*You should read the following discussion and analysis in conjunction with our consolidated financial statements, included in the Accountants' Report in Appendix I, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with the International Financial Reporting Standards ("**IFRSs**").*

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed in "Risk Factors" and "Forward-Looking Statements" and elsewhere in this document.

OVERVIEW

We are a globally recognized solar-plus-storage products manufacturer, committed to delivering PV and energy storage products that provide clean and sustainable energy to users worldwide. In particular, according to Frost & Sullivan, we are the world's largest supplier of residential energy storage inverters in terms of revenue in 2025. Our new energy business – centered on energy storage inverters, energy storage batteries and PV inverters – is our core and primary growth segment. We complement this with our long-standing environment management appliance business, where we primarily supply dehumidifiers, solar air conditioners and heat exchangers. This strategically diversified product portfolio allows us to achieve business growth and resilience.

Driven by the global shift toward new energy, we meet evolving market needs by offering a complete suite of products tailored for a wide range scenarios spanning residential and C&I application. Our diversified and versatile product portfolio has enabled us to expand to more than 150 countries and regions in six continents.

We operate at the forefront of a changing global energy landscape with increasing demand for reliable energy storage products and solutions. We identified residential energy storage as a compelling market opportunity and, in 2018, we entered this high-growth market and launched an energy storage inverter that seamlessly combines multiple electricity sources. We believe our early entry has created a sustainable first-mover advantage in a market that has been experiencing rapid expansion.

BASIS OF PRESENTATION

Our historical financial information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board. We have early adopted all IFRS Accounting Policies effective for the year ending December 31, 2026, together with the relevant transitional provisions, in the preparation of our historical financial information throughout the Track Record Period. Our historical financial information has been prepared under the historical cost convention, except for financial assets/liabilities at fair value through profit or loss and debt investments at fair value through other comprehensive income which have been measured at fair value. Our historical financial information is presented in Renminbi and all values are rounded to the nearest thousand except when otherwise indicated.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations are affected by the general factors that influence our industry, including but not limited to the macroeconomic conditions in China and globally, the development and competitive landscape for our industry, the regulatory environment and polices. In addition, our business and results of operations have been and will continue to be affected by company-specific factors, which primarily include the following:

Industry Growth and Our Ability to Compete in the Global Market

Our financial performance is significantly influenced by the growth of the global new energy industry, which can be affected by the downstream market size and customer demand, and our ability to compete effectively in this market. According to Frost & Sullivan, the global residential energy storage system market size grew from RMB10.8 billion in 2021 to RMB67.6 billion in 2025, with a CAGR of 58.3%. The market size is expected to increase from RMB85.9 billion in 2026 to RMB290.6 billion in 2031, representing a CAGR of 27.6%. According to Frost & Sullivan, the global residential energy storage inverter market has grown more than four times over the past five years, with market size increased from RMB4.5 billion in 2021 to RMB18.2 billion in 2025. Demand for our products is closely tied to the industry's growth trajectory. The global industry is driven by new technological advancements which will bring product iteration, and growth in the downstream markets. At the same time, the industry is experiencing trends such as higher performance and enhanced tool efficiency and a shift toward more intelligent and integrated solutions. We believe our full-stack, proprietary technological capabilities, diverse range of products and ability to deliver integrated solutions addressing specific industry challenges will provide us with better competitive edge to meet the increasing demands of downstream markets.

Furthermore, competition plays a crucial role in shaping the demand for our products and our revenue growth. We operate in a highly competitive market characterized by factors such as perceived product quality, price, performance, product features, frequent introduction of new products, brand recognition, and rapid adoption of technological and product enhancements. We face competition from both international and domestic players with diverse capabilities, some of whom may have longer operating histories, larger business scales and resources, higher market recognition and more effective pricing strategies than we do. Both existing and new competitors may develop superior products or adopt aggressive pricing strategies, which may require us to lower our prices to remain competitive and could adversely affect our margins and revenue growth. Despite these challenges, we believe we possess certain competitive advantages due to our product portfolio and R&D capabilities, and we are committed to pursuing development strategies to enhance our competitiveness in the global and China's growing market.

Our Ability to Develop Products and Optimize Product Portfolio

Our financial performance relies on our ability to innovate and develop products that align with the latest technological trends and customer preferences and our ability to offer a comprehensive portfolio of products. Our future success depends on our ability to anticipate industry trends and develop products with high-performance and differentiated design that meet the evolving demand of downstream customers in various application fields. Our products are well recognized by end customers for their performance and quality.

During the Track Record Period, we primarily derived our revenue from the sale of new energy products and environment management appliances. We price each product based on a variety of factors, including costs, gross margin and market conditions. During the Track Record Period, we achieved a strong gross profit margin supported by the contribution of our major products. In 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, our gross profit margins were 39.2%, 38.6%, 38.0%, 36.2% and 39.1%, respectively. Specifically, sales of energy storage inverters, which maintained robust gross profit margins, contributed significantly

to our revenue. However, our product mix may fluctuate in response to the technological changes in the industries and markets to which our products are sold. If there are any significant changes in our product mix, our gross profit margin will be affected by the changes in gross profit margin attributable to each type of product.

We aim to further enrich our product portfolio and maintain a strong focus on high-margin product categories. By continuously refining our product mix and leveraging technological innovation, we are committed to sustaining robust financial performance and driving long-term growth. However, fluctuations in product demand, shifts in market dynamics, and evolving competitive pressures may impact our financial performance.

Our International Sales Network

Our financial performance is significantly influenced by our global business development strategy. We sell our new energy products in over 150 countries and regions across six continents. Deye has become an influential brand for inverters and energy storage batteries in Southeast Asia, the Middle East and Africa, while maintaining a significant market share in Europe. We have established an international sales network with deep localization and have delivered solid financial performance. In 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, our revenue from overseas markets accounted for 58.0%, 70.9%, 79.7%, 72.8% and 87.6%, respectively, of our total revenue in the corresponding years/periods. We have established a global sales and service network and will further maintain and expand our global network and enhance our resilience against regional market fluctuations. We believe this will enable us capture business opportunities globally, and ultimately underpin our long-term success.

Our Ability to Continue to Achieve Technological Advancements

Our ability to continue R&D activities, develop new technologies, design new products, enhance existing products attract and retain R&D talent to build competitiveness is critical to our success. Technological leadership requires sustained substantial investment in R&D to maintain our market position in the long run. We have invested, and plan to continue investing significant resources in our R&D efforts. Our R&D expenses were RMB436.4 million, RMB548.9 million, RMB562.1 million, RMB182.4 million and RMB222.9 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively. Specifically, the progress of our technology and product development depends largely on our R&D talents. As of April 30, 2026, we had 951 R&D personnel, representing 11% of our total workforce. As we believe our market success and financial performance will significantly depend on our ability to maintain our technological leadership, we will continue to invest in proprietary technology development and innovation to grow our competitive strengths against our peers.

Our Ability to Manage Costs and Improve Operational Efficiency

Our ability to achieve profitability and sustainable growth depends in part on our management of cost of sales. In 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, our cost of sales amounted to RMB4,550.7 million, RMB6,877.7 million, RMB7,574.9 million, RMB2,253.0 million and RMB3,763.0 million, respectively, accounting for 60.8%, 61.4%, 62.0%, 63.8% and 60.9%, respectively, of our revenue in the corresponding years/periods. Our cost of sales primarily consists of raw materials, employee benefit expenses and transportation cost. Changes in any major component of our cost of sales and our overall cost structure could have an impact on our gross profit and gross profit margin. For instance, our cost of raw materials accounted for 87.2%, 85.6%, 85.7%, 86.9% and 86.5%, of our total cost of sales in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively. The procurement costs for such raw materials may fluctuate due to a number of factors beyond our control, such as supply chain disruptions and inflation, and we are susceptible to significant changes in the availability, price and standard of key raw materials such as battery cells and copper. We have implemented cost management measures against such potential disruptions to

our supply chain. In addition, our cost of sales and gross margin may, from time to time, be affected by the write-down of obsolete or slow-moving inventories.

Our business and results of operations are also significantly affected by our operating expenses, which are primarily comprised selling expenses, administrative expenses and R&D expenses during the Track Record Period. Our ability to effectively improve our operational efficiency and manage our operating expenses would substantially affect our profitability.

Foreign Exchange Fluctuations

In 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, our revenue from overseas markets accounted for 58.0%, 70.9%, 79.7%, 72.8% and 87.6%, respectively, of our total revenue in the corresponding years/periods. Our Company and our subsidiaries have foreign currency denominated sales, trade and bills receivables, cash and bank balances, which expose us to foreign currency risk. Such foreign currencies primarily include the U.S. dollar and Euro. Consequently, the fluctuations in foreign currency exchange rates have an impact on our consolidated financial information.

Our reporting currency is the RMB, which is our Company's functional currency. Foreign currency transactions recorded by the entities in our 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 exchange rates ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognized in profit or loss. We recorded net foreign exchange gains of RMB97.4 million, RMB30.2 million, RMB30.1 million and RMB120.1 million, respectively, in 2023, 2024, 2025 and the four months ended April 30, 2025. We recorded net foreign exchange loss of RMB171.9 million in the four months ended April 30, 2026, respectively.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The preparation of the historical financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future. The following set forth certain material accounting policies. See Note 4 to the Accountant's Report in Appendix I to this document for more details.

For a discussion of the material accounting policies, which are important for understanding our financial condition and results of operations, see Note 4 to the Accountants' Report in Appendix I to this document.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Revenue	7,479,706	100.0	11,206,468	100.0	12,223,743	100.0	3,531,395	100.0	6,180,411	100.0
Cost of sales	(4,550,692)	(60.8)	(6,877,711)	(61.4)	(7,574,913)	(62.0)	(2,253,025)	(63.8)	(3,762,967)	(60.9)

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Gross profit	**2,929,014**	**39.2**	**4,328,757**	**38.6**	**4,648,830**	**38.0**	**1,278,370**	**(36.2)**	**2,417,444**	**39.1**
Other income	292,600	3.9	325,217	2.9	397,175	3.2	122,945	(3.5)	134,644	2.2
Other gains and other losses, net	(73,245)	(1.0)	92,132	0.8	9,855	0.1	106,910	(3.0)	(139,820)	(2.3)
Selling expenses	(234,626)	(3.1)	(287,729)	(2.6)	(343,847)	(2.8)	(112,884)	(3.2)	(154,190)	(2.5)
Research and development costs	(436,402)	(5.8)	(548,899)	(4.9)	(562,096)	(4.6)	(182,393)	(5.2)	(222,861)	(3.6)
Administrative expenses	(298,757)	(4.1)	(381,476)	(3.4)	(445,932)	(3.6)	(121,439)	(3.4)	(165,525)	(2.7)
Impairment loss on financial assets, net	(9,625)	(0.1)	(83,854)	(0.7)	(10,704)	(0.1)	(23,836)	(0.7)	(19,720)	(0.3)
Finance costs	(72,665)	(1.0)	(43,579)	(0.4)	(57,696)	(0.5)	(14,719)	(0.4)	(16,351)	(0.3)
Profit before tax	**2,096,294**	**28.0**	**3,400,569**	**30.3**	**3,635,585**	**29.7**	**1,052,954**	**(29.8)**	**1,833,621**	**29.7**
Income tax expenses	(305,308)	(4.1)	(440,222)	(3.9)	(466,931)	(3.8)	(129,386)	(3.7)	(223,726)	(3.6)
Profit for the year/period	**1,790,986**	**23.9**	**2,960,347**	**26.4**	**3,168,654**	**25.9**	**923,568**	**26.2**	**1,609,895**	**26.1**
Other comprehensive income:										
Item that may be reclassified subsequently to profit or loss										
– Exchange differences on translation of foreign operations	(23)	0.0	(151)	0.0	6,916	0.1	429	0.0	6,471	0.1
Total comprehensive income for the year/period	**1,790,963**	**23.9**	**2,960,196**	**26.4**	**3,175,570**	**26.0**	**923,997**	**26.2**	**1,616,366**	**26.2**

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

Revenue Breakdown by Product Line

During the Track Record Period, our revenue was primarily derived from sales of new energy products and environment management appliances. The following table sets forth our revenue breakdown by product line both in absolute amount and as a percentage of our total revenue for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
New Energy Business										
– Energy storage inverters	3,501,237	46.8	4,387,333	39.2	5,217,464	42.7	1,382,462	39.1	2,616,803	42.4
– Energy storage batteries	884,323	11.8	2,451,296	21.9	3,832,409	31.4	909,938	25.8	2,756,391	44.6
– PV inverters	908,052	12.1	1,135,481	10.1	1,053,556	8.6	349,328	9.9	329,700	5.3
– Inverter accessories and others[1]	20,202	0.3	42,909	0.4	77,093	0.6	51,807	1.5	99,080	1.6
Subtotal	**5,313,814**	**71.0**	**8,017,019**	**71.6**	**10,180,522**	**83.3**	**2,693,535**	**76.3**	**5,801,974**	**93.9**
Environment Management Appliances Business										
– Dehumidifiers	703,877	9.4	969,174	8.6	805,298	6.6	241,103	6.8	193,318	3.1
– Solar air conditioners	66,390	0.9	208,508	1.9	240,967	2.0	96,748	2.7	130,974	2.1
– Heat exchangers	1,344,525	18.0	1,954,852	17.4	937,656	7.7	478,881	13.6	25,365	0.4
– Others[2]	21,760	0.3	11,853	0.1	21,375	0.1	6,745	0.2	10,902	0.2
Subtotal	**2,136,552**	**28.6**	**3,144,387**	**28.0**	**2,005,296**	**16.4**	**823,477**	**23.3**	**360,559**	**5.8**
Others[3]	29,340	0.4	45,062	0.4	37,925	0.3	14,383	0.4	17,878	0.3
	7,479,706	**100.0**	**11,206,468**	**100.0**	**12,223,743**	**100.0**	**3,531,395**	**100.0**	**6,180,411**	**100.0**

Notes:

(1) Others primarily included PV related engineering construction services.

(2) Primarily included sale of auxiliary products such as variable frequency water pumps.

(3) Primarily included sales of waste including copper and aluminum.

Our revenue was RMB7,479.7 million, RMB11,206.5 million, RMB12,223.7 million, RMB3,531.4 million and RMB6,180.4 million in 2023, 2024, 2025, and the four months ended April 30, 2025 and 2026, respectively. The increase generally reflects the overall growth of the shipment volume of our products.

During the Track Record Period, our new energy products – energy storage inverters, energy storage batteries and PV inverters remained our major product line. Energy storage inverters remained our primary product line, contributing the largest share of our total revenue during the Track Record Period, with a 46.8%, 39.2%, 42.7%, 39.1% and 42.4% revenue

contribution for 2023, 2024, 2025, and the four months ended April 30, 2025 and 2026, respectively. Energy storage batteries became increasingly important revenue drivers, with a 11.8%, 21.9%, 31.4%, 25.8% and 44.6% revenue contribution for 2023, 2024, 2025, and the four months ended April 30, 2025 and 2026, respectively.

Our revenue from new energy products increased from RMB2,693.5 million in the four months ended April 30, 2025 to RMB5,802.0 million in the four months ended April 30, 2026, primarily due to increases in the shipment volume of our energy storage inverters and energy storage batteries, primarily driven by the growth in downstream market demand, particularly in the markets in Europe, attributable to impact of the regional conflict in Eastern Europe and increasing demand in Africa and Southeast Asia driven by the energy infrastructure construction as well as the higher shipment volumes in Oceania, driven by programs introduced by the Australian government to reduce the cost of solar and batteries, such as the "Cheaper Home Batteries Program", which effectively stimulated customer demand.

Our revenue from new energy products increased from RMB8,017.0 million in 2024 to RMB10,180.5 million in 2025, primarily due to (i) an increase of shipment volume of energy storage inverters from 540.6 thousand units in 2024 to 771.5 thousand units in 2025, and (ii) increase of shipment volume of energy storage batteries from 464.8 thousand units in 2024 to 777.0 thousand units in 2025. The increased shipment volume of energy storage inverters and energy storage batteries was driven by the increase in downstream market demand, especially the emerging markets in Asia and Africa due to their demand for energy infrastructure construction and our ability to effectively compete in the market through product innovation and quality improvements, which bolstered our sales performance. For an analysis of the market demand of our new energy products, see also "Industry Overview – Overview of Global Energy Storage System Market".

Our revenue from new energy products increased from RMB5,313.8 million in the year ended December 31, 2023 to RMB8,017.0 million in the year ended December 31, 2024, primarily due to increase of shipment volume of energy storage inverters, energy storage batteries and PV inverters, driven by the increase in downstream market demand, especially the European market due to elevated electricity prices and the impact of the regional conflict in Eastern Europe, and the leverage of our integrated marketing synergies between our inverters and energy storage batteries, which collectively drove sales growth.

Our revenue from environment management appliances decreased by 56.2% from RMB823.5 million in the four months ended April 30, 2025 to RMB360.6 million in the four months ended April 30, 2026, primarily attributable to (i) a decrease in the shipment volume of heat exchangers from 1,807.4 thousand units in the four months ended April 30, 2025 to 105.3 thousand units in the four months ended April 30, 2026, primarily attributable to our strategic adjustment of product portfolio to reduce the sales of heat exchangers, and (ii) a decrease in the shipment volume of dehumidifiers from 301.6 thousand units in the four months ended April 30, 2025 to 251.3 thousand units in the four months ended April 30, 2026, driven by a slight deceleration in customer demand growth due to climate change.

Our revenue from environment management appliances increased by 47.2% from RMB2,136.6 million in 2023 to RMB3,144.4 million in 2024, primarily attributable to an increase of sales of all environment management appliances due to our continued market expansion across all product lines. Our revenue from environment management appliances decreased by 36.2% from RMB3,144.4 million in 2024 to RMB2,005.3 million in 2025, primarily attributable to (i) decrease in shipment volume of dehumidifiers from 1,257.7 thousand units in 2024 to 1,028.1 thousand units in 2025, driven by a decline in customer demand due to climate change, and (ii) decrease of sales of heat exchangers from 7,538.2 thousand units in 2024 to 3,412.2 thousand units in 2025, primarily attributable to our strategic adjustment of product portfolio to reduce the sales of heat exchangers and focus on other products considering

the decreased purchase orders for heat exchangers from our key downstream air conditioning manufacturer customer due to their decreased demand and relatively lower margin of heat exchangers.

See "– Period-to-Period Comparison" for year-over-year discussions of the changes of our revenue by business lines.

The table below sets forth a breakdown of our shipment volume and average selling price by product category for the years/periods indicated (excluding products categorized as parts or others):

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Shipment volume	Average selling price	Shipment volume	Average selling price	Shipment volume	Average selling price	Shipment volume	Average selling price	Shipment volume	Average selling price
	Unit'000	*RMB*	*Unit'000*	*RMB*	*Unit'000*	*RMB*	*Unit'000*	*RMB*	*Unit'000*	*RMB*
New Energy Business										
– Energy storage inverters	408.7	8,566.8	540.6	8,115.7	771.5	6,762.5	225.7	6,124.4	373.0	7,015.4
– Energy storage batteries	127.6	6,930.4	464.8	5,273.9	777.0	4,932.6	189.7	4,796.5	517.6	5,324.9
– PV inverters	480.2	1,891.0	830.9	1,366.6	862.2	1,222.0	375.8	929.6	354.8	929.2
Environment Management Appliances Business										
– Dehumidifiers	902.3	780.1	1,257.7	770.6	1,028.1	783.2	301.6	799.3	251.3	769.4
– Solar air conditioners	50.6	1,312.1	144.3	1,445.0	150.3	1,603.5	59.1	1,637.8	86.8	1,508.8
– Heat exchangers	5,278.8	254.7	7,538.2	259.3	3,412.2	274.8	1,807.4	265.0	105.3	240.8

The average selling price of energy storage inverters and PV inverters decreased in 2024 and 2025, primarily because we strategically adjusted pricing to gain market shares and improve our product competitiveness amid intensified market competition. The average selling price of energy storage batteries decreased in 2024 and 2025, primarily because we enriched our product portfolio by launching more cost-effective products, which have relatively lower prices. The average selling price of energy storage inverters and energy storage batteries increased in the four months ended April 30, 2026, mainly because we sold a higher proportion of high-power energy storage products, which have higher prices and the increase in price of raw materials.

Revenue Breakdown by Sales Channel

In both Chinese mainland and overseas markets, we operate through two main sales channels: (i) distribution, and (ii) direct sales.

The following table sets forth a breakdown of our revenue by sales channel in absolute amount and as a percentage of our total revenue for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentages)									
Distribution	3,490,485	46.7	6,789,483	60.6	9,134,235	74.7	2,258,731	64.0	5,362,370	86.8
Direct sales	3,989,221	53.3	4,416,985	39.4	3,089,508	25.3	1,272,664	36.0	818,041	13.2
Total	**7,479,706**	**100.0**	**11,206,468**	**100.0**	**12,223,743**	**100.0**	**3,531,395**	**100.0**	**6,180,411**	**100.0**

We deliver our solutions across the world through various sales channels tailored to the distinct characteristics of our product categories: (i) our new energy products – energy storage inverters, energy storage batteries and PV inverters – are distributed primarily through a global network of independent specialized distributors spread across over 150 countries and regions; (ii) our environment management appliances (excluding heat exchangers) are sold through a combination of e-commerce platforms, OEM and ODM arrangements and appliance distributors; and (iii) our heat exchangers sold under a direct sales model, supplied directly to air conditioning manufacturers in China. For more information about our sale channels, see "Business – Sales, Distribution and Marketing" in this document.

During the Track Record Period, the revenue contribution from distributor sales has continued to grow, primarily attributable to the increased sales of energy storage inverters and energy storage batteries, which are primarily sold through distributors.

Revenue by Geographic Location

During the Track Record Period, we have maintained a well-established international presence, with revenue contributions from overseas markets representing 58.0%, 70.9% and 79.7%, 72.8% and 87.6% of our total revenue in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

The following table sets out a breakdown of our revenue by geographical location, in an absolute amount and as a percentage of our total revenue, for the years/periods indicated.

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Chinese mainland	**3,141,802**	**42.0**	**3,259,319**	**29.1**	**2,476,016**	**20.3**	**962,045**	**27.2**	**765,068**	**12.4**
Overseas	**4,337,904**	**58.0**	**7,947,149**	**70.9**	**9,747,727**	**79.7**	**2,569,350**	**72.8**	**5,415,343**	**87.6**
– Europe	1,397,205	18.7	4,011,652	35.8	4,003,697	32.7	678,187	19.2	2,797,536	45.3
– Africa	1,440,727	19.3	606,039	5.4	1,138,536	9.3	360,314	10.2	576,754	9.3
– Asia (excluding Chinese mainland)	902,711	12.1	2,340,296	20.9	3,459,939	28.3	1,225,194	34.7	1,551,159	25.1
– North America	203,522	2.7	445,755	4.0	580,839	4.7	204,760	5.8	207,289	3.3
– South America	359,416	4.8	480,121	4.3	288,026	2.4	69,856	2.0	78,536	1.3
– Oceania	34,323	0.4	63,286	0.5	276,690	2.3	31,039	0.9	204,069	3.3
	7,479,706	**100.0**	**11,206,468**	**100.0**	**12,223,743**	**100.0**	**3,531,395**	**100.0**	**6,180,411**	**100**

During the Track Record Period, a significant portion of our revenue was generated from overseas markets. The increasing portion from overseas sales during the Track Record Period was primarily due to (i) the increasing global demand for new energy products, and we have made ongoing efforts to explore overseas markets and expand our product and service offerings to capture growing opportunities in overseas markets, and (ii) our strategic adjustment of product portfolio to reduce the sales of heat exchangers, which are primarily sold in Chinese Mainland.

Our revenue generated from overseas markets increased from RMB4,337.9 million in spacing 2023 to RMB7,947.1 million in 2024, mainly attributable to (i) the increased sales of new energy products in Europe, driven by the increasing market demand due to the elevated electricity prices in Europe and the regional conflict in Eastern Europe, and (ii) the increased sales of energy storage products in Asia, where have demonstrated increasing demand for our energy storage products, driven by growing investment in and demand for energy infrastructure construction in this region. Our revenue generated from overseas markets further increased to

RMB9,747.7 million in 2025, mainly attributable to the increased sales of energy storage products in Asia and Africa, where have demonstrated increasing demand for our energy storage products due to energy infrastructure construction and power shortages in these regions. Our revenue generated from overseas markets increased from RMB2,569.4 million in the four months ended April 30, 2025 to RMB5,415.3 million in the four months ended April 30, 2026, mainly attributable to the increased sales of energy storage products in (i) Europe due to the regional conflict in Eastern Europe, (ii) Africa and Asia, driven by the increasing market demand for energy infrastructure construction in these regions, and (iii) Oceania, driven by programs introduced by the Australian government to reduce the cost of solar and batteries, such as the "Cheaper Home Batteries Program", which effectively stimulated customer demand.

Our revenue generated from Africa decreased from RMB1,440.7 million in 2023 to RMB606.0 million in 2024, mainly due to the surge market demand in 2023 driven by power shortages in South Africa, which resulted in increased orders and higher shipment volumes in 2023, while market demand stabilized in 2024. The revenue from Africa increased to RMB1,138.5 million in 2025, primarily due to the increasing demand for our energy storage products due to the energy infrastructure construction and power shortages in Africa.

Cost of Sales

Our cost of sales consists primarily of (i) raw materials, primarily including battery cells and copper, (ii) employee benefits expenses, (iii) transportation costs, (iv) depreciation and amortization, and (v) others, primarily including auxiliary materials and utilities fees.

Our cost of sales amounted to RMB4,550.7 million, RMB6,877.7 million, RMB7,574.9 million, RMB2,253.0 million and RMB3,763.0 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively, accounting for 60.8%, 61.4%, 62.0%, 63.8% and 60.9%, respectively, of our revenue in the corresponding years/periods.

The following table sets forth our cost of sales breakdown by nature in absolute amounts and as a percentage of our total cost of sales for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Raw materials	3,966,505	87.2	5,886,818	85.6	6,495,470	85.7	1,957,835	86.9	3,252,655	86.5
Employee benefit expenses	311,471	6.8	457,510	6.7	490,392	6.5	142,190	6.3	237,634	6.3
Transportation costs	93,719	2.1	185,785	2.7	186,744	2.5	51,621	2.3	101,848	2.7
Depreciation and amortization	76,458	1.7	114,748	1.7	160,639	2.1	43,851	2.0	63,859	1.7
Others	52,244	1.1	217,620	3.1	229,915	3.0	49,638	2.2	102,051	2.7
Write down of inventories	50,295	1.1	15,230	0.2	11,753	0.2	7,890	0.3	4,920	0.1
Total	**4,550,692**	**100.0**	**6,877,711**	**100.0**	**7,574,913**	**100.0**	**2,253,025**	**100.00**	**3,762,967**	**100.0**

Our cost of sales increased from RMB6,877.7 million in 2024 to RMB7,574.9 million in 2025 and increased from RMB2,253.0 million in the four months ended April 30, 2025 to RMB3,763.0 million in the four months ended April 30, 2026, primarily attributable to increases in cost of raw materials and employee benefit expenses, driven by the increase in prices of raw materials, shipment volume of our new energy products and increased number of our employees. For the price fluctuation of raw material during the Track Record Period, see "Industry Overview – Raw Material Analysis" in this document.

Our cost of sales increased from RMB4,550.7 million in 2023 to RMB6,877.7 million in 2024, primarily attributable to an increase in cost of raw materials and employee benefit expenses, which were in line with our business expansion and revenue growth. See "– Period-to-Period Comparison" for year-over-year discussions of the changes of our cost of sales.

In 2024, 2025, the four months ended April 30, 2025 and 2026, we recorded write down of inventories of RMB15.2 million, RMB11.8 million, RMB7.9 million and RMB4.9 million, relating to certain inventories such as raw materials with long age. In 2023, we recorded write down of inventories of RMB50.3 million, primarily relating to the product returns of our micro inverters in Germany in 2023. For details, see "Risk Factors – Risks Relating to Our Business and Our Industry - Sales of our products in certain countries or regions may require our products to undergo a qualification process. If we are unsuccessful or delayed in obtaining the qualifications for our products, our business and results of operations may be impaired."

The following table sets forth our cost of sales breakdown by product line in absolute amounts and as a percentage of our total cost of sales for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
New Energy Business										
– Energy storage inverters	1,574,408	34.6	2,116,797	30.8	2,551,509	33.7	678,742	30.1	1,279,792	34.0
– Energy storage batteries	586,789	12.9	1,438,931	20.9	2,613,430	34.5	606,931	26.9	1,899,622	50.5
– PV inverters	553,821	12.2	754,980	11.0	715,278	9.4	249,238	11.1	230,087	6.1
– Inverter accessories and others[1]	18,021	0.4	35,252	0.5	62,172	0.8	38,552	1.7	75,536	2.0
Environment Management Appliances Business										
– Dehumidifiers	467,984	10.3	635,433	9.2	565,979	7.5	165,344	7.3	138,728	3.7
– Solar air conditioners	49,164	1.1	142,728	2.1	164,291	2.2	66,434	2.9	95,529	2.6
– Heat exchangers	1,212,623	26.6	1,718,008	25.0	865,400	11.4	433,199	19.2	27,059	0.7
– Others[2]	14,630	0.3	6,687	0.1	15,598	0.2	5,482	0.2	7,488	0.2
Others[3]	22,957	0.5	13,665	0.2	9,503	0.1	1,213	0.2	4,206	0.1
Write down of inventories	50,295	1.1	15,230	0.2	11,753	0.2	7,890	0.4	4,920	0.1
Total	**4,550,692**	**100.0**	**6,877,711**	**100.0**	**7,574,913**	**100.0**	**2,253,025**	**100.0**	**3,762,967**	**100.0**

Notes:

(1) Others primarily included PV related engineering construction services.

(2) Primarily included sale of auxiliary products such as variable frequency water pumps.

(3) Primarily included sales of waste including copper and aluminum.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross margin represents gross profit divided by our revenue, expressed as a percentage. In the year of 2023, 2024, 2025, and the four months ended April 30, 2025 and 2026, we had gross profit of RMB2,929.0 million, RMB4,328.8 million, RMB4,648.8 million, RMB1,278.4 million and RMB2,417.4 million, respectively. During the same years/periods, our gross profit margin was 39.2%, 38.6%, 38.0%, 36.2% and 39.1%, respectively.

The following table sets forth our gross profit and gross profit margin breakdown by product line for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
New Energy Business	2,580,775	48.6	3,671,059	45.8	4,238,133	41.6	1,120,072	41.6	2,316,938	39.9
– Energy storage inverters	1,926,829	55.0	2,270,536	51.8	2,665,955	51.1	703,720	50.9	1,337,199	51.1
– Energy storage batteries	297,534	33.7	1,012,365	41.3	1,218,979	31.8	303,007	33.3	856,582	31.1
– PV inverters	354,231	39.0	380,501	33.5	338,278	32.1	100,090	28.7	99,613	30.2
– Inverter accessories and others[(1)]	2,181	10.8	7,657	17.8	14,921	19.4	13,255	25.6	23,544	23.8
Environment Management Appliances Business	392,151	18.4	641,531	20.4	394,028	19.6	153,018	18.6	91,755	25.4
– Dehumidifiers	235,893	33.5	333,741	34.4	239,319	29.7	75,759	31.4	54,590	28.2
– Solar air conditioners	17,226	26.0	65,780	31.6	76,676	31.8	30,314	31.3	35,445	27.1
– Heat exchangers	131,902	9.8	236,844	12.1	72,256	7.7	45,682	9.5	(1,694)	(6.7)
– Others[(2)]	7,130	32.8	5,166	43.6	5,777	27.0	1,263	18.7	3,414	31.3
Others[(3)]	6,383	21.8	31,397	69.7	28,422	74.9	13,170	91.6	13,671	76.5
Write down of inventories	(50,295)	–	(15,230)	–	(11,753)	–	(7,890)	–	(4,920)	–
Total	**2,929,014**	**39.2**	**4,328,757**	**38.6**	**4,648,830**	**38.0**	**1,278,370**	**36.2**	**2,417,444**	**39.1**

Notes:

(1) Others primarily included PV related engineering construction services.

(2) Primarily included sale of auxiliary products such as variable frequency water pumps.

(3) Primarily included sales of waste including copper and aluminum.

Our gross profit margin varies by product type. Due to product characteristics and market conditions, our energy storage inverters typically yield higher gross profit margins, whereas heat exchangers typically have a relatively lower margin. According to Frost & Sullivan, such differences in the level of gross profit margins for different types of products and solutions align with industry norms.

Our gross profit margin decreased from 39.2% in 2023 to 38.6% in 2024, and slightly decreased to 38.0% in 2025, primarily attributable to an increase of revenue contribution from energy storage batteries, the product category with a lower gross profit margin than energy storage inverters. During the Track Record Period, energy storage batteries became increasingly important revenue drivers, with a 11.8%, 21.9% and 31.4% revenue contribution for 2023, 2024 and 2025, respectively. See "– Period-to-Period Comparison" for year-over-year discussions of the changes of our gross profit margin.

Our gross profit margin increased from 36.2% in the four months ended April 30, 2025 to 39.1% in the four months ended April 30, 2026, primarily due to an increase in the proportion of our sales generated from energy storage inverters and energy storage batteries, the product categories with a higher gross profit margin. In the four months ended April 30, 2026, we recorded gross loss and negative gross profit margin of 6.7% for heat exchangers, due to our strategic adjustment of product portfolio to reduce the sales of heat exchangers and focus on other products considering decreased purchase orders for heat exchangers from our key downstream air conditioning manufacturer customer due to their decreased demand and relatively lower margin of heat exchangers.

We recorded a higher gross profit margin for energy storage batteries in 2024, primarily due to significant increase in shipment volume of energy storage batteries from 127.6 thousand units in 2023 to 464.8 thousand units in 2024 driven by the economies of scale. The decrease of gross profit margin of energy storage batteries from 41.3% in 2024 to 31.8% in 2025 is primarily due to the decrease in average selling price from RMB5,273.9 per unit in 2024 to RMB4,932.6 per unit in 2025 because we enriched our product portfolio by launching more cost-effective products, which have relatively lower profit margins, as well as the increase in cost of raw materials due to an increase in the unit purchase price of battery cells. The decreasing trend in gross profit margins for energy storage inverters and PV inverters during the Track Record Period is primarily because we strategically adjusted pricing to gain market shares and improve our product competitiveness amid intensified market competition.

Other Income

During the Track Record Period, our other income primarily consisted of interest income from bank deposits, interest income from wealth management products, government grants, and value-added tax input tax deduction. Our other income amounted to RMB292.6 million, RMB325.2 million, RMB397.2 million, RMB122.9 million and RMB134.6 million, in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively, accounting for 3.9%, 2.9%, 3.2%, 3.5% and 2.2%, respectively, of our revenue in the corresponding years/periods.

The following table sets forth a breakdown of our other income in absolute amount and as a percentage of our total other income for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Other income										
Interest income from bank deposits	192,410	65.8	149,639	46.0	164,376	41.4	42,466	34.5	50,562	37.5
Interest income from wealth management products	49,405	16.9	72,845	22.4	111,187	28.0	22,106	18.0	28,516	21.2
Government grants[(1)]	50,352	17.2	53,704	16.5	75,928	19.1	39,955	32.5	26,840	19.9
Value-added tax input tax deduction	–	–	47,778	14.7	44,542	11.2	17,276	14.1	25,940	19.3
Others	433	0.1	1,251	0.4	1,142	0.3	1,142	0.9	2,786	2.1
Total	**292,600**	**100.0**	**325,217**	**100.0**	**397,175**	**100.0**	**122,945**	**100.0**	**134,644**	**100.0**

Note:

(1) Income from government grants to us during the Track Record Period consisted of government grants related to income and assets. Government grants related to income were mainly related to our contribution to the new energy and high-tech industry and economy, including our R&D activities. The government grants related to assets were incentives received from the government for our purchases and construction of property, plant and equipment. There was no unfulfilled condition to receive government grants at the end of each year/period. All of our government grants were one-off in nature.

Other Gains and Other Losses, Net

Our other gains and other losses, net primarily consisted of donation, loss on disposal/written off of property, plant and equipment, net fair value change on financial assets/liabilities at fair value through profit or loss, share of result of an associate and net foreign exchanges gain/loss. We had net other losses of RMB73.2 million in 2023 and RMB139.8 million in the four months ended April 30, 2026 and net other gains of RMB92.1 million, RMB9.9 million and RMB106.9 million, in 2024, 2025 and the four months ended April 30, 2025, respectively.

The following table sets forth a breakdown of our other gains and other losses, net in absolute amount and as a percentage of our total other gains and other losses, net for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Other gains and other losses, net										
Donation	(881)	1.2	(3,079)	(3.3)	(9,957)	(101.0)	(168)	(0.2)	–	–
Loss on disposal/written off of property, plant and equipment	(2,439)	3.3	(2,926)	(3.2)	(11,008)	(111.7)	(2,176)	(2.0)	(7,584)	5.4
Net fair value change on financial assets/liabilities at fair value through profit or loss	(167,509)	228.6	68,926	74.8	(1,183)	(12.0)	(13,143)	(12.3)	42,221	(30.2)
Share of result of an associate	–	–	(285)	(0.3)	(526)	(5.3)	–	–	(405)	0.3
Net foreign exchange gain/(loss)	97,358	(132.9)	30,193	32.8	30,071	305.1	120,087	112.3	(171,913)	123.0
Others	226	(0.2)	(697)	(0.8)	2,458	24.9	2,310	2.2	(2,139)	1.5
Total	**(73,245)**	**100.0**	**92,132**	**100.0**	**9,855**	**100.0**	**106,910**	**100.0**	**(139,820)**	**100.0**

Selling Expenses

During the Track Record Period, our selling expenses consisted of (i) employee benefit expenses in relation to salaries and benefits of sales personnel and share-based payments; (ii) promotional and marketing expenses incurred for our sales and marketing activities, (iii) insurance, primarily related to accounts receivable insurance we purchased to protect us against non-payment risks, (iv) travel and business development expenses, and (v) others, primarily including consulting service fees, leasing expenses and other miscellaneous expenses in relation to sales personnel. Our selling expenses amounted to RMB234.6 million, RMB287.7 million, RMB343.8 million, RMB112.9 million and RMB154.2 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively, accounting for 3.1%, 2.6%, 2.8%, 3.2% and 2.5%, respectively, of our revenue in the corresponding years/periods.

The following table sets forth a breakdown of our selling expenses in absolute amount and as a percentage of our total selling expenses for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Employee benefit expenses	90,379	38.5	128,739	44.8	141,279	41.1	45,496	40.3	61,113	39.6
Promotional and marketing expenses	106,369	45.3	101,893	35.4	125,847	36.6	42,074	37.3	58,981	38.3
Insurance	11,398	4.9	11,916	4.1	15,861	4.6	3,384	3.0	7,730	5.0
Travel and business development expenses	10,842	4.6	17,522	6.1	19,518	5.7	5,014	4.4	5,123	3.3
Others	15,638	6.7	27,659	9.6	41,342	12.0	16,916	15.0	21,243	13.8
Total	**234,626**	**100.0**	**287,729**	**100.0**	**343,847**	**100.0**	**112,884**	**100.0**	**154,190**	**100.0**

Research and Development Costs

During the Track Record Period, our research and development costs consisted of (i) employee benefit expenses in relation to salaries and benefits of R&D personnel and share-based payments, (ii) materials expenses in relation to R&D activities, (iii) depreciation and amortization, and (iv) others, primarily including outsourced R&D expenses, testing fees and consulting service fees. Our research and development costs amounted to RMB436.4 million, RMB548.9 million, RMB562.1 million, RMB182.4 million and RMB222.9 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively, accounting for 5.8%, 4.9%, 4.6%, 5.2% and 3.6%, respectively, of our revenue in the corresponding years/periods.

The following table sets forth a breakdown of our research and development costs in absolute amount and as a percentage of our total research and development costs for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Employee benefit expenses	257,195	59.0	316,708	57.7	280,767	50.0	106,357	58.3	91,602	41.1
Materials expenses	139,788	32.0	172,391	31.4	209,387	37.3	53,366	29.3	109,531	49.1
Depreciation and amortization	14,105	3.2	19,409	3.5	28,340	5.0	8,045	4.4	12,663	5.7
Others	25,314	5.8	40,391	7.4	43,512	7.6	14,625	8.0	9,065	4.1
Total	**436,402**	**100.0**	**548,899**	**100.0**	**562,096**	**100.0**	**182,393**	**100.0**	**222,861**	**100.0**

Administrative Expenses

Our administrative expenses consisted of (i) employee benefit expenses in relation to salaries and benefits of administrative personnel, (ii) taxes and surcharges, (iii) depreciation and amortization, (iv) travel and business development expenses, (v) utilities and leasing fees, (vi) consultancy and professional service fees, and (vii) others, primarily including office expenses and maintenance expenses. Our administrative expenses amounted to RMB298.8 million, RMB381.5 million, RMB445.9 million, RMB121.4 million and RMB165.5 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively, accounting for 4.1%, 3.4%, 3.6%, 3.4% and 2.7%, respectively, of our revenue in the corresponding years/periods.

The following table sets forth a breakdown of our administrative expenses in absolute amounts and as a percentage of our total administrative expenses for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Employee benefit expenses	121,391	40.6	144,527	37.9	157,359	35.3	47,987	39.5	45,726	27.6
Taxes and surcharges	60,191	20.1	110,087	28.9	123,546	27.7	27,814	22.9	40,121	24.2
Depreciation and amortization	43,505	14.6	42,455	11.1	47,104	10.6	14,654	12.1	23,701	14.3
Travel and business development expenses	22,748	7.6	18,457	4.8	22,226	5.0	4,797	4.0	12,373	7.5
Utilities and leasing fees	14,292	4.8	16,881	4.4	27,913	6.3	8,549	7.0	13,919	8.4
Consultancy and professional service fees	14,641	4.9	16,796	4.4	23,663	5.3	5,390	4.4	10,230	6.2
Others	21,989	7.4	32,273	8.5	44,121	9.8	12,248	10.1	19,455	11.8
Total	**298,757**	**100.0**	**381,476**	**100.0**	**445,932**	**100.0**	**121,439**	**100.0**	**165,525**	**100.0**

Impairment Loss on Financial Assets, Net

During the Track Record Period, we recorded impairment loss on financial assets, net of RMB9.6 million, RMB83.9 million, RMB10.7 million, RMB23.8 million and RMB19.7 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively. Our net impairment losses recognized on financial assets are primarily related to provision of impairment losses of trade receivables and bills receivables, deposits and other receivables.

Finance Costs

During the Track Record Period, our finance costs primarily included interest on bank borrowings and interest on lease liabilities. Our finance costs amounted to RMB72.7 million, RMB43.6 million, RMB57.7 million RMB14.7 million and RMB16.4 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

The following table sets forth a breakdown of our finance costs in absolute amounts and as a percentage of our total finance costs for the years/periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
							(unaudited)			
	(RMB in thousands, except for percentage)									
Interest on borrowings	72,460	99.7	43,296	99.4	56,825	98.5	14,585	99.1	15,977	97.7
Interest on lease liabilities	205	0.3	283	0.6	871	1.5	134	0.9	374	2.3
Total	**72,665**	**100.0**	**43,579**	**100.0**	**57,696**	**100.0**	**14,719**	**100.0**	**16,351**	**100.0**

Income Tax Expenses

Our income tax expenses mainly represented (i) current income tax; and (ii) deferred income tax. During the Track Record Period, we recorded income tax expenses of RMB305.3 million, RMB440.2 million, RMB466.9 million, RMB129.4 million and RMB223.7 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

We are subject to income tax on an entity basis on profits arising in or derived from tax jurisdictions in which members of our Group are domiciled and operate. Under the EIT Law and Implementation Regulation of the EIT Law, the EIT rate of our PRC subsidiaries is 25%. Certain subsidiaries were qualified for "small low-profit enterprises" and entitled to a preferential EIT

rate of 20%. Certain of our PRC subsidiaries, which were accredited as "high and new technology enterprise," were eligible for a preferential EIT rate of 15%. Taxation for our overseas subsidiaries is calculated at the appropriate current tax rates in the relevant jurisdictions. See Note 11 to the Accountants' Report in Appendix I to this document for more details.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material dispute with any tax authority.

Profit for the Year/Period

As a result of the foregoing, our net profit for the year/period amounted to RMB1,791.0 million, RMB2,960.3 million, RMB3,168.7 million, RMB923.6 million and RMB1,609.9 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

PERIOD-TO-PERIOD COMPARISON

Four Months Ended April 30, 2025 Compared with Four Months Ended April 30, 2026

Revenue

Our revenue increased by 75.0% from RMB3,531.4 million in the four months ended April 30, 2025 to RMB6,180.4 million in the four months ended April 30, 2026, primarily driven by our overall business expansion and scaling up of our new energy products.

Our revenue from new energy products increased by 115.4% from RMB2,693.5 million in the four months ended April 30, 2025 to RMB5,802.0 million in the four months ended April 30, 2026, primarily due to:

- an increase of sales of energy storage inverters from RMB1,382.5 million in the four months ended April 30, 2025 to RMB2,616.8 million in the four months ended April 30, 2026, primarily due to (i) our strategy to expand the overseas market driven by the increasing demand of overseas customers in Europe, Asia, Africa and Oceania, (ii) the growing brand influence driven by our continuous efforts in marketing activities, such as participation in global exhibitions and new media promotion, and (iii) the increased average selling price of our energy storage inverters mainly because we sold a higher proportion of high-power energy storage products, which have higher prices. The shipment volume of energy storage inverters grew by 65.3% from 225.7 thousand units in the four months ended April 30, 2025 to 373.0 thousand units in the four months ended April 30, 2026;
- an increase of sales of energy storage batteries from RMB909.9 million in the four months ended April 30, 2025 to RMB2,756.4 million in the four months ended April 30, 2026, primarily attributable to (i) the increasing demand from downstream customers driven by the backdrop of the global residential energy storage demand, and (ii) the increased average selling price of our energy storage batteries due to the increase in prices of raw materials. The shipment volume of energy storage batteries surged by 172.9% from 189.7 thousand units in the four months ended April 30, 2025 to 517.6 thousand units in the four months ended April 30, 2026; and
- our revenue from PV inverters remained relatively stable at RMB349.3 million in the four months ended April 30, 2025 and RMB329.7 million in the four months ended April 30, 2026.

Our revenue from environment management appliances decreased by 56.2% from RMB823.5 million in the four months ended April 30, 2025 to RMB360.6 million in the four months ended April 30, 2026, primarily attributable to:

- the decrease of sales of dehumidifiers from RMB241.1 million in the four months ended April 30, 2025 to RMB193.3 million in the four months ended April 30, 2026, primarily attributable to a decrease in shipment volume from 301.6 thousand units in the four months ended April 30, 2025 to 251.3 thousand units in the four months ended April 30, 2026, driven by a slight deceleration in customer demand growth due to climate change. The Southern China experienced fewer and shorter periods of persistently humid weather, reducing prolonged indoor humidity, which resulted in declined consumer demand;
- an increase of sales of solar air conditioners from RMB96.7 million in the four months ended April 30, 2025 to RMB131.0 million in the four months ended April 30, 2026, primarily attributable to (i) increasing market demand driven by global energy transition trends and rising consumer preference for zero-carbon home energy solutions, and (ii) our increased investment in selling and distribution activities and advanced our solar air conditioners to address emerging market needs and deepen market penetration; and
- the decrease of sales of heat exchangers from RMB478.9 million in the four months ended April 30, 2025 to RMB25.4 million in the four months ended April 30, 2026, primarily attributable to our strategic adjustment of product portfolio to reduce the sales of heat exchangers and focus on other products considering decreased purchase orders for heat exchangers from our key downstream air conditioning manufacturer customer due to their decreased demand and relatively lower margin of heat exchangers.

Cost of Sales

Our cost of sales increased by 67.0% from RMB2,253.0 million in the four months ended April 30, 2025 to RMB3,763.0 million in the four months ended April 30, 2026, primarily due to an increase in cost of raw materials, employee benefit expenses and transportation costs, which were in line with our revenue growth. The percentage of our cost of sales to total revenue decreased from 63.8% in the four months ended April 30, 2025 to 60.9% in the four months ended April 30, 2026.

Gross Profit and Gross Profit Margin

Our gross profit increased by 89.1% from RMB1,278.4 million in the four months ended April 30, 2025 to RMB2,417.4 million in the four months ended April 30, 2026. Our gross profit margin increased from 36.2% in the four months ended April 30, 2025 to 39.1% in the four months ended April 30, 2026, primarily due to (i) an increase in the proportion of our sales generated from energy storage inverters and energy storage batteries, the product categories with a higher gross profit margin, which was offset by (i) slight decrease of gross profit margin of energy storage batteries from 33.3% in the four months ended April 30, 2025 to 31.1% in the four months ended April 30, 2026, primarily due to increase in prices of raw materials and (ii) decrease of gross profit margin of dehumidifiers and solar air conditioners, due to the increase in prices of raw materials.

Other Income

Our other income increased by 9.5% from RMB122.9 million in the four months ended April 30, 2025 to RMB134.6 million in the four months ended April 30, 2026, primarily due to (i) an increase in interest income from bank deposits due to the increase in our bank deposits, (ii) an increase in interest income from wealth management products, attributable to our

increased investment in wealth management products as a result of the more efficient utilization of our idle funds, and (iii) an increase in value-added tax input tax deduction.

Other Gains and Other Losses, Net

We recorded other gains, net of RMB106.9 million in the four months ended April 30, 2025 and other losses, net of RMB139.8 million in the four months ended April 30, 2026, primarily due to (i) we recorded net foreign exchange gain of RMB120.1 million in the four months ended April 30, 2025, as compared to net foreign exchange loss of RMB171.9 million during the same period in 2026, driven by the foreign exchange rate fluctuations of the Renminbi against USD, and (ii) increase in net fair value change on financial liabilities at fair value through profit or loss driven by the foreign exchange rate fluctuations.

Selling Expenses

Our selling expenses increased by 36.6% from RMB112.9 million in the four months ended April 30, 2025 to RMB154.2 million in the four months ended April 30, 2026, primarily due to an increase in employee benefit expenses as a result of the increased number of our sales personnel and related compensation and an increase in travel and business development expenses and others, which was in line with our overall business growth. The percentage of our selling expenses to total revenue decreased from 3.2% in the four months ended April 30, 2025 to 2.5% in the four months ended April 30, 2026.

Research and Development Costs

Our research and development costs increased by 22.2% from RMB182.4 million in the four months ended April 30, 2025 to RMB222.9 million in the four months ended April 30, 2026, primarily due to increases in materials expenses and depreciation and amortization, attributable to our enhanced R&D efforts in expanding our R&D capabilities and developing new products, partially offset by a slight decline in employee benefit expenses due to the decline in share-based payments.

Administrative Expenses

Our administrative expenses increased by 36.3% from RMB121.4 million in the four months ended April 30, 2025 to RMB165.5 million in the four months ended April 30, 2026, primarily due to increases in taxes and surcharges, depreciation and amortization, utilities and leasing fees, and consultancy and professional service fees, which was in line with our overall business growth. The percentage of our administrative expenses to total revenue decreased from 3.4% in the four months ended April 30, 2025 to 2.7% in the four months ended April 30, 2026.

Impairment Loss on Financial Assets, Net

Our impairment loss on financial assets, net remained stable at RMB23.8 million in the four months ended April 30, 2025 and RMB19.7 million in the four months ended April 30, 2026.

Finance Costs

Our finance costs increased by 11.1% from RMB14.7 million in the four months ended April 30, 2025 to RMB16.4 million in the four months ended April 30, 2026, primarily due to increase in interest on borrowings attributable to the increased bank borrowings.

Income Tax Expenses

Our income tax expenses increased by 72.9% from RMB129.4 million in the four months ended April 30, 2025 to RMB223.7 million in the four months ended April 30, 2026, generally in line with our profit before tax growth.

Profit for the Year/Period

As a result of the foregoing, our profit for the year/period increased from RMB923.6 million in the four months ended April 30, 2025 to RMB1,609.9 million in the four months ended April 30, 2026.

Year Ended December 31, 2025 Compared with Year Ended December 31, 2024

Revenue

Our revenue increased by 9.1% from RMB11,206.5 million in year ended December 31, 2024 to RMB12,223.7 million in year ended December 31, 2025, primarily driven by our overall business expansion and scaling up of our new energy products.

Our new energy products remained our largest revenue contributor. Our revenue from new energy products increased by 27.0% from RMB8,017.0 million in 2024 to RMB10,180.5 million in 2025, primarily due to:

- an increase of sales of energy storage inverters from RMB4,387.3 million in 2024 to RMB5,217.5 million in 2025, primarily due to (i) our strategy to expand the overseas market driven by the increasing demand of overseas customers in Asia and Africa, (ii) the growing brand influence driven by our continuous efforts in marketing activities, such as participation in global exhibitions and new media promotion, and (iii) enhanced competitiveness of our products and improvement of product portfolio, driven by our accelerated product innovation and iteration. The shipment volume of energy storage inverters grew by 42.7% from 540.6 thousand units in 2024 to 771.5 thousand units in 2025;
- an increase of sales of energy storage batteries from RMB2,451.3 million in 2024 to RMB3,832.4 million in 2025, primarily attributable to (i) the increasing demand from downstream customers driven by the backdrop of the global residential energy storage demand, and (ii) the enhanced competitiveness of our products benefiting from technological upgrades. The shipment volume of energy storage batteries surged by 67.2% from 464.8 thousand units in 2024 to 777.0 thousand units in 2025; and
- a decrease of revenue from PV inverters from RMB1,135.5 million in 2024 to RMB1,053.6 million in 2025, primarily because we strategically adjusted pricing to gain market shares and improve our product competitiveness amid intensified market competition, partially offset by the increase in shipment volume from 830.9 thousand units in 2024 to 862.2 thousand units in 2025. According to Frost & Sullivan, the global residential solar PV inverters market remains relatively fragmented, with the top five players collectively holding only 30.3% market share in 2025, resulting in intense competition among numerous industry participants competing for market position. This competitive landscape has been further intensified by PRC-based manufacturers leveraging their robust supply chains and cost advantages to aggressively expand overseas through localized production facilities and service networks. Concurrently, continuous technological advancements have lowered production costs across the industry, enabling competitors to offer more aggressive pricing while maintaining margins. In response to these market dynamics, we strategically adjusted our product pricing to enhance competitiveness and capture market share.

Our revenue from environment management appliances decreased by 36.2% from RMB3,144.4 million in 2024 to RMB2,005.3 million in 2025, primarily attributable to:

- the decrease of sales of dehumidifiers from RMB969.2 million in 2024 to RMB805.3 million in 2025, primarily attributable to a decrease in shipment volume from 1,257.7 thousand units in 2024 to 1,028.1 thousand units in 2025, driven by a decline in customer demand due to climate change. The Southern China experienced fewer and shorter periods of persistently humid weather, reducing prolonged indoor humidity, which resulted in declined consumer demand;
- an increase of sales of solar air conditioners from RMB208.5 million in 2024 to RMB241.0 million in 2025, primarily attributable to (i) increasing market demand driven by global energy transition trends and rising consumer preference for zero-carbon home energy solutions, (ii) our increased investment in selling and distribution activities and advanced our solar air conditioners to address emerging market needs and deepen market penetration, and (iii) the increase in average selling price of solar air conditioners due to our continued market expansion and offering of new products; and
- the decrease of sales of heat exchangers from RMB1,954.9 million in 2024 to RMB937.7 million in 2025, primarily attributable to our strategic adjustment of product portfolio to reduce the sales of heat exchangers and focus on other products considering decreased purchase orders for heat exchangers from our key downstream air conditioning manufacturer customer due to their decreased demand and relatively lower margin of heat exchangers.

Cost of Sales

Our cost of sales increased by 10.1% from RMB6,877.7 million in 2024 to RMB7,574.9 million in 2025, primarily attributable to increases in cost of raw materials driven by the increase in prices of raw materials and shipment volume of our new energy products, and increase in employee benefit expenses due to increased number of our employees, which were in line with our revenue growth. The percentage of our cost of sales to total revenue remained relatively stable at 61.4% in 2024 and 62.0% in 2025.

Gross Profit and Gross Profit Margin

As a result of the above, our gross profit increased by 7.4% from RMB4,328.8 million in 2024 to RMB4,648.8 million in 2025. Our gross profit margin slightly decreased from 38.6% in 2024 to 38.0% in 2025, attributable to (i) the decrease of gross profit margin of energy storage batteries from 41.3% in 2024 to 31.8% in 2025, primarily because we enriched our product portfolio by launching more cost-effective products, which have relatively lower profit margins, as well as the increase in price of raw materials, and (ii) the decrease of gross profit margin of PV inverters from 33.5% in 2024 to 32.1% in 2025, primarily because we adopted a competitive pricing strategy to gain market shares amid intensified market competition.

Other Income

Our other income increased by 22.1% from RMB325.2 million in 2024 to RMB397.2 million in 2025, primarily due to the increase in interest income from bank deposits, interest income from wealth management products and government grants.

Other Gains and Other Losses, Net

Our other gains and other losses, net decreased by 89.3% from RMB92.1 million in 2024 to RMB9.9 million in 2025, primarily because (i) we recorded gains on net fair value change on financial assets/liabilities at fair value through profit or loss of RMB68.9 million in 2024,

as compared to losses on net fair value change on financial assets/liabilities at fair value through profit or loss of RMB1.2 million during the same period in 2025, driven by the foreign exchange rate fluctuations of the Renminbi against Euro, and (ii) increase in loss on disposal of property, plant and equipment due to our disposal of obsolete equipment.

Selling Expenses

Our selling expenses increased by 19.5% from RMB287.7 million in 2024 to RMB343.8 million in 2025, primarily due to an increase in employee benefit expenses and promotional and marketing expenses as a result of the increased number of our sales personnel and related compensation and the expansion of our selling and marketing activities. The percentage of our selling expenses to total revenue was 2.6% in 2024 and 2.8% in 2025, which remained stable.

Research and Development Costs

Our research and development costs increased by 2.4% from RMB548.9 million in 2024 to RMB562.1 million in 2025, primarily due to the increase in materials expenses, attributable to our enhanced R&D efforts in expanding R&D capabilities and the increase in depreciation and amortization, partially offset by the decrease in employee benefit expenses driven by the decline in share-based payments. The percentage of our research and development costs to total revenue was 4.9% in 2024 and 4.6% in 2025, which remained stable.

Administrative Expenses

Our administrative expenses increased 16.9% from RMB381.5 million in 2024 to RMB445.9 million in 2025, primarily due to the increase in employee benefit expenses, driven by the increased number of our personnel and related compensation, and the increase in depreciation and amortization, utilities and leasing fees, and consultancy and professional service fees associated with business growth. The percentage of our administrative expenses to total revenue was 3.4% in 2024 and 3.6% in 2025, which remained stable.

Impairment Loss on Financial Assets, Net

We recorded impairment loss on financial assets, net of RMB83.9 million in 2024 and RMB10.7 million in 2025. The decrease was primarily due to lower incremental changes in trade and bills receivables in 2025 compared to 2024, which resulted in a lower expected loss provision.

Finance Costs

Our finance costs increased from RMB43.6 million in 2024 to RMB57.7 million in 2025, primarily due to increase in interest on borrowings attributable to the increased bank borrowings.

Income Tax Expenses

Our income tax expenses increased from RMB440.2 million in 2024 to RMB466.9 million in 2025, generally in line with our profit before tax growth.

Profit for the Year

As a result of the foregoing, our profit for the year increased from RMB2,960.3 million in 2024 to RMB3,168.7 million in 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue increased by 49.8% from RMB7,479.7 million in the year ended December 31, 2023 to RMB11,206.5 million in the year ended December 31, 2024, primarily due to our overall business expansion and scaling up of our sales across all product lines.

Our revenue from new energy products increased by 50.9% from RMB5,313.8 million in the year ended December 31, 2023 to RMB8,017.0 million in the year ended December 31, 2024, primarily due to:

- an increase of sales of energy storage inverters from RMB3,501.2 million in 2023 to RMB4,387.3 million in 2024, primarily due to (i) our strategic expansion of overseas market, driven by the increasing market demand due to the elevated electricity prices in Europe and the regional conflict in Eastern Europe, while emerging markets in Asia have demonstrated increasing demand for our energy storage products, driven by growing investment in and demand for energy infrastructure construction, (ii) the growing brand influence driven by our continuous efforts in marketing activities, such as participation in global exhibitions and new media promotion, and (iii) enhanced competitiveness of our products and improvement of product portfolio, driven by our accelerated product innovation and iteration;
- an increase of sales of energy storage batteries from RMB884.3 million in 2023 to RMB2,451.3 million in 2024, primarily attributable to the increase in the shipment volume of our energy storage batteries driven by (i) the leverage of sales channels of inverters to create synergistic effects, and (ii) the increasing demand from global energy storage markets, especially energy storage markets in Europe and Asia; and
- an increase of PV inverter from RMB908.1 million in 2023 to RMB1,135.5 million in 2024, primarily attributable to (i) the increasing demand for new energy products and our continued market expansion, (ii) the growing brand influence driven by improved promotional and marketing activities, and (iii) enhanced competitiveness of our products and improvement of product portfolio, driven by our accelerated product innovation and iteration.

Our revenue from environment management appliances increased by 47.2% from RMB2,136.6 million in 2023 to RMB3,144.4 million in 2024, primarily attributable to:

- an increase of sales of dehumidifiers from RMB703.9 million in 2023 to RMB969.2 million in 2024, primarily attributable to the increasing market demand due to climate change. The Southern China experienced longer periods of persistently humid weather in 2024, which resulted in increased consumer demand;
- an increase of sales of solar air conditioners from RMB66.4 million in 2023 to RMB208.5 million in 2024, primarily attributable to our increased investment in selling and distribution activities and continued market expansion; and
- an increase of sales of heat exchangers from RMB1,344.5 million in 2023 to RMB1,954.9 million in 2024, primarily attributable to the growing orders from key customers.

Cost of Sales

Our cost of sales increased by 51.1% from RMB4,550.7 million in 2023 to RMB6,877.7 million in 2024, primarily attributable to an increase in cost of raw materials, employee benefit expenses and transportation costs, which were in line with our revenue growth. The percentage of our cost of sales to total revenue increased from 60.8% in 2023 to 61.4% in 2024.

Gross Profit and Gross Profit Margin

As a result of the above, our gross profit increased by 47.8% from RMB2,929.0 million in 2023 to RMB4,328.8 million in 2024. Our gross profit margin remained stable at 39.2% in 2023 and 38.6% in 2024, primarily due to a decrease in gross profit margin of energy storage inverters and PV inverters, primarily because we adopted a competitive pricing strategy to gain

market shares, partially offset by an increase in gross profit margin of energy storage batteries attributable to the marginal cost reductions driven by the economies of scale and declining cost of raw materials.

Other Income

Our other income increased by 11.1% from RMB292.6 million in 2023 to RMB325.2 million in 2024, primarily due to the increases in value-added tax input tax deduction and increase in interest income from wealth management products, partially offset by decrease in interest income from bank deposits due to decrease in bank deposits as we strategic reduced bank borrowings aimed at optimizing cash management.

Other Gains and Other Losses, Net

We recorded net other losses of RMB73.2 million in 2023 and net other gains of RMB92.1 million in 2024, primarily due to a change on fair value change on financial assets/liabilities at fair value through profit or loss from a net loss of RMB167.5 million in 2023 to a net gain of RMB68.9 million in 2024, which was mainly attributable to foreign exchange rate fluctuations, partially offset by decrease in net foreign exchange gains in 2024 driven by foreign exchange rate fluctuations of Renminbi against USD, in particular the increase in the USD/RMB exchange rate in 2023.

Selling Expenses

Our selling expenses increased by 22.6% from RMB234.6 million in 2023 to RMB287.7 million in 2024, primarily due to an increase in employee benefit expenses as a result of the increased number of our sales personnel and related compensation and an increase in travel and business development expenses and others, which was in line with our overall business growth. The percentage of our selling expenses to total revenue decreased from 3.1% in 2023 to 2.6% in 2024.

Research and Development Costs

Our research and development costs increased by 25.8% from RMB436.4 million in 2023 to RMB548.9 million in 2024, primarily due to increases in employee benefit expenses, materials expenses and depreciation and amortization, attributable to increases in R&D personnel and R&D projects. The percentage of our research and development costs to total revenue decreased from 5.8% in 2023 to 4.9% in 2024.

Administrative Expenses

Our administrative expenses increased by 27.7% from RMB298.8 million in 2023 to RMB381.5 million in 2024, primarily attributable to increases in employee benefit expenses and taxes and surcharges, which was in line with our overall business growth. The percentage of our administrative expenses to total revenue decreased from 4.1% in 2023 to 3.4% in 2024.

Impairment Loss on Financial Assets, Net

Our impairment loss on financial assets, net, increased from RMB9.6 million in 2023 to RMB83.9 million in 2024, primarily due to an increase in provision of impairment losses of trade receivables driven by an increase in trade receivables balance.

Finance Costs

Our finance costs decreased by 40.0% from RMB72.7 million in 2023 to RMB43.6 million in 2024, mainly due to strategic decrease in bank borrowings aimed at optimizing cash management.

Income Tax Expenses

Our income tax expense increased by 44.2% from RMB305.3 million in 2023 to RMB440.2 million in 2024, generally in line with our profit before tax growth.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 65.3% from RMB1,791.0 million in 2023 to RMB2,960.3 million in 2024.

DISCUSSION ON KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our audited consolidated financial statements included in Appendix I to this document.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total current assets	7,932,008	10,814,777	14,749,100	17,700,498
Total non-current assets	2,885,377	4,299,644	5,157,672	5,768,003
Total assets	**10,817,385**	**15,114,421**	**19,906,772**	**23,468,501**
Total current liabilities	5,170,030	5,510,273	9,249,964	12,681,912
Total non-current liabilities	415,921	149,432	327,483	394,046
Total liabilities	**5,585,951**	**5,659,705**	**9,577,447**	**13,075,958**
Net assets	**5,231,434**	**9,454,716**	**10,329,325**	**10,392,543**
Share capital	430,081	645,291	908,684	909,352
Reserves	4,801,353	8,808,854	9,402,184	9,465,968
Non-controlling interests	–	571	18,457	17,223
Total equity	**5,231,434**	**9,454,716**	**10,329,325**	**10,392,543**
Total liabilities and equity	**10,817,385**	**15,114,421**	**19,906,772**	**23,468,501**

The following table sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,			As of April 30,	As of May 31,
	2023	2024	2025	2026	2026
					(unaudited)
		(RMB in thousands)			
Current assets					
Inventories	754,002	1,360,452	1,785,399	3,079,419	3,816,558
Trade and bills receivables	571,221	1,729,293	1,747,445	2,037,399	2,277,370
Debt investments at fair value through other comprehensive income	5,917	10,847	20,512	38,270	126,028
Financial assets at fair value through profit or loss	1,854,782	3,077,722	1,735,992	3,717,405	3,885,542
Prepayments, deposits and other receivables	129,601	345,603	570,404	651,347	658,417
Current tax assets	557	6,255	18,454	29,478	47,575
Restricted bank deposits	633,341	195,966	2,209,022	1,372,722	590,834
Term deposits	1,538,023	730,964	1,266,751	1,159,343	934,528
Cash and cash equivalents	2,444,564	3,357,675	5,395,121	5,615,115	5,462,987
Total current assets	**7,932,008**	**10,814,777**	**14,749,100**	**17,700,498**	**17,799,839**
Current liabilities					
Trade and bills payables	1,509,536	3,500,338	4,711,335	7,205,616	9,019,664
Other payables and accruals	407,557	530,584	515,755	2,075,227	234,679
Financial liabilities at fair value through profit or loss	55,993	21,562	74,908	65,470	79,904
Contract liabilities	190,934	264,486	479,850	614,090	624,193
Borrowings	2,913,533	1,010,483	3,304,459	2,591,144	1,958,945
Lease liabilities	5,232	2,979	13,915	19,360	19,397
Current tax liabilities	87,245	179,571	149,742	111,005	149,138
Total current liabilities	**5,170,030**	**5,510,273**	**9,249,964**	**12,681,912**	**12,085,920**
Net current assets	**2,761,978**	**5,304,504**	**5,499,136**	**5,018,586**	**5,713,919**

Our net current assets increased by 13.9% from RMB5,018.6 million as of April 30, 2026 to RMB5,713.9 million as of May 31, 2026, due to the growth in current assets which outpaced the growth in current liabilities during the period. Our total current assets increased by 0.6% from RMB17,700.5 million as of April 30, 2026 to RMB17,799.8 million as of May 31, 2026, primarily attributable to increases in financial assets at fair value through profit or loss and debt investments at fair value through other comprehensive income. Our total current liabilities decreased by 4.7% from RMB12,681.9 million as of April 30, 2026 to RMB12,085.9 million as of May 31, 2026, primarily attributable to decreases in other payables and accruals and borrowings.

Our net current assets decreased by 8.7% from RMB5,499.1 million as of December 31, 2025 to RMB5,018.6 million as of April 30, 2026, driven by the growth in current liabilities which outpaced the growth in current assets during the period. Our total current assets increased

by 20.0% from RMB14,749.1 million as of December 31, 2025 to RMB17,700.5 million as of April 30, 2026, primarily attributable to increases in financial assets at fair value through profit or loss, trade and bills receivables and inventories. Our total current liabilities increased by 37.1% from RMB9,250.0 million as of December 31, 2025 to RMB12,681.9 million as of April 30, 2026, primarily attributable to increases in trade and bills payables and other payables and accruals.

Our net current assets increased by 3.7% from RMB5,304.5 million as of December 31, 2024 to RMB5,499.1 million as of December 31, 2025, primarily driven by the growth in current assets which outpaced the growth in current liabilities during the period. Our total current assets increased by 36.4% from RMB10,814.8 million as of December 31, 2024 to RMB14,749.1 million as of December 31, 2025, mainly due to increases in restricted bank deposits, cash and cash equivalents and term deposits. Our total current liabilities increased by 67.9% from RMB5,510.3 million as of December 31, 2024 to RMB9,250.0 million as of December 31, 2025, primarily due to a rise in current borrowings, trade and bills payables, and contract liabilities.

Our net current assets increased by 92.1% from RMB2,762.0 million as of December 31, 2023 to RMB5,304.5 million as of December 31, 2024, driven by the growth in current assets which outpaced the rise in current liabilities. Our total current assets increased by 36.3% from RMB7,932.0 million as of December 31, 2023 to RMB10,814.8 million as of December 31, 2024, primarily due to the increases in financial assets at fair value through profit or loss, trade and bills receivables, cash and cash equivalents, inventories, and prepayments, deposits and other receivables, partially offset by decreases in term deposits and restricted bank deposits. Our total current liabilities increased by 6.6% from RMB5,170.0 million as of December 31, 2023 to RMB5,510.3 million as of December 31, 2024, mainly due to the increases in trade and bills payables, other payables and accruals, and contract liabilities, partially offset by a reduction in current borrowings.

Asset

Inventories

Our inventories consisted of raw materials, work in progress, finished goods and others. The following table sets out a breakdown of our inventories as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Raw materials	211,205	273,435	442,771	894,978
Work in progress	43,212	50,880	62,083	154,931
Finished goods	498,684	1,033,512	1,276,196	2,026,029
Others	901	2,625	4,349	3,481
Total	**754,002**	**1,360,452**	**1,785,399**	**3,079,419**

Our inventories increased by 80.4% from RMB754.0 million as of December 31, 2023 to RMB1,360.5 million as of December 31, 2024, then increased by 31.2% to RMB1,785.4 million as of December 31, 2025, and further increased by 72.5% to RMB3,079.4 million as of April 30, 2026, primarily attributable to the increase in raw materials and finished goods, which generally align with our business growth. As of December 31, 2023, 2024, 2025 and April 30, 2026, we recorded provision for inventory write-down of RMB56.7 million, RMB55.6 million, RMB60.0 million and RMB59.9 million, respectively. We believe we have a comprehensive and adequate

system in place for identifying and accounting for inventory risks and impairment provisions, and that sufficient provision has been made. We conduct regular reviews to detect items with low sales or usage value for which impairment provisions are made. For inventories with impairment indicators, we have recognized adequate provisions in accordance with our accounting policies, and such provisions have been audited by our reporting accountants to ensure adequacy and compliance. The provision for inventory impairment is based on a detailed assessment of the net realizable value of inventory items compared to their carrying amounts. We have not identified any impairment issue for inventories given that (i) our inventories are generally backed by existing or anticipated orders from our customers and the market demand for our products is generally growing, (ii) our inventories primarily comprised our strategic stock of raw materials and finished goods with clear commercial value, (iii) our inventories were generally aged within three months during the Track Record Period, and (iv) we have implemented stringent inventory management measures. Therefore, we believe the impairment risk as to such inventories is limited. Our management believes sufficient provision for our inventories has been made.

The following table sets forth an aging analysis of our inventories as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within three months	586,559	1,208,978	1,503,808	2,968,013
Three months to one year	184,176	170,237	285,803	133,095
Over one year	39,967	36,789	53,768	38,228
Write down of inventories	(56,700)	(55,552)	(59,980)	(59,917)
Total	**754,002**	**1,360,452**	**1,785,399**	**3,079,419**

We believe maintaining appropriate levels of inventories dynamically helps us fully address our customers' demand and achieve customer satisfaction without adversely affecting our liquidity. We have in place a set of policies and procedures to manage our inventories. For details, see "Business – Warehousing, Logistics and Inventory Management."

The following table sets forth our inventory turnover days for the years/periods indicated:

	Year Ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
Inventory turnover days[(1)]	68	59	79	80

Note:

(1) Inventory turnover days are calculated using the average of opening balance and closing balance of inventory (excluding the write down of inventories) for a year/period divided by cost of sales for the relevant year/period and multiplied by 365 days for one fiscal year or 120 days for the four months ended April 30, 2026.

Our inventories turnover days were 68 days, 59 days, 79 days and 80 days in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively. The relatively low inventory turnover days in 2024 was primarily due to lower inventory levels maintained in late 2023 in anticipation of the market demand. Our inventories turnover days increased to 79 days in 2025, primarily due to a higher level of raw materials and finished goods stocked to support rising customer demands. Our inventories turnover days remained stable at 80 days in the four months ended April 30, 2026.

As of May 31, 2026, RMB1,797.2 million, or 57.2%, of our inventories as of April 30, 2026 had been utilized or sold.

Trade and Bills Receivables

The following table sets forth a breakdown of our trade and bills receivables as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade receivables	613,130	1,820,849	1,823,849	2,009,188
Bills receivables	10,555	28,245	49,929	167,909
Less: impairment loss allowance	(52,464)	(119,801)	(126,333)	(139,698)
	571,221	1,729,293	1,747,445	2,037,399

Our trade and bills receivables substantially increased by 202.7% from RMB571.2 million as of December 31, 2023 to RMB1,729.3 million as of December 31, 2024, then increased by 1.0% to RMB1,747.4 million as of December 31, 2025 and further increased by 16.6% to RMB2,037.4 million as of April 30, 2026, primarily due to increased sales of new energy products to customers.

We typically allow a credit period ranging from 60 to 90 days to our customers. We seek to maintain strict control over our outstanding receivables to minimize credit risk. During the Track Record Period, our credit policy for major customers remained stable, with timely payments and no occurrence of bad debts. The following table sets forth the aging analysis of our trade and bills receivables (net of impairment losses) as of the dates indicated, based on the invoice dates:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	550,718	1,712,961	1,716,088	2,007,388
One year to two years	4,220	9,595	27,653	28,806
Two years to three years	278	1,668	3,168	806
Three years to four years	14,370	156	391	271
Four years to five years	1,635	4,913	145	128
Total	**571,221**	**1,729,293**	**1,747,445**	**2,037,399**

The following table sets forth our trade and bills receivables turnover days for the years/periods indicated:

	Year Ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
Trade and bills receivables turnover days[(1)]	30	40	56	39

Note:

(1) Trade and bills receivables turnover days are calculated using the average of opening balance and closing balance of trade and bills receivables (excluding impairment losses) for a year/period divided by revenue for the relevant year/period and multiplied by 365 days for one fiscal year or 120 days for the four months ended April 30, 2026.

We recorded trade and bills receivable turnover days of 30 days, 40 days, 56 days and 39 days during the Track Record Period. The increased trade and bills receivable turnover days from 2023 to 2025 was mainly due to the increased sales to our key customers who have relatively longer credit period. The trade and bills receivable turnover days decreased to 39 days in the four months ended April 30, 2026, mainly due to the collections of payment from our key customers.

As of May 31, 2026, RMB802.9 million, or 36.9%, of our trade and bills receivables as of April 30, 2026 had been settled. Our trade and bills receivables with long aging are primarily related to creditworthy and reliable key customers, and we have implemented stringent credit management policies and are closely monitoring the recoverability of our trade and bills receivables, so we do not believe that there are any recoverability issues with respect to our outstanding trade and bills receivables.

Debt Investments at Fair Value Through Other Comprehensive Income

Our debt investments at fair value through other comprehensive income primarily represent bank acceptance notes. The following table sets out a breakdown of our debt investments at fair value through other comprehensive income as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Bank acceptance notes	5,917	10,847	20,512	38,270

Note:

(1) The bank acceptance notes were issued by reputable banks in Chinese mainland. These bank acceptance notes were classified as financial assets at fair value through other comprehensive income as they are held within a business model with the objective of both collecting contractual cashflows and holding for sales.

Our debt investments at fair value through other comprehensive income increased by 83.1% from RMB5.9 million as of December 31, 2023 to RMB10.8 million as of December 31, 2024, and increased by 89.8% to RMB20.5 million as of December 31, 2025 and further increased by 86.6% to RMB38.3 million as of April 30, 2026, which was generally consistent with the increase of our trade and bills receivables due to increased sales to customers.

Financial Assets/Liabilities at Fair Value Through Profit or Loss

Our financial assets at fair value through profit or loss primarily represent wealth management products and derivative financial instruments. Our wealth management products mainly consist of floating rate instruments and short-term structured deposits. Our financial liabilities at fair value through profit or loss primarily represent derivative financial instruments, which consist of foreign currency forward contracts designed to mitigate the risk caused by foreign exchange rate fluctuations. The following table sets out a breakdown of our financial assets/liabilities at fair value through profit or loss as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Financial assets at fair value through profit or loss				
Non-current portion				
Unlisted equity investment	–	–	–	50,000
Current portion				
Wealth management products	1,819,199	3,036,637	1,679,438	3,658,888
Derivative financial instruments	35,583	41,085	56,554	58,517
	1,854,782	**3,077,722**	**1,735,992**	**3,717,405**
Financial liabilities at fair value through profit or loss				
Derivative financial instruments	**(55,993)**	**(21,562)**	**(74,908)**	**(65,470)**

Our financial assets at fair value through profit or loss increased from RMB1,854.8 million as of December 31, 2023 to RMB3,077.7 million as of December 31, 2024, mainly due to our strategic use of idle funds to purchase wealth management products for improved asset management and the increase of our derivative financial instruments to mitigate the risk caused by foreign exchange rate fluctuations. Our financial assets at fair value through profit or loss decreased to RMB1,736.0 million as of December 31, 2025, mainly due to our redemption of wealth management products upon maturity. Our financial assets at fair value through profit or loss increased to RMB3,717.4 million as of April 30, 2026, primarily due to our strategic use of idle funds to purchase wealth management products for improved asset management.

Our financial liabilities at fair value through profit or loss decreased from RMB56.0 million as of December 31, 2023 to RMB21.6 million as of December 31, 2024, and increased to RMB74.9 million as of December 31, 2025. The changes are mainly attributable to the fluctuations in the exchange rate between the U.S. dollar, Euro and RMB. Our financial liabilities at fair value through profit or loss subsequently decreased to RMB65.5 million as of April 30, 2026, mainly due to our redemption of wealth management products upon maturity.

For the above wealth management products, we entered into series of contracts with banks and other financial institutions in the PRC. The investments are wealth management products with expected but not guaranteed rates of return. We considered the wealth management products shall be classified as financial assets at fair value through profit or loss and the amount paid for the wealth management products approximates its fair value at the end of each reporting period.

We follow a prudent investment approach for wealth management products, focusing on capital preservation and stable returns. Our investments are primarily in wealth management

products issued by reputable banks. These products are selected for their low-risk profiles, predictable cash flows, and alignment with our overall financial strategy of optimizing liquidity management while balancing risk and return. We make investment decisions related to financial products on a case-by-case basis after thoroughly considering a number of factors, including but not limited to the macro-economic environment, general market conditions, the risk control and credit levels of the issuing banks, our working capital needs, and the expected profit or potential loss of the investment. The investment in these assets will be subject to the compliance with Chapter 14 of the Listing Rules upon the **[REDACTED]** and the **[REDACTED]**.

To ensure proper oversight and mitigate risks, we have established a robust internal control mechanism for managing these investments. All potential investments are subject to a rigorous evaluation process, which involves assessing the risk-return profile, the creditworthiness of the issuing bank, and compliance with our investment policies. Once investments are made, we conduct continuous monitoring of their performance and credit risk, with regular updates provided to senior management and the Board.

Our management team has significant expertise in evaluating and managing financial investments, particularly wealth management products. With strong backgrounds in finance, accounting, and risk management, our team is well-equipped to analyze market trends, assess risks, and make informed decisions. We also remain vigilant about changes in financial markets and regulatory developments, which allows us to manage our investments proactively and effectively.

The Board is actively involved in overseeing and governing our investment activities. It approves our overall investment policy to ensure alignment with our strategic objectives and provides oversight for key decisions regarding wealth management investments. Any proposed long-term investment that carries a higher level of risk requires prior approval from the Board. Furthermore, the Board receives reports on the performance and risk assessment of our investments, enabling it to provide ongoing guidance and oversight. Investments in wealth management products are subject to a multi-level approval process. Both the management team and the Board are involved, depending on the size and risk profile of the investment. This rigorous approval framework ensures that all investment decisions are thoroughly scrutinized and align with our financial and risk management objectives. There were no incidents of override during the Track Record Period.

Prepayments, Deposits and Other Receivables

Our current prepayments, deposits and other receivables primarily consisted of prepayments and prepaid expenses, value-added tax recoverable and other tax credit, and deposits, while our non-current prepayments, deposits and other receivables primarily consisted of (i) prepayments for properties, (ii) prepayments for machinery, and (iii) others, mainly including the prepayments to suppliers. The following table sets out a breakdown of our prepayments, deposits and other receivables as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Non-current portion				
Prepayments for properties	641	12,776	–	–
Prepayments for machinery	835	17,942	24,000	53,747
Others	25,300	16,866	–	–
	26,776	**47,584**	**24,000**	**53,747**

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Current portion				
Prepayments and prepaid expenses	17,847	17,811	71,699	42,876
Deferred share issue costs	–	–	13,908	26,088
Value-added tax recoverable and other tax credit	103,405	328,059	434,666	544,465
Deposits	9,585	6,922	54,167	51,898
Others	5,812	16,376	21,718	18,087
	136,649	**369,168**	**596,158**	**683,414**
Less: impairment loss allowance	(7,048)	(23,565)	(25,754)	(32,067)
Total	**129,601**	**345,603**	**570,404**	**651,347**

Our non-current prepayments, deposits and other receivables increased by 77.6% from RMB26.8 million as of December 31, 2023 to RMB47.6 million as of December 31, 2024, mainly due to the increase in prepayments for properties driven by our purchase of office building in Hong Kong. Our non-current prepayments, deposits and other receivables decreased by 49.6% from RMB47.6 million as of December 31, 2024 to RMB24.0 million as of December 31, 2025, primarily due to the decrease in (i) prepayments for properties following the delivery of the office building in Hong Kong, and (ii) amortization of other prepayments to suppliers. Our non-current prepayments, deposits and other receivables increased by 123.8% from RMB24.0 million as of December 31, 2025 to RMB53.7 million as of April 30, 2026, primarily due to the increase in prepayments for machinery to support our production expansion.

Our current prepayments, deposits and other receivables increased by 170.2% from RMB136.6 million as of December 31, 2023 to RMB369.2 million as of December 31, 2024, mainly due to an increase in value-added tax recoverable and other tax credit, primarily due to an increase in export value-added tax refund receivables. Our current prepayments, deposits and other receivables increased by 61.5% from RMB369.2 million as of December 31, 2024 to RMB596.2 million as of December 31, 2025, primarily due to (i) the increase in prepayments and prepaid expenses to suppliers, as we engaged new suppliers and made advance payments to such suppliers for procurement of raw materials, (ii) an increase in value-added tax recoverable and other tax credit, which was attributable to the increase in property, plant and equipment, and (iii) an increase in deposits. Our current prepayments, deposits and other receivables increased by 14.6% from RMB596.2 million as of December 31, 2025 to RMB683.4 million as of April 30, 2026, primarily due to an increase in value-added tax recoverable and other tax credit, which was attributable to the increase in our property, plant and equipment.

As of May 31, 2026, RMB191.9 million, or 28.1%, of our prepayments, deposits and other receivables as of April 30, 2026 had been settled.

Property, Plant and Equipment

Our property, plant and equipment consisted of property and buildings, machinery, motor vehicles, electronic equipment and others, leasehold improvement, and construction in progress.

The following table sets out a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Freehold land	–	–	224,623	224,623
Property and Buildings	1,114,596	1,062,843	1,770,580	1,744,787
Machinery	486,068	525,283	552,362	548,191
Motor vehicles	12,491	13,037	14,084	11,275
Electronic equipment and others	123,678	133,651	175,871	187,010
Leasehold improvement	43,989	35,411	34,994	42,675
Construction in progress	287,815	643,022	351,475	542,419
Total	**2,068,637**	**2,413,247**	**3,123,989**	**3,300,980**

Our property, plant and equipment increased by 16.7% from RMB2,068.6 million as of December 31, 2023 to RMB2,413.2 million as of December 31, 2024, mainly attributable to the increase in construction in progress relating to the construction of Haiyan Production Center and addition of machinery to support our production expansion. Our property, plant and equipment further increased by 29.5% to RMB3,124.0 million as of December 31, 2025, mainly attributable to increase in freehold land relating to the purchase of a parcel in Malaysia and increase in property and buildings relating to the completion of our Haiyan Production Center and purchase of office building in Hong Kong. Our property, plant and equipment further increased by 5.7% to RMB3,301.0 million as of April 30, 2026, primarily due to increase in construction in progress relating to the construction of facilities in Malaysia and Mainland China.

Right-of-Use Assets

Our right-of-use assets consisted of land use right and other properties leased for own use. Our right-of-use assets decreased from RMB205.7 million as of December 31, 2023 to RMB150.0 million as of December 31, 2024, primarily due to the disposal of land use rights of Haining land parcels. Our right-of-use assets increased to RMB308.1 million as of December 31, 2025, primarily due to the addition of land parcels. Our right-of-use assets increased to RMB314.7 million as of April 30, 2026, primarily due to the addition of leased properties.

Intangible Assets

Our intangible assets primarily consist of software in connection with our business operation. Our intangible assets decreased from RMB4.8 million as of December 31, 2023 to RMB3.6 million as of December 31, 2024, primarily due to the amortization of intangible assets. Our intangible assets increased to RMB10.2 million as of December 31, 2025, and further increased to RMB12.3 million as of April 30, 2026, primarily due to the acquisition of software.

Restricted Bank Deposits

Our restricted bank deposits primarily consisted of pledged bank deposits for the other borrowings and derivative financial instruments. Our total restricted bank deposits amounted to RMB734.8 million, RMB196.0 million, RMB2,411.4 million and RMB1,576.3 million as of December 31, 2023, 2024, 2025 and April 30, 2026, respectively.

Liabilities

Trade and Bills Payables

Our trade and bills payables primarily consisted of payments due to suppliers for our raw material and equipment. The change in our trade and bills payables was generally in line with our production and operation arrangements driven by the increasing market demand.

The following table sets out a breakdown of our trade and bills payables as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade payables	655,769	1,481,515	2,096,400	3,861,269
Bills payables	853,767	2,018,823	2,614,935	3,344,347
Total	**1,509,536**	**3,500,338**	**4,711,335**	**7,205,616**

Our trade and bills payables increased by 131.9% from RMB1,509.5 million as of December 31, 2023 to RMB3,500.3 million as of December 31, 2024, and increased by 34.6% from RMB3,500.3 million as of December 31, 2024 to RMB4,711.3 million as of December 31, 2025, and further increased by 52.9% to RMB7,205.6 million as of April 30, 2026, primarily due to the increased procurement of raw materials and equipment during the Track Record Period, which was in line with the expansion of our production and business operations.

During the Track Record Period, our suppliers generally granted us a credit term of 30 to 90 days. Based on the receipt of services and goods, which normally coincided with the invoice dates, the aging analysis of our trade and bills payables as at the end of reporting period is as follows:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	1,486,176	3,473,810	4,696,140	7,170,685
One year to two years	13,939	10,994	1,242	20,968
Over two years	9,421	15,534	13,953	13,963
Total	**1,509,536**	**3,500,338**	**4,711,335**	**7,205,616**

The following table sets forth our trade payables turnover days for the Track Record Period:

	Year Ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
Trade payables turnover days[(1)]	66	57	86	95

Note:

(1) Trade payables turnover days are calculated using the average of opening balance and closing balance of trade payables for a year/period divided by the cost of sales for the relevant year/period and multiplied by 365 days for one fiscal year or 120 days for the four months ended April 30, 2026.

Our trade payables turnover days were 66 days in 2023 and 57 days in 2024, primarily due to the decrease on trade payables driven by lower inventory levels maintained in late 2023. Our trade payable turnover days increased to 86 days in 2025 and further increased to 95 days in the four months ended April 30, 2026, primarily due to the increase in the average balance of trade payables attributable to our stocking up of raw materials.

As of May 31, 2026, RMB1,435.3 million, or 19.9%, of our trade and bills payables as of April 30, 2026 had been settled.

Contract Liabilities

Our contract liabilities primarily represent advance payments received from customers for products.

Our contract liabilities increased from RMB190.9 million as of December 31, 2023 to RMB264.5 million as of December 31, 2024, then increased to RMB479.9 million as of December 31, 2025 and continued to increase to RMB614.1 million as of April 30, 2026. The increase was primarily due to the increases in advance payments received from our customers, which generally align with our business expansion.

As of May 31, 2026, RMB377.1 million, or 61.4%, of our contract liabilities as of April 30, 2026 had been recognized as revenue.

Other Payables and Accruals

Our other payables and accruals consisted of accrued share issue cost, employee benefits payable, payables for property, plant and equipment and construction in progress, security deposits from suppliers, other tax payables and others.

The following table sets out a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Dividend payables	–	–	–	1,636,846
Accrued share issue cost	–	–	9,955	5,613
Employee benefits payable	154,439	211,247	233,845	148,909
Payables for property, plant and equipment and construction in progress	181,107	204,401	141,242	165,531
Security deposits from suppliers	21,669	7,306	7,119	3,788
Other tax payables	38,432	101,979	119,817	110,073
Others	11,910	5,921	3,777	4,467
	407,557	530,854	515,755	2,075,227

Note:

(1) Representing VAT payables, property tax payables, and employee individual income tax payables.

Our other payables and accruals increased from RMB407.6 million as of December 31, 2023 to RMB530.9 million as of December 31, 2024, primarily due to (i) the increase in employee benefits payable driven by the increase in the number of our employees and related salaries and benefits, (ii) increase in other tax payables, driven by higher VAT payables and export tax rebates as well as the deferred employee individual income tax; and (iii) increase in payables for property, plant and equipment and construction in progress driven by the construction of Haiyan Production Center. Our other payables and accruals decreased to RMB515.8 million as of December 31, 2025, primarily due to the decrease in payables for property, plant and equipment and construction in progress due to the completion of our Haiyan Production Center, which was offset by the increase of other tax payables due to the increase in VAT payables driven by increased sales to customers. Our other payables and accruals increased to RMB2,075.2 million as of April 30, 2026, primarily due to the increase in dividend payables due to the dividend declared in 2026, partially offset by the decrease in employee benefits payable following the payment of bonuses in 2026.

As of May 31, 2026, RMB1,844.7 million, or 88.9%, of our other payables and accruals as of April 30, 2026 had been settled.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

The following table sets forth a summary of our cash flow for the years/periods indicated:

	Year ended December 31,			Four months ended April 30,	Four months ended April 30,
	2023	2024	2025	2025	2026
				(unaudited)	
			(RMB in thousands)		
Net cash generated from operating activities	2,080,970	3,366,659	3,986,268	494,408	2,267,046
Net cash used in investing activities	(1,724,214)	(1,805,401)	(176,939)	(1,586,145)	(2,264,506)
Net cash generated from/(used in) financing activities	(177,883)	(660,080)	(1,811,849)	1,076,124	322,168
Net increase/(decrease) in cash and cash equivalents	**178,873**	**901,178**	**1,997,480**	**(15,613)**	**324,708**
Cash and cash equivalents at beginning of the year/period	2,175,754	2,444,564	3,357,675	3,357,675	5,395,121
Exchange differences on translating cash flows of foreign operations	89,937	11,933	39,966	100,780	(104,714)
Cash and cash equivalents at end of the year/period	**2,444,564**	**3,357,675**	**5,395,121**	**3,442,842**	**5,615,115**

Net Cash Generated from Operating Activities

In the four months ended April 30, 2026, we generated net cash from operating activities of RMB2,267.0 million, as compared to profit before tax of RMB1,833.6 million, primarily due to adjustments, including depreciation of property, plant and equipment of RMB91.1 million, net foreign exchange loss of RMB171.9 million, and equity-settled share-based payment expenses of RMB26.3 million. These were partially offset by net fair value changed on financial assets/liabilities at fair value through profit or loss of RMB42.2 million and interest income from bank deposits of RMB50.6 million. Operating cash flows were further affected by changes in working capital, primarily consisting of an increase in trade and bills payables of RMB2,494.3 million, an increase in contract liabilities of RMB134.2 million and an increase in deferred income of RMB76.8 million, partially offset by increase in inventories of RMB1,298.9 million, increases in restricted bank deposits of RMB299.7 million, increases in trade and bills receivables of RMB297.5 million and prepayments, deposits and other receivables of RMB184.6 million.

In 2025, we generated net cash from operating activities of RMB3,986.3 million, as compared to profit before tax of RMB3,635.6 million. The variance was mainly attributable to adjustments, including depreciation of property, plant and equipment of RMB211.9 million, equity-settled share-based payment expenses of RMB112.5 million, finance costs of RMB57.7 million. These were partially offset by interest income from bank deposits of RMB164.4 million and interest income from wealth management products of RMB111.2 million, together with a net foreign exchange gain of RMB30.1 million. Operating cash flows were further affected by changes in working capital, primarily consisting of an increase in trade and bills payables of RMB1,211.0 million, increases in contract liabilities of RMB215.4 million, respectively, partially offset by increase in prepayments, deposits and other receivables of RMB171.1 million, and increase in inventories of RMB436.7 million.

In 2024, we generated net cash from operating activities of RMB3,366.7 million, as compared to profit before tax of RMB3,400.6 million. The principal reconciling items were equity-settled share-based payment expenses of RMB220.5 million, depreciation of property, plant and equipment of RMB170.2 million and impairment loss of trade receivables of RMB66.5 million. These were largely offset by interest income from bank deposits of RMB149.6 million and interest income from wealth management products of RMB72.8 million. Working capital movements further impacted operating cash flows, primarily reflecting an increase in trade and bills payables of RMB1,990.8 million, and an increase in contract liabilities of RMB73.6 million, partially offset by increases in trade and bills receivables of RMB1,207.3 million, inventories of RMB621.7 million and prepayments, deposits and other receivables of RMB269.2 million.

In 2023, we generated net cash from operating activities of RMB2,081.0 million, as compared to profit before tax of RMB2,096.3 million. The key reconciling items included equity-settled share-based payment expenses of RMB228.7 million, depreciation of property, plant and equipment of RMB119.8 million and a net fair value change on financial assets/liabilities at fair value through profit or loss of RMB167.5 million, partially offset by interest income from bank deposits of RMB192.4 million and interest income from wealth management products of RMB49.4 million and a net foreign exchange gain of RMB97.4 million. Changes in working capital primarily reflected increases in deferred income and other payables and accruals of RMB70.7 million and RMB82.8 million, respectively, and a decrease in debt investments at fair value through other comprehensive income of RMB85.8 million, partially offset by a decrease in trade and bills payables of RMB428.9 million and an increase in trade and bills receivables of RMB11.2 million.

Net Cash Flows Used in Investing Activities

In the four months ended April 30, 2026, we recorded net cash used in investing activities of RMB2,264.5 million, primarily due to purchase of financial assets/liabilities at fair value through profit or loss of RMB6,550.1 million, purchase of notes receivable of RMB380.9 million, placement of term deposits of RMB348.2 million and purchase of property, plant and equipment of RMB333.3 million, partially offset by proceeds from disposal of financial assets/liabilities at fair value through profit or loss of RMB4,583.5 million.

In 2025, we recorded net cash used in investing activities of RMB176.9 million. This primarily reflected purchases of financial assets/liabilities at fair value through profit or loss of RMB10,683.6 million, placement of term deposits of RMB872.7 million and purchases of property, plant and equipment of RMB1,133.5 million, partially offset by proceeds from disposals of financial assets/liabilities at fair value through profit or loss of RMB12,041.0 million, release of term deposits of RMB637.7 million and interest received from wealth management products of RMB124.3 million.

In 2024, we recorded net cash used in investing activities of RMB1,805.4 million. The outflows were primarily due to purchases of financial assets/liabilities at fair value through profit or loss of RMB9,266.2 million, placement of term deposits of RMB2,085.7 million, and purchases of property, plant and equipment of RMB460.8 million, partially offset by proceeds from disposals of financial assets at fair value through profit or loss of RMB8,116.6 million.

In 2023, we recorded net cash used in investing activities of RMB1,724.2 million. The principal uses were placement of term deposits of RMB3,931.5 million, purchases of financial assets/liabilities at fair value through profit or loss of RMB3,301.9 million, purchases of property, and plant and equipment of RMB691.0 million. These were partially offset by proceeds from disposals of financial assets/liabilities at fair value through profit or loss of RMB2,580.0 million and release of term deposits of RMB3,130.4 million.

Net Cash Flows Generated From/(Used In) Financing Activities

In the four months ended April 30, 2026, we recorded net cash generated from financing activities of RMB322.2 million, primarily due to proceeds from borrowings of RMB1,425.0 million and proceeds from issue of shares upon exercise of share option of RMB37.8 million, partially offset by repayment of borrowings of RMB2,148.7 million.

In 2025, we recorded net cash used in financing activities of RMB1,811.8 million, primarily attributable to dividends paid of RMB2,683.4 million, placement of restricted bank deposits of RMB4,026.1 million, repayment of borrowings of RMB1,380.9 million and repurchases of shares of RMB100.0 million, partially offset by proceeds from borrowings of RMB5,773.2 million.

In 2024, we recorded net cash used in financing activities of RMB660.1 million, primarily attributable to dividends paid of RMB1,677.5 million and repayment of bank borrowings of RMB6,015.3 million, partially offset by proceeds from borrowings of RMB4,412.3 million, proceeds from issue of shares upon exercise of share options of RMB606.9 million.

In 2023, we recorded net cash used in financing activities of RMB177.9 million, which was mainly due to repayment of borrowings of RMB2,267.8 million, dividends paid of RMB538.2 million, and placement of restricted bank deposits of RMB631.5 million, partially offset by proceeds from bank borrowings of RMB3,672.0 million.

Working Capital Sufficiency

Our Directors are of the opinion that, taking into account the estimated **[REDACTED]** from the **[REDACTED]** and other capital resources available to us, including cash flow from operating activities, cash and cash equivalents, our available banking facilities and bank loans, we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this document.

INDEBTEDNESS

As of December 31, 2023, 2024, 2025, April 30, 2026 and May 31, 2026, being the most recent practicable date for determining our indebtedness, our indebtedness included borrowings and lease liabilities. The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of April 30,	As of May 31,
	2023	2024	2025	2026	2026
					(unaudited)
			(RMB in thousands)		
Current portion					
Bank loans – unsecured	1,791,533	400,473	1,209,600	1,284,144	1,039,600
Other borrowings – secured	702,000	350,000	2,083,104	747,000	919,345
Other borrowings – unsecured	420,000	260,010	11,755	560,000	–
Lease liabilities	5,232	2,979	13,915	19,360	19,397
Subtotal	**2,918,765**	**1,013,462**	**3,318,374**	**2,610,504**	**1,978,342**
Non-current portion					
Bank loans – unsecured	300,000	–	88,650	80,741	95,901
Bank loans – secured	–	–	–	–	–
Lease liabilities	5,064	6,565	13,402	11,401	11,432
Subtotal	**305,064**	**6,565**	**102,052**	**92,142**	**107,333**
Total	**3,223,829**	**1,020,027**	**3,420,426**	**2,702,646**	**2,085,675**

Borrowings

As of December 31, 2023, 2024, 2025, April 30, 2026 and May 31, 2026, our borrowings (including current and non-current portions) consisted primarily of unsecured bank loans and other borrowings. See Note 30 to the Accountants' Report included in Appendix I to this document for details of the interest rates and the maturity.

Our borrowings decreased from RMB3,213.5 million as of December 31, 2023 to RMB1,010.5 million as of December 31, 2024, primarily because we settled several bank loans. Our borrowings increased from RMB1,010.5 million as of December 31, 2024 to RMB3,393.1 million as of December 31, 2025, primarily because we strategically allocated idle funds towards cash management initiatives. We further recorded RMB2,671.9 million borrowings as of April 30, 2026 and RMB2,054.8 million as of May 31, 2026, which remained stable.

Our other borrowings represented discounted bills receivable have not been derecognized and letters of credit. Such borrowings are secured by margin deposits pledged to banks, with aggregate pledged amounts of RMB631.5 million, RMB70.0 million, RMB1,786.1 million and RMB747.0 million as of December 31, 2023, 2024, 2025 and April 30, 2026, respectively.

As of May 31, 2026, we had unutilized banking facilities of RMB13,621.1 million.

Lease Liabilities

Our lease liabilities mainly represented our lease of dormitories, warehouses and production bases. As of December 31, 2023, 2024, 2025 and April 30, 2026, our total lease liabilities (including current and non-current portions) amounted to RMB10.3 million, RMB9.5 million, RMB27.3 million, and RMB30.8 million, respectively. Our lease liabilities increased to RMB27.3 million in 2025, primarily attributable to the increase of leases of warehouses and production bases in Cixi. Our lease liabilities further increased as of April 30, 2026 and May 31, 2026, primarily due to the increase of leased properties.

No Other Outstanding Indebtedness

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, the agreements under our borrowings did not contain any covenant that would have a material adverse effect on our ability to make additional borrowings or issue debt or equity securities in the future. Our Directors further confirm that we had no defaults in bank borrowings, nor did we breach any covenants during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that during the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in obtaining bank loans and other borrowings, credit facilities, or withdrawal of facilities or requests for early repayment nor did we have material default in payment of trade and non-trade payables. Our Directors confirm that there has not been any material change in our indebtedness since May 31, 2026 and up to the date of this document.

Except as disclosed above, as of May 31, 2026, being the most recent practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities.

CAPITAL EXPENDITURES

During the Track Record Period, our capital expenditure primarily consisted of purchases for land use rights, items of property, plant and equipment and intangible assets. The table below sets forth our capital expenditure for the years/periods indicated:

	Year Ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Purchases for land use rights	55,486	–	144,499	–
Purchases for items of property, plant and equipment	691,046	460,830	1,133,498	333,265
Purchases for intangible assets	2,269	1,585	8,971	3,847
Total	**748,801**	**462,415**	**1,286,968**	**337,112**

We had capital expenditures of RMB748.8 million, RMB462.4 million, RMB1,287.0 million and RMB337.1 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively. We funded the expenditure mainly with cash generated from business operations and financing activities.

We plan to continue to make capital expenditures to support our business growth and expansion strategy. See "Future Plans and Use of **[REDACTED]**." We intend to fund these expenditures with available financial resources, including cash generated from operations, net **[REDACTED]** from the **[REDACTED]**, and potential future equity or debt financing. We may adjust our capital expenditure for any given year/period according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CONTRACTUAL OBLIGATIONS

Capital Commitments

Our capital commitments are related to contracted commitment for property and buildings. As of December 31, 2023, 2024, 2025 and April 30, 2026, our capital commitments were RMB353.3 million, RMB32.0 million, RMB966.8 million, and RMB806.0 million, respectively. We expect to satisfy our capital commitments using cash from operations and financing activities.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024, 2025 and April 30, 2026, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against us or any member of our Group that is likely to have a material and adverse effect on our business, financial condition and result of operations.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the date or for the years/periods indicated:

	As of/For the year ended December 31,			As of/For the four months ended April 30,
	2023	2024	2025	2026
Gross profit margin[(1)]	39.2%	38.6%	38.0%	39.1%
Net profit margin[(2)]	23.9%	26.4%	25.9%	26.1%
Current ratio[(3)]	1.5	2.0	1.6	1.4
Debt-to-asset[(4)]	51.6%	37.5%	48.1%	55.7%

Notes:

(1) Gross profit margin is calculated using gross profit divided by revenues for the year/period and multiplied by 100%.

(2) Net profit margin is calculated using profit for the year/period divided by revenues for the year/period and multiplied by 100%.

(3) Current ratio is calculated using current assets divided by current liabilities as of the end of the year/period.

(4) Debt to asset ratio is calculated using total liabilities divided by total assets as of the end of the year/period and multiplied by 100%.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details of our material related party transactions, see Note 39 to the Accountants' Report included in Appendix I to this document.

Our Directors are of the view that each of the related party transactions set out in Note 39 to the Accountants' Report included in Appendix I to this document was conducted in the

ordinary course of business on an arm's length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or R&D services with us.

FINANCIAL RISKS DISCLOSURE

We are exposed to various types of financial risks, including interest rate risk, foreign currency risk, credit risk, liquidity risk and fair value risk. Our management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. Generally, we introduce conservative strategies on our risk management.

Interest rate risk

Our interest-bearing financial instruments at variable rates as of December 31, 2023, 2024, 2025 and April 30, 2026 are the cash at bank, term deposits except for fixed deposits and borrowing. The cash flow interest risk arising from the change of market interest rate on these balances of relatively short maturity is not considered significant.

Our interest-bearing financial instruments at fixed interest rates as of December 31, 2023, 2024, 2025 and April 30, 2026 are borrowings, term deposits and lease liabilities. The change of market interest rate does not expose us to fair value interest risk. Our Directors consider that our exposure to interest rate risk is not significant and no sensitivity analysis of interest rate risk is presented.

Credit Risk

Our credit risk is primarily attributable to its trade receivables, bills receivables, deposits and other receivables. Our management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade receivables, bills receivable, deposits and other receivables, individual credit evaluations are performed on all customers. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. Ongoing credit evaluation is performed on the financial condition of trade customers and, where appropriate, credit guarantee insurance cover is purchased. Trade receivables are due from the date of billing. Normally, we do not obtain collateral from customers.

Liquidity Risk

Ultimate responsibility for liquidity risk management rests with our Directors, which has built an appropriate liquidity risk management framework for our management's short, medium and long-term funding and liquidity management requirements. We manage liquidity risk by maintaining adequate reserves.

Foreign Currency Risk

We are exposed to currency risk primarily through sales and purchase which give rise to receivables and payables and cash balances that is denominated in a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD and EUR. If RMB appreciates by 5% against USD, we will experience foreign exchange loss of approximately RMB239.9 million as of April 30, 2026. If RMB appreciates by 5% against EUR, we will experience foreign exchange loss of approximately RMB11.4 million as of April 30, 2026. For more details about the impact of our asset denominated under foreign currency, see Note 42 to the Accountant's Report included in Appendix I to this Document.

In accordance with our foreign exchange rate risk management plan, we adopt a risk-neutral approach and utilize foreign currency forward contracts as our primary measures to mitigate risks arising from fluctuations in the U.S. dollar, Euro, and RMB exchange rates, while we did not apply the hedge accounting. We determine the hedging ratio based on on-hand foreign exchange balances and anticipated settlement and purchase requirements, maintaining a ratio within the range of 50% to 100% under normal circumstances. Forward contracts are executed on a small-amount, multi-batch basis with financial institutions selected for pricing competitiveness and professional expertise, and all instruments are subject to a thorough assessment of their mechanics and risk implications prior to execution.

DIVIDENDS

Dividend distribution to our Shareholders is recognized as a liability in the period in which the dividends are approved by our Shareholders or Directors, as appropriate. During the Track Record Period, we declared and paid final dividends in respect of the previous year/period of RMB903.2 million and RMB1,679.7 million in 2024 and 2025, respectively. We also declared and paid interim dividend of RMB774.3 million and RMB1,003.7 million during the year ended December 31, 2024 and 2025 respectively. We proposed dividend of RMB1,636.8 million for the year ended December 31, 2025, which was subsequently approved by the Annual General Meeting of the Company on April 30, 2026. As of the Latest Practicable Date, all declared dividends have been fully settled, and there are no outstanding dividend payments pending.

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. We currently do not have any formal dividend policy or fixed dividend pay-out ratio. According to the PRC Company Law (《中華人民共和國公司法》) , the No. 3 Guideline for the Supervision of Listed Companies – Cash Dividend Distribution of Listed Companies (2023 Revision) (《上市公司監管指引第3號–上市公司現金分紅(2023年修訂)》), and our Articles of Association, to the extent that normal production and operation funding requirements are satisfied, the accumulated profits distributed in cash by the Company each year/period shall be no less than 10% of the average annual distributable profits realized for the year/period.

DISTRIBUTABLE RESERVES

As of April 30, 2026, we had retained earnings of RMB4,954.0 million which are available for distribution to our Shareholders.

[REDACTED]

[REDACTED] represent professional fees, **[REDACTED]** commissions and other fees incurred in connection with the **[REDACTED]**. We estimate that our **[REDACTED]** will be approximately RMB**[REDACTED]** million (assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the indicative **[REDACTED]** range) and no exercise of the **[REDACTED]**), representing **[REDACTED]**% of the gross **[REDACTED]** (based on the mid-point of our **[REDACTED]** for the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised) of the **[REDACTED]**, and RMB**[REDACTED]** has been charged to our consolidated statements of profit or loss during the Track Record Period. We expect to incur **[REDACTED]** of RMB**[REDACTED]** million, of which RMB**[REDACTED]** million is expected to be recognized in the consolidated statements of profit or loss as administrative expenses and RMB**[REDACTED]** million is expected to be recognized as a **[REDACTED]** directly upon the **[REDACTED]**. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our **[REDACTED]** are composed of (i) **[REDACTED]** commission of RMB**[REDACTED]** million, and (ii) non-**[REDACTED]** related expenses of RMB**[REDACTED]** million, which consist of fees and expenses of legal advisors and Reporting Accountant of RMB**[REDACTED]** million and other fees and expenses of RMB**[REDACTED]** million.

[REDACTED]

[REDACTED]

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document there has been no material adverse change in our financial or trading position or prospects since April 30, 2026, being the end date of the periods reported in Appendix I to this document, and there is no event since April 30, 2026 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.