	RMB’000	RMB’000
Trade payables	52,299	—	52,299
Financial liabilities included in other payables and accruals	6,708	—	6,708
Interest-bearing bank and other borrowings . .	44,227	—	44,227
Lease liabilities	4,472	6,061	10,533
Total	107,706	6,061	113,767

As at 31 December 2025

	Less than 12 months or on demand	1 to 5 years	Total
	RMB’000	RMB’000	RMB’000
Trade payables	80,563	—	80,563
Financial liabilities included in other payables and accruals	12,060	—	12,060
Lease liabilities	3,044	2,945	5,989
Total	95,667	2,945	98,612

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As at 30 April 2026

	Less than 12 months or on demand	1 to 5 years	Total
	RMB'000	RMB'000	RMB'000
Trade payables	135,054	—	135,054
Financial liabilities included in other payables and accruals	11,229	—	11,229
Lease liabilities	7,268	7,400	14,668
Total	153,551	7,400	160,951

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	234,876	305,779	452,148	472,767
Total liabilities	149,204	165,312	162,600	207,411
Asset-liability ratio	64%	54%	36%	44%

Note: Asset-liability ratio is calculated by dividing total liabilities by total assets and multiplying the product by 100%.

41. EVENTS AFTER THE RELEVANT PERIODS

The Group has no significant events subsequent to 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.