# Jiangsu Zenergy Battery Technologies Group Co., Ltd.
# 江蘇正力新能電池技術股份有限公司

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 3677)**

## ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

### FINANCIAL HIGHLIGHTS

For the year ended 31 December 2025

- The Group's revenue was RMB8,101.0 million, representing a year-on-year increase of 57.9%.
- The Group's gross profit was RMB1,491.4 million, representing a year-on-year increase of 99.3%.
- The Group's net profit was RMB808.6 million, representing a year-on-year increase of 788.4%.
- Basic and diluted earnings per share for the period of the Company amounted to RMB0.33, representing a year-on-year increase of 725.0%.

The board of directors (the "**Board**") of Jiangsu Zenergy Battery Technologies Group Co., Ltd. (the "**Company**") hereby announces the audited consolidated annual results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2025, together with the comparative figures for the corresponding period in 2024. These annual results have been extracted from the audited financial statements of the Company and have been reviewed by the Audit Committee.

## INDUSTRY OVERVIEW

### *EV Battery Market*

According to data from Rho Motion, the global sales volume of NEVs reached 20.70 million units in 2025, representing a year-on-year increase of 20%. In the domestic market, according to data from the China Association of Automobile Manufacturers, China's NEV sales volume reached approximately 16.49 million units (including exports) in 2025, representing a year-on-year increase of 28.2%. China's NEV sales accounted for more than 70% of the global sales. In the overseas market, according to data from Rho Motion, NEV sales volume in Europe reached 4.30 million units in 2025, representing a year-on-year increase of 33%.

The growth in global demand for NEVs also drove the increase in the sales volume of EV battery. According to data from SNE Research, in the domestic market, China's installed capacity of EV batteries reached 724 GWh in 2025, maintaining a leading position globally; in the overseas market, EV battery installations reached 463 GWh, representing a year-on-year increase of 26%. It is expected that overseas exports will become an important growth driver for the EV battery market.

In terms of policies, the national 15th Five-Year Plan and the Notice of the Eight Departments including the Ministry of Industry and Information Technology on Printing and Distributing the Work Plan for Stable Growth of the Automotive Industry (2025-2026) (《汽車行業穩增長工作方案(2025–2026年)》) further clarified the core position of NEVs in the green and low-carbon strategy, and provided systematic support in areas such as technological innovation, infrastructure construction and industrial chain coordination. Coupled with the in-depth implementation of consumption incentive policies such as "trade-in" programs, potential market demand is expected to continue to be released, driving the steady increase in NEV penetration rate and bringing considerable structural growth opportunities to the EV battery industry.

Taking into account policy orientation and global market demand trends, the Company will continue to focus on technological innovation and capacity optimization, deeply participate in the global electrification process, and contribute to the high-quality and sustainable development of the industry.

### *Energy Storage Market*

Against the backdrop of diversified global electricity demand scenarios, the global demands for renewable energy installations and energy storage have also significantly increased. According to data from SNE Research, the energy storage battery market grew rapidly in 2025, with global energy storage battery deliveries reaching 550 GWh, representing a substantial year-on-year increase of 79%. Notably, energy storage battery products were mainly manufactured by Chinese enterprises, and the concentration of the global industry continued to increase.

According to the national 15th Five-Year Plan, new-type energy storage is one of the six emerging pillar industries. In light of the notice of the National Development and Reform Commission and the National Energy Administration on Printing and Distributing the Special Action Plan for Large-scale Construction of New-type Energy Storage (2025-2027) (《新型儲能規模化建設專項行動方案(2025–2027年)》), together with the capacity feed-in tariff subsidy policies successively introduced in various regions, demand for energy storage is expected to maintain rapid growth in 2026 and 2027.

In overseas markets, surging power loads in multiple scenarios such as artificial intelligence data centers (AIDC) and residential energy storage in regions including Europe and the United States will drive market investment in large-scale energy storage, commercial and industrial energy storage, and residential energy storage.

In summary, diversified market demand is expected to further drive the growth of installed capacity of domestic energy storage batteries.

***Low-altitude Economy***

As a typical representative of new-quality productive forces, the low-altitude economy is characterized by high technological intensity, concentrated innovation factors and a long industrial chain, and is a key development direction explicitly supported by the national policy. The national 15th Five-Year Plan has designated the low-altitude economy as a strategic emerging pillar industry, promoting reform of airspace classification and grading, improving regulations, standards and low-altitude infrastructure, strengthening the manufacturing industry chain for unmanned aircraft and electric vertical take-off and landing aircraft (eVTOL), expanding application scenarios such as logistics, air transportation and emergency response, establishing a safety supervision system, and building a trillion-RMB growth driver for new-quality productive forces.

The global low-altitude economy is accelerating towards commercial take-off. In 2025, the eVTOL sector moved from technical validation and pilot operations into the initial stage of commercialization. Notably, driven by policies and the ability to implement infrastructure, China's market has taken the lead in large-scale commercial operation of the low-altitude economy. On the policy front, the central government has clearly identified the low-altitude economy as a new growth engine. More than 20 provinces across the country have introduced specific implementation plans, and certain cities have established nearly 1,000 take-off and landing sites, initially building urban-level low-altitude flight networks.

In overseas markets represented by Europe and the United States, the first batch of commercial air taxi services with paid flights has already commenced in cities such as New York and Los Angeles. The European Union Aviation Safety Agency (EASA) is also advancing certification for multiple enterprises.

## BUSINESS REVIEW

### *Principal Business*

We are a leading lithium-ion battery manufacturer in China, committed to developing a diverse portfolio of market-driven and technology-fueled battery products. We primarily focus on the R&D, production and sales of EV battery products, ESS battery products and aviation battery products. We provide integrated battery solutions encompassing battery cells, modules, packs, battery clusters and battery management systems. We are rooted in the passenger vehicle EV battery market and dedicated to expanding the full-scenario applications of electrochemical products across interconnected land, sea and air (LISA).

We are one of the few companies among the top 10 battery manufacturers with a strong automotive components background. Our core management team possesses extensive professional expertise and profound industry insights into the automotive sector, and understands customers' needs in balancing safety, quality, performance and cost efficiency. We have developed a diversified portfolio of EV battery products as our core business, and have actively carried out the R&D of aviation battery products, which places us in a favorable position in terms of application scenario expansion and rapid technological advancement in the battery industry.

We are the first battery company in the industry to obtain the AS9100D aerospace quality management system certification. In 2025, our aviation battery products successfully obtained airworthiness certification issued by the Civil Aviation Administration of China, and we officially commenced the mass delivery of aviation power battery systems.

Although the EV battery sector in China is highly competitive, through the dedication and collective efforts of all employees of the Group, we have leveraged our ppb aviation-grade safety products, cutting-edge technologies and responsive services to build our product strength of "aviation-grade batteries with automotive-grade applications", and have continuously deepened our cooperation with top passenger vehicle customers, delivering safe and reassuring user experience to customers and steadily increasing our market share.

Our mission is to promote green mobility in the transportation sector, and we are dedicated to powering the zero-carbon journey of electrification across LISA full-scenario with a single battery cell.

Looking ahead, in addition to our continuously growing EV battery business, we will further increase our investment in diversified energy application scenarios such as stand-alone energy storage, AIDC and embodied intelligence. Coupled with our continued value delivery to customers in terms of cost, efficiency and quality of products and services, this will lay a solid foundation for the sustainable and healthy growth of our business.

### *Main Products*

The Company's main products are EV batteries, ESS batteries and aviation batteries. Among them, the "Zenergy Loong (正力•騏龍)" series of EV battery products cover BEV, PHEV, EREV and HEV models, and can be installed in multi-functional vehicles such as sedans, SUVs, MPVs and commercial vehicles; ESS products can meet the needs of diversified application scenarios, including residential, commercial and industrial, grid-side and power generation-side settings, covering various application models such as short-duration frequency regulation and long-duration energy storage, while catering to backup power needs for critical loads such as data centres (AIDC); and aviation battery products may be applied to electric manned fixed-wing aircraft and eVTOLs, while the aviation large cylindrical batteries may also cover embodied intelligence application scenarios.

**Business Achievements**

In 2025, the Group recorded a sales revenue of RMB8,101.0 million, representing a year-on-year increase of approximately 57.9%, and a delivery volume of 19.82 GWh, representing a year-on-year increase of approximately 66.7%.

### *I. EV Battery Business*

In 2025, the sales revenue from the Group's EV battery business amounted to RMB7,680.5 million, representing a year-on-year increase of 64.7%. According to the data released by the CABIA, in 2025, the Company achieved significant year-on-year improvements in both installed capacity and market share in domestic EV battery market. The Company ranked seventh in terms of installed capacity in new energy passenger vehicles, among which it ranked ninth in terms of installed capacity of LFP batteries in domestic passenger vehicles, and its ranking in terms of installed capacity of NCM batteries in domestic passenger vehicles rose to sixth place in China.

The growth of the Company's EV battery business was mainly attributable to the support and trust from a number of high-quality industry customers. Our EV battery customers include large central and state-owned enterprises, emerging EV manufacturers and multi-national OEMs. The share of our battery product supply in the core vehicle models of leading global OEMs, such as FAW Hongqi, GAC Trumpchi, Leapmotor, SAIC-GM Wuling, SAIC-GM, GAC-Toyota and Volkswagen (FAW-Volkswagen, SAIC-Volkswagen and Volkswagen Anhui), continues to increase. In addition, in 2026, the Company's battery products will be launched in a number of major core vehicle models of customers, which is expected to further increase the Company's overall installed capacity.

STAES, our joint venture, offers various lithium-ion and Ni-MH battery packs for HEVs and supplies to major OEMs that are joint ventures with Toyota in China for their core HEV models. Historically, it has cumulatively supplied batteries for over 3.6 million vehicles, and no battery safety incident has occurred to date. The global HEV market is expected to maintain steady growth in 2026. According to Business Research Insights, it is expected that the compound annual growth rate will be approximately 20.99% from 2026 to 2035.

### *II. Energy Storage and Other Business*

In the field of energy storage business, the Company's signature 104Ah standardized battery cell has become one of the main products supplied for global residential energy storage. At present, the 314Ah product has commenced mass production and is gradually replacing the 104Ah product as a battery cell option for residential energy storage. In addition, it is expected that, in the second half of 2026, the Company's four products, namely the 100Ah, 235Ah, 587Ah and 588Ah products, will successively achieve large-scale sales and be applied in scenarios such as residential energy storage, commercial and industrial energy storage, standalone energy storage power stations, long-duration energy storage and AIDC, further driving the growth of the Company's energy storage business.

In the field of aviation batteries for manned aircraft, the Company has made forward-looking investments in technology R&D for years and has achieved phased progress. The Company was the first to propose the high safety, high energy density, high discharge rate and ultra-fast charging capabilities technical indicators for aviation batteries, which have been adopted by the Ministry of Industry and Information Technology and incorporated into the 2025 edition of the technical roadmap for power batteries for low-altitude aircraft.

With respect to aviation battery products, the Company has already obtained airworthiness certification from the Civil Aviation Administration of China for the RX1E fixed-wing manned electric aircraft of Liaoning General Aviation Academy. In the low-altitude economy sector, we have not only become the first EV battery enterprise in the industry to obtain the AS9100D aerospace quality management system certification, but have also achieved the first mass supply in the industry of battery pack systems for two-seat electric fixed-wing manned aircraft, and signed an exclusive design-wins development agreement for the subsequent four-seat fixed-wing aircraft. At the same time, we have signed an exclusive design-wins development project with Zero Gravity Aircraft Industry Co., Ltd. (零重力飛機工業有限公司) for the multi-rotor ZG-ONE model. In addition, the Company is in discussions with a leading domestic aircraft company regarding integrated battery pack development for a tilt-rotor model, and is expected to successfully achieve full-path coverage in the manned flight sector, namely from traditional fixed-wing to multi-rotor and further to tilt-rotor, which has higher technical and safety requirements, thereby truly achieving the approach of "mass-producing one generation, developing one generation and pre-researching one generation."

**Technology and R&D Achievements**

#### *1. Technological Iteration and Innovation:*

The Company always regards innovation as its engine, driving continuous R&D iteration to pioneer cutting-edge technology and excellent products, to consolidate and strengthen competitive barriers.

(1) With respect to advanced materials:

1) Enhancement in energy density of cathode materials: Through advanced particle size control synthesis technology, based on AI simulation models and multi-level gradient particle grading, we have significantly improved the compaction density and energy density of phosphate cathode materials;

2) Enhancement in fast-charging capability of anode materials: By adopting new surface modification and bulk doping technologies, we have achieved ultra-fast charging capability of 12C(peak) and above for anode materials;

3) Electrolytes: We have synthesized and developed new electrolyte additives and new solvents, balancing ultra-fast charging and ultra-long cycle life;

4) Others: We have made a series of breakthrough progress in key materials such as ultra-high nickel, lithium-rich manganese-based and lithium nickel manganese oxide cathode materials, high-safety electrolyte additives, long-life new vapor-deposition silicon-carbon anode materials and ultra-thin separators.

(2) With respect to advanced technology platforms: In line with our "5-3-1 R&D Strategy", we are committed to building advanced technology platforms, focusing on pre-research and reserves for technologies and products with relatively high application potential for the coming three years, thereby continuously enhancing the Company's market competitiveness.

1) High-energy-density phosphate system technology platform: We have developed ultra-fast charging LFP products with an average charging rate of 6C, 8C and above, featuring both high safety and high energy density.

2) High-energy NCM (Silicon) system technology platform: Leveraging the application of ultra-high-nickel cathode material technology and the iteration and upgrade of third-generation silicon-carbon anodes, our product portfolio covers an energy density range of 280~400 Wh/kg. The high-energy NCM (Silicon) system has achieved mass production in aviation batteries.

3) Blended chemistry system technology platform: Leading the industry's thinking on new chemistry systems, we have developed a cathode material system based on blending phosphate and NCM, breaking through the energy density ceiling of 195 Wh/kg for LFP and filling the gap between 195 Wh/kg and the lower limit of 250 Wh/kg for the NCM system. We have also developed battery products based on the phosphate blended chemistry system solution and are actively cooperating with customers in vehicle validation, thereby supporting customers' technology iteration and upgrading.

4) Sodium-ion system technology platform: The Company's sodium-ion battery system has achieved an energy density of over 170 Wh/kg, completed the technical targets under the project of the Jiangsu Provincial Department of Industry and Information Technology titled R&D and Industrialization of High-rate, Long-life Sodium-ion Power Batteries for Vehicles (《高倍率長壽命車用鈉離子動力電池的研發及產業化》) and successfully concluded the project, thereby accelerating the industrialization of sodium-ion batteries. At the same time, we developed a polyanion sodium battery material system featuring long cycle life and high safety, providing diversified and cost-effective solutions for applications in the energy storage market. Our polyanion sodium battery products have already been exported to EU countries and applied in scenarios such as PHEVs and UPS. Benefiting from the excellent rate performance of this system, it can also be further extended to fields such as AIDC in the future to fulfil instantaneous high-power electricity demand, and therefore has broad development prospects.

(3) With respect to cutting-edge battery technologies:

1) Ultra-fast charging hybrid solid-liquid batteries: The hybrid solid-liquid battery has achieved stable 8C ultra-fast charging. The key lies in the "solid-liquid synergy" electrolyte system, under which a fast ion transport pathway is formed at the solid/liquid interface between the liquid electrolyte and dense solid electrolyte particles, thereby reducing interfacial impedance and supporting the rapid and uniform transport of lithium ions at an 8C rate. This has enabled a breakthrough in the fast-charging bottleneck of conventional liquid batteries and promoted the practical application of ultra-fast charging technology.

2) High energy density lithium metal batteries: By adopting a high-nickel NCM cathode, a localized high-concentration electrolyte and an ultra-thin lithium metal anode chemistry system, and through technological and process innovation, we have successfully prepared a lithium metal pouch battery with a capacity of 10Ah, a gravimetric energy density of 515 Wh/kg and a volumetric energy density of 1100 Wh/L, marking that cutting-edge battery technologies have entered a new stage.

3) Development of sulfide all-solid-state batteries: Focusing on key materials and new process technologies for all-solid-state batteries, and combining innovative manufacturing processes, we have developed all-solid-state batteries featuring high energy density and high safety. Currently, we have developed a sulfide all-solid-state battery based on a high-nickel NCM cathode and a silicon-carbon anode.

(4) With respect to intelligent manufacturing: We have proposed the concept of Zenergy's "Three-in-One Manufacturing", namely "Workstation integrated Logistics (WIL)", "Manufacturing integrated Workstation (MIW)" and "Quality integrated Manufacturing (QIM)", thereby truly achieving no production, no transfer and no outflow of defective products. By deeply integrating manufacturing workstations with logistics lines, we reduce the potential risk of bumps and collisions during product handling. Coupled with the application of robotic operations in key processes and machine learning algorithms for dynamic optimization of process parameters, we systematically enhance manufacturing efficiency and product quality. By integrating advanced MOM systems and AI technologies, including deep-learning-based AI visual inspection and AI edge computing technologies, we have achieved in-process quality inspection so that defects can be detected and controlled in real time.

In addition, through the "Three-in-One Manufacturing" system, we have established a multi-process and multi-model compatible scheduling system, which can accommodate the scheduling of six product models on a single logistics line, thereby improving space utilization and reducing costs.

(5) With respect to product reliability and safety: We have established a full life-cycle reliability control system for products covering product design, manufacturing processes and application boundary specifications. Through research into underlying mechanisms and data-driven methods, we have developed innovative accelerated evaluation methodologies, significantly shortening the reliability verification cycle from raw materials to finished products. Through verification and quantification of raw materials, product design, trial production and key safety and reliability indicators, we can identify potential product risks in advance and ensure the reliability and safety of lithium ion battery products throughout their full life cycle.

(6) With respect to intellectual property: With "quality as the foundation and value as the guidance" as the main line of our intellectual property development, the Company has promoted the deep integration of intellectual property work into its core business, technological evolution and market strategy. As of 31 December 2025, the Company had filed a total of 4,426 patent applications, of which 2,854 had been granted. In 2025, in terms of the number of newly granted patents, the Company ranked third among enterprises in Jiangsu Province.

***2. Product Refinement and Upgrade:***

(1) NCM power battery products:

1) 400V high voltage NCM products with peak 5C fast-charging capability: No thermal propagation under a high temperature of 45℃, exceeding the requirements of GB 38031-2025, and such products have been mass delivered.

2) 800V high voltage NCM products with peak 8C ultra-fast charging capability: It incorporates a high-energy-density design, with cell energy density exceeding 240 Wh/kg.

(2) Phosphate-based power battery products:

1) High energy density LFP battery: Adoption of the 4.5th-generation material enables the volumetric energy density of LFP battery cells to reach 435 Wh/L, placing them at a relatively high level among comparable products. It can increase the total energy in fixed battery pack dimension, and such products have been mass delivered.

2) Fast-charging LFP battery: With an average 4C and peak 5.5C fast-charging capability, it can achieve a 12-minute fast charge, with energy density reaching 190 Wh/kg.

3) Ultra-fast charging LFP battery: Incorporating both high-energy-density and ultra-fast charging designs, it achieves an energy density of over 185 Wh/kg while meeting average 6C and peak 8C fast-charging capability, and has completed design freeze.

4) Battery for EREV/PHEV: An 800V product with 4C fast-charging capability and a cycle life of 4,000 cycles, meeting the long-life requirements of EREV/PHEV, and such products have been mass delivered for customers' premium EREV/PHEV.

5) Next-generation LFP&NCM blended system battery: With an energy density of over 215 Wh/kg, it breaks through the energy density limit of LFP batteries, and is intended for customers' premium C/D-class BEV/EREV.

(3) ESS products:

Our long-cycle-life battery for residential ESS products has achieved energy efficiency of above 95% and a cycle life exceeding 8,000 cycles, and such products have been mass delivered. The second-generation products focus on optimizing low-temperature performance and support charging at a temperature of -10℃, primarily targeting applications in regions and countries with extremely cold climates.

Large-scale energy storage products are mainly of the 314Ah specification, with energy conversion efficiency of 95% and a cycle life of over 10,000 cycles. At the same time, we are upgrading and developing long-life 314Ah products, with cycle life increased to over 12,000 cycles and calendar life reaching over 25 years, thereby further reducing the overall system cost. In addition, we have also developed higher-capacity 587/588/684Ah battery cells, with energy conversion efficiency of not less than 95%, cycle life of over 10,000 cycles and calendar life of over 20 years, which may be applied to off-grid long-duration energy storage (6-8 hours) for AIDC based on an 800V architecture. The next-generation battery cells exceeding 1000Ah for long-duration energy storage of over 10 hours are under development.

(4) Battery system products:

NCM battery system featuring "no thermal propagation under 45℃": Upon triggering a single battery cell under a high temperature of 45℃ and observing for 288 hours, no fire or explosion occurred in the battery pack, which exceeds in advance and more stringently the relevant national standards under the Safety Requirements for Power Batteries for Electric Vehicles to be implemented in July 2026.

(5) Aviation battery products:

In August 2025, we launched the second-generation aviation battery featuring high safety, high energy density, high discharge rate and ultra-fast charging capabilities, which adopts dual semi-solid-state technology and satisfies ppb aviation safety standards with an energy density of over 320 Wh/kg. It can meet a 12C discharge rate at low SOC and support 15-minute fast charging. It meets the needs of high-frequency and diversified flight scenarios, and has been mass delivered.

The Company will continue to advance the development of lightweight, high-energy-density and high-safety battery systems, address the stringent safety tests under the relevant standards, and cooperate with eVTOL customers to complete aircraft airworthiness certification. Such high-energy-density and high-power products may also be applied in embodied intelligence robot scenarios.

## FUTURE OUTLOOK

### Further Enhancing the High-quality Layout of New Production Capacity

We seek to balance our capacity layout with customer demand and are committed to continuously improving production line efficiency through AI-driven closed-loop algorithm technologies. We have designed a flexible, high-speed production line that accommodates both power battery and energy storage battery manufacturing and is equipped with localised central control across horizontally integrated processes. This has enhanced production efficiency and accumulated step-by-step practical experience for the next phase of achieving a fully centrally controlled unmanned factory.

As the number of automakers with which the Company has secured design-wins cooperation continues to increase, in particular given the substantial increase in the number of battery cells per vehicle brought about by 800V high-voltage platform architectures, and based on the industrial-scale development trend of Zenergy's "three-pronged synergy" of battery cell form standardisation, battery pack system platformisation and electrochemical system differentiation, we expect the capacity and efficiency of newly built production lines to move towards a faster pace of over 30 ppm for a single line and over 60 ppm for one line serving two lines, so as to meet the Company's development needs and enhance overall competitiveness.

By the end of 2025, the Company had added 10 GWh of newly commenced capacity, bringing its total capacity to 35.5 GWh at year-end. In 2026, the Company is advancing the construction of the Phase II 15 GWh high-energy-density fast-charging power battery project at the new Changshu manufacturing plant, which is one of the projects for the use of proceeds from the Global Offering and the Placing.

In addition, in 2026, on top of the existing capacity planning, and based on the plant premises of Phase II of the new Changshu manufacturing plant together with optimised production line design, we have added a 20 GWh intelligent manufacturing project for next-generation large-capacity energy storage lithium-ion batteries. Upon completion, this project will further enhance the Company's energy storage battery capacity scale and market competitiveness.

Furthermore, in March 2026, we signed an intention agreement in relation to a 50 GWh intelligent flexible manufacturing project for next-generation large-capacity long-duration energy storage. The Company plans to use the products manufactured at the project base to meet market demand for energy storage applications such as long-duration energy storage, computing power centres and decentralised power supply models, while also serving multiple sectors including new energy vehicles, electric passenger-carrying aircraft, humanoid robots and electric vessels.

### Sustainable Customer Expansion

In terms of EV batteries, we plan to launch new battery products for vehicles with different power sources (BEV, PHEV, EREV and HEV), different uses (sedans, SUVs, MPVs and commercial vehicles), and different driving ranges. We continue to strengthen and deepen our relationships with existing customers to increase product penetration and our strategic allocation in core vehicle models, and to establish business cooperation with new customers.

In the domestic market, we will focus on the new opportunities arising from the electrification trend of range-extended vehicles, upgrades to 800V high-voltage platforms, and industry-level battery cell standardization and chemistry system differentiation, and continue to secure new cooperation opportunities from both existing and new customers.

In the field of ESS business, we will continue to expand our cooperation with customers in areas such as residential energy storage, commercial and industrial energy storage, large-scale long-duration energy storage and AIDC, primarily through products such as 100Ah, 235Ah and 587/588Ah.

With respect to overseas business, on the one hand, we support customers' global expansion as a core component supplier for their export vehicle models. Currently, we have established cooperation models with Leapmotor and GAC Trumpchi for supporting complete vehicle exports, and have also reached an export model with Wuling for KD battery cells to be assembled overseas. At present, the Company's products have been sold to markets such as Hong Kong, India, Indonesia and the EU.

On the other hand, we will also actively explore with customers different cooperation models and application scenarios for overseas business, so as to meet customers' needs in overseas markets in scenarios such as residential energy storage, AIDC, robots and aircraft.

**Technological Re-innovation**

Advanced Materials: We will focus on the development of materials for ultra-fast charging systems with a peak rate of over 15C and an average rate of 8C, including the continuous iterative upgrade of new flash-charging anode materials, phosphate cathode materials with high kinetics and high energy density, and ultra-fast charging electrolyte solvents and additive materials. At the same time, we will continue to advance ultra-high-nickel and new lithium-rich manganese-based cathode materials, as well as third-generation low-expansion, fast-charging and long-life silicon-carbon anode materials.

Advanced Technology Platforms: We will continue to advance the iteration and upgrade of high-energy-density platforms, ultra-fast charging platforms, long-life platforms and new chemistry platforms.

Cutting-edge Battery Technologies: We will continue to advance the construction of a 100 MWh pilot production line for all-solid-state batteries, which is expected to be completed in the second half of 2026 and will be capable of preparing 100Ah-class high-energy-density lithium metal batteries and all-solid-state batteries of over 60Ah. This pilot line will comprehensively verify the process stability, material cost control and equipment compatibility of lithium metal batteries and all-solid-state batteries.

Intelligent Manufacturing: We will accelerate the application of artificial intelligence such as embodied intelligence on production lines, thereby further reducing quality risks and minimizing manual operations. By conducting coordinated analysis across parameters in areas such as comprehensive product output results, equipment failure prediction and first-article results, we will achieve equipment health management and ensure healthy equipment operation, thereby realizing high-reliability manufacturing.

**Product Re-iteration**

Advanced products: For ultra-fast charging LFP batteries, through the use of graphite materials with fast-charging capability above 10C together with fast-charging electrolytes, we are developing ultra-fast charging LFP batteries with energy density close to 180 Wh/kg, peak charging rate reaching 15C, and the ability to replenish 60% of energy within 4.25 minutes, with cycle life exceeding 1,500 cycles. To effectively support ultra-fast charging, we have developed a new bridge-type terminal top cover, which is lighter in weight, lower in resistance, lower in cost and better in reliability as compared with conventional top cover solutions, and can reduce temperature rise and enhance service life for ultra-fast charging batteries.

High-energy-density products: The Energy-saving and New Energy Vehicle Technology Roadmap 3.0 (《節能與新能源汽車技術路線圖3.0》) proposes that by 2040, the power consumption of new energy passenger vehicles per 100 kilometers should be less than 9.2 KWh, and existing products may not be able to meet such requirements. By continuously improving the energy density of battery products and reducing the weight of batteries with the same electricity capacity, the Company can in turn reduce vehicle weight, thereby helping automaker customers reduce electricity consumption per 100 kilometers and comply with policy requirements in advance.

ESS products: To address the future market for long-duration energy storage of 8 to 12 hours, we plan to develop next-generation large-scale ESS products with higher capacity of over 1,000 Ah, so as to further improve integration efficiency, reduce the cost of battery cells and systems, match AIDC scenarios, and build off-grid long-duration energy storage systems.

Sodium battery products: In response to the potential impact of substantial fluctuations in lithium resource prices on the ESS market in the future, as well as the safety requirements of the ESS market for products, the Company will continue to simultaneously develop sodium battery ESS cells. Leveraging the characteristics of sodium battery products, including long life, high power, high safety, good low-temperature performance and high cost-effectiveness, we will introduce them into energy storage scenarios such as stand-alone power stations and AIDC, as well as segmented markets such as small and medium-sized passenger vehicles, two-wheelers and small power applications.

## OPERATION RESULTS AND ANALYSIS

### Overview

During the Reporting Period, revenue of the Group increased by 57.9% from RMB5,130.3 million for the year ended 31 December 2024 to RMB8,101.0 million for the year ended 31 December 2025; net profit of the Group increased by 788.4% from RMB91.0 million for the year ended 31 December 2024 to RMB808.6 million for the year ended 31 December 2025; and earnings per share of the Company increased by 725.0% from RMB0.04 for the year ended 31 December 2024 to RMB0.33 for the year ended 31 December 2025.

### Key Financial Index

| | For the year ended 31 December | | |
|---|---|---|---|
| | **2025** | 2024 | YOY change |
| | ***RMB'000*** | *RMB'000* | |
| Revenue | **8,100,969** | 5,130,317 | 57.9% |
| Gross profit | **1,491,410** | 748,444 | 99.3% |
| Gross profit margin (%) | **18.4** | 14.6 | / |
| Net profit | **808,550** | 91,014 | 788.4% |
| Net profit margin of sales (%) | **10.0** | 1.8 | / |
| Earnings per share | | | |
| Basic and diluted (RMB) | **0.33** | 0.04 | 725.0% |

The table below is extracted from the consolidated statement of profit or loss and other comprehensive income of the Group, which sets forth the absolute amounts for the years ended 31 December 2024 and 31 December 2025.

**Consolidated Statements of Profit or Loss and Other Comprehensive Income**

| | Year ended 31 December | |
|---|---|---|
| | **2025** | 2024 |
| | ***RMB'000*** | *RMB'000* |
| **REVENUE** | **8,100,969** | 5,130,317 |
| Cost of sales | **(6,609,559)** | (4,381,873) |
| Gross profit | **1,491,410** | 748,444 |
| Other income and gains | **72,305** | 78,738 |
| Selling and marketing expenses | **(32,401)** | (35,769) |
| Administrative expenses | **(352,072)** | (301,459) |
| Research and development expenses | **(520,257)** | (556,165) |
| Impairment losses on financial assets and contract assets, net | **917** | (9,705) |
| Other expenses | **(282,720)** | (14,952) |
| Finance costs | **(127,949)** | (132,585) |
| Share of profits of joint ventures | **359,892** | 302,496 |
| **PROFIT BEFORE TAX** | **609,125** | 79,043 |
| Income tax credit | **199,425** | 11,971 |
| **PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | **808,550** | 91,014 |
| Profit attributable to: | | |
| Owners of the parent | **808,550** | 91,014 |
| **PROFIT PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT** | | |
| Basic and diluted (RMB) | **0.33** | 0.04 |

**Revenue**

Revenue of the Group increased by 57.9% from RMB5,130.3 million for the year ended 31 December 2024 to RMB8,101.0 million for the year ended 31 December 2025, which was mainly attributable to the significant year-on-year increase in delivery volume of EV battery products, facilitating the growth in the Group's sales revenue.

The following table sets forth a breakdown of the Group's revenue by product type during the years indicated, including the absolute amounts and as percentages of total revenue:

| | For the year ended 31 December | | | |
|---|---|---|---|---|
| | **2025** | | 2024 | |
| | **Revenue** | **Percentage of Revenue** | Revenue | Percentage of Revenue |
| | ***RMB'000*** | ***(%)*** | *RMB'000* | *(%)* |
| Item | | | | |
| EV battery | **7,680,508** | **94.8** | 4,663,775 | 90.9 |
| ESS products and others | **420,461** | **5.2** | 466,542 | 9.1 |
| **Total** | **8,100,969** | **100.0** | 5,130,317 | 100.0 |

Revenue from sales of EV batteries of the Group increased by 64.7% from RMB4,663.8 million for the year ended 31 December 2024 to RMB7,680.5 million for the year ended 31 December 2025. Such increase was mainly attributable to favorable market demand and the significant year-on-year increase in delivery volume of EV batteries, which drove the growth in the Group's sales revenue.

Revenue generated from ESS products and others of the Group decreased by 9.9% from RMB466.5 million for the year ended 31 December 2024 to RMB420.5 million for the year ended 31 December 2025, mainly due to the decrease in delivery volume of ESS products as a result of production capacity constraints during the Reporting Period.

**Cost of Sales**

Cost of sales of the Group increased by 50.8% from RMB4,381.9 million for the year ended 31 December 2024 to RMB6,609.6 million for the year ended 31 December 2025, which was primarily attributable to the significant year-on-year increase in delivery volume of EV battery products.

**Gross Profit and Gross Profit Margin**

The following table sets forth the breakdown of gross profit and gross profit margin by product type and downstream application during the periods indicated:

| | For the year ended 31 December | | | |
|---|---|---|---|---|
| | **2025** | | 2024 | |
| Item | **Gross profit *RMB'000*** | **Gross profit margin *(%)*** | Gross profit *RMB'000* | Gross profit margin *(%)* |
| EV battery | **1,449,415** | **18.9** | 708,437 | 15.2 |
| ESS products and others | **41,995** | **10.0** | 40,007 | 8.6 |
| **Total** | **1,491,410** | **18.4** | 748,444 | 14.6 |

Gross profit of the Group increased by 99.3% from RMB748.4 million for the year ended 31 December 2024 to RMB1,491.4 million for the year ended 31 December 2025. Its gross profit margin increased from 14.6% for the year ended 31 December 2024 to 18.4% for the year ended 31 December 2025, representing a year-on-year increase of 3.8 percentage points.

Specifically, gross profit of EV battery increased by 104.6% from RMB708.4 million for the year ended 31 December 2024 to RMB1,449.4 million for the year ended 31 December 2025, and its gross profit margin increased from 15.2% for the year ended 31 December 2024 to 18.9% for the year ended 31 December 2025. The growth in gross profit and gross profit margin was mainly attributable to the Group's enhancement of product yield and capacity utilization through AI closed-loop technology, the gradual realization of scale effects, and the Company's continuous efforts in quality and efficiency improvement and ongoing optimization of cost control measures.

Gross profit of ESS products and others increased from RMB40.0 million for the year ended 31 December 2024 to RMB42.0 million for the year ended 31 December 2025, and its gross profit margin increased from 8.6% for the year ended 31 December 2024 to 10.0% for the year ended 31 December 2025.

**Other Income and Gains**

Other income and gains decreased from RMB78.7 million for the year ended 31 December 2024 to RMB72.3 million for the year ended 31 December 2025.

**Selling and Marketing Expenses**

Selling and marketing expenses decreased from RMB35.8 million for the year ended 31 December 2024 to RMB32.4 million for the year ended 31 December 2025.

**Administrative Expenses**

Administrative expenses increased by 16.8% from RMB301.5 million for the year ended 31 December 2024 to RMB352.1 million for the year ended 31 December 2025, primarily due to the increase in compensation driven by the expansion of the Group's scale and increase in administrative personnel during the Reporting Period, as well as the increase in listing expenses.

**Research and Development Expenses**

Research and development expenses decreased from RMB556.2 million for the year ended 31 December 2024 to RMB520.3 million for the year ended 31 December 2025.

**Impairment Losses on Financial Assets and Contract Assets, Net**

Impairment losses on financial assets and contract assets, net changed from a loss of RMB9.7 million for the year ended 31 December 2024 to a gain of RMB0.9 million for the year ended 31 December 2025, mainly due to the Company's strengthened control over accounts receivable during the Reporting Period, the substantial decrease in overdue accounts receivable, and the reversal of part of the bad debt provisions made in prior years.

**Other Expenses**

Other expenses increased from RMB15.0 million for the year ended 31 December 2024 to RMB282.7 million for the year ended 31 December 2025, mainly due to the provision for certain impairment of the HEV battery cell and module production lines at the Changshu base and the production lines at the Nanjing base during the Reporting Period, as well as the increase in foreign exchange losses.

**Finance Costs**

Finance costs decreased from RMB132.6 million for the year ended 31 December 2024 to RMB127.9 million for the year ended 31 December 2025.

**Share of Profits of Joint Ventures**

Share of profits of joint ventures increased by 19.0% from RMB302.5 million for the year ended 31 December 2024 to RMB359.9 million for the year ended 31 December 2025, mainly due to the increase in the net profit of a joint venture, STAES, resulting in an increase in investment income recognized under the equity method during the Reporting Period.

**Income Tax Credit**

Income tax credit increased from RMB12.0 million for the year ended 31 December 2024 to RMB199.4 million for the year ended 31 December 2025, mainly due to the improvement in the Group's profitability, and the management's recognition of the relevant deferred tax assets to the extent of the estimated future taxable income available for utilization.

**Profit for the Year**

As a result of the foregoing, profit of the Group for the year increased from RMB91.0 million for the year ended 31 December 2024 to RMB808.6 million for the year ended 31 December 2025, representing a year-on-year increase of 788.4%.

**Liquidity and Capital Resources**

For the year ended 31 December 2025, the Group primarily funded its operations through equity financing, debt financing, dividends from joint ventures and cash generated from operating activities.

We monitor our cash balance on a daily basis and review our cash flow on a monthly basis. We also regularly prepare a cash receipts and expenditures plan for the next three months and submit the same to the chief financial officer for approval to ensure we can maintain optimal liquidity levels and meet our working capital needs. We have sufficient liquidity to meet daily cash management and capital expenditure requirements and control internal operating cash flows.

**Cash and Cash Equivalents**

As of 31 December 2025, the Group's cash and cash equivalents amounted to RMB4,182.6 million, mainly including cash and unrestricted bank balances and time deposits, compared to RMB2,199.1 million as of 31 December 2024. The Group's cash and cash equivalents are primarily denominated in RMB.

**Bank and Other Borrowings**

As of 31 December 2025, the Group's interest-bearing bank and other borrowings were approximately RMB5,693.8 million, compared to RMB4,014.5 million as of 31 December 2024. The Group's bank and other borrowings are denominated in RMB. As of 31 December 2025, with the exception of interest-bearing bank and other borrowings totaling approximately RMB750.6 million which bore interest at fixed rates, the remaining borrowings bore interest at floating rates. Of the Group's interest-bearing bank and other borrowings as of 31 December 2025, 32.6% will mature within one year, and the remainder will mature after one year.

**Capital Structure**

As of 31 December 2025, the Group's net assets were RMB8,091.8 million, including current assets of RMB8,904.6 million, non-current assets of RMB12,251.0 million, current liabilities of RMB8,678.6 million, and non-current liabilities of RMB4,385.2 million.

As of 31 December 2025, the Group's gearing ratio (calculated as total liabilities divided by total assets) was 61.8%, compared to 62.2% as of 31 December 2024.

## Cash Flows

For the year ended 31 December 2025, the Group's net cash flow generated from operating activities was RMB1,437.0 million, compared to the net cash flow used in operating activities of RMB361.1 million for the year ended 31 December 2024. For the year ended 31 December 2025, the Group's net cash flow used in investing activities was RMB2,300.4 million, compared to the net cash flow used in investing activities of RMB775.2 million for the year ended 31 December 2024. For the year ended 31 December 2025, the Group's net cash flow from financing activities was RMB2,858.3 million, compared to the net cash flow generated from financing activities of RMB1,298.1 million for the year ended 31 December 2024.

## Interest Rate Risk and Foreign Exchange Risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debts with floating interest rates.

The Group's revenue and expenses are primarily denominated in RMB. We are exposed to foreign exchange risk arising from certain currency exposure (mainly related to Hong Kong dollar, Euro and U.S. dollar). For the year ended 31 December 2025, no financial instruments were used for hedging purposes, and the Group did not commit to using any financial instruments to hedge its exposure to exchange rate risk, as the expected exchange rate risk is not significant. The Directors and senior management of the Group will continue to monitor the foreign exchange exposure and will consider applicable derivatives when necessary.

## Capital Expenditures and Commitments

For the year ended 31 December 2025, the Group incurred capital expenditures of approximately RMB2,600.9 million, which were primarily related to the purchase of property, plant and equipment and the purchase of right-of-use assets and other intangible assets.

As of 31 December 2025, the Group's capital commitments amounted to RMB494.4 million, which were related to property, plant and equipment.

## Restricted Assets

As at 31 December 2025, the Group had restricted assets with a total carrying amount of RMB4,338.6 million, including restricted bank deposits of RMB973.5 million, property, plant and equipment of RMB3,001.6 million and right-of-use assets of RMB363.5 million. These restricted assets were mainly used to secure bank loans and other bank facilities, and issue bank acceptance bills.

**Significant Investments**

As of 31 December 2025, the Group did not hold any significant investments with a value of 5% or more of the Group's total assets, except for joint ventures.

As of 31 December 2025, the Group held 50% of the equity interests in STAES, which is considered a material joint venture of the Group and is accounted for using the equity method. STAES was established as a limited liability company under the laws of the PRC on 12 November 2013, and is primarily engaged in the manufacturing, development and sale of Lithium-Ion and Ni-MH battery packs for use in vehicles. There was no readily available market fair value for this investment as at 31 December 2025. The Group recorded a share of profit of its joint venture, STAES, of RMB342.3 million for the year ended 31 December 2025, compared to a share of profit of RMB293.7 million for the year ended 31 December 2024. For more details, please refer to (i) the paragraphs headed "History, Reorganization and Corporate Structure – Major Acquisition" in the Prospectus, and (ii) Note 9 to the financial information in this annual results announcement.

**Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures**

For the year ended 31 December 2025, the Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures.

**Future Plans for Material Investments or Capital Assets**

Save for the expansion plans disclosed in the sections headed "Business" and "Use of Proceeds" in the Prospectus and as disclosed in this announcement, the Group has no specific plans for material investments or acquisitions of major capital assets or other businesses. However, we will continue to seek new business development opportunities.

**Contingent Liabilities**

As of 31 December 2025, the Group did not have any material contingent liabilities, guarantees, or any pending or threatened material litigation or claims against any member of the Group.

**Subsequent Events**

As of the date of this annual results announcement, the Group has no material subsequent events after 31 December 2025.

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Notes | **2025** ***RMB'000*** | 2024 *RMB'000* |
|---|---|---|---|
| **REVENUE** | *4* | **8,100,969** | 5,130,317 |
| Cost of sales | | **(6,609,559)** | (4,381,873) |
| Gross profit | | **1,491,410** | 748,444 |
| Other income and gains | | **72,305** | 78,738 |
| Selling and marketing expenses | | **(32,401)** | (35,769) |
| Administrative expenses | | **(352,072)** | (301,459) |
| Research and development expenses | | **(520,257)** | (556,165) |
| Impairment losses on financial assets and contract assets, net | | **917** | (9,705) |
| Other expenses | | **(282,720)** | (14,952) |
| Finance costs | | **(127,949)** | (132,585) |
| Share of profits of joint ventures | | **359,892** | 302,496 |
| **PROFIT BEFORE TAX** | | **609,125** | 79,043 |
| Income tax credit | *6* | **199,425** | 11,971 |
| **PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | | **808,550** | 91,014 |
| Profit attributable to: | | | |
| Owners of the parent | | **808,550** | 91,014 |
| **EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT** | | | |
| Basic and diluted (RMB) | *8* | **0.33** | 0.04 |

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | Notes | **31 December 2025** ***RMB'000*** | 31 December 2024 *RMB'000* |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | | **7,604,958** | 5,704,152 |
| Right-of-use assets | | **505,749** | 226,422 |
| Goodwill | | **1,277** | 1,277 |
| Other intangible assets | | **354,166** | 423,079 |
| Investments in joint ventures | *9* | **3,510,598** | 3,467,173 |
| Deferred tax assets | | **186,621** | – |
| Prepayments, other receivables and other assets | | **87,584** | 39,812 |
| Total non-current assets | | **12,250,953** | 9,861,915 |
| **CURRENT ASSETS** | | | |
| Inventories | | **1,226,780** | 678,712 |
| Trade and bills receivables | *10* | **1,699,741** | 1,623,305 |
| Bills receivables at fair value through other comprehensive income | | **342,986** | 92,936 |
| Contract assets | | **2,201** | 5,144 |
| Prepayments, other receivables and other assets | | **264,159** | 73,361 |
| Financial assets at fair value through profit or loss | | **108,979** | – |
| Restricted bank balances | | **973,490** | 957,804 |
| Time deposits | | **103,722** | 101,982 |
| Cash and cash equivalents | | **4,182,585** | 2,199,072 |
| Total current assets | | **8,904,643** | 5,732,316 |
| **CURRENT LIABILITIES** | | | |
| Trade and bills payables | *11* | **5,014,434** | 3,742,586 |
| Other payables and accruals | *12* | **1,676,466** | 1,427,848 |
| Contract liabilities | | **38,684** | 14,756 |
| Interest-bearing bank and other borrowings | | **1,858,474** | 1,245,825 |
| Lease liabilities | | **31,216** | 30,397 |
| Tax payable | | **–** | 266 |
| Provision | | **59,346** | 35,003 |
| Total current liabilities | | **8,678,620** | 6,496,681 |
| **NET CURRENT ASSETS/(LIABILITIES)** | | **226,023** | (764,365) |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **12,476,976** | 9,097,550 |

| | Notes | 31 December 2025 *RMB'000* | 31 December 2024 *RMB'000* |
|---|---|---|---|
| **NON-CURRENT LIABILITIES** | | | |
| Interest-bearing bank and other borrowings | | **3,835,312** | 2,768,659 |
| Lease liabilities | | **114,049** | 146,034 |
| Provision | | **366,018** | 227,741 |
| Deferred income | | **24,636** | – |
| Deferred tax liabilities | | **45,190** | 57,994 |
| Total non-current liabilities | | **4,385,205** | 3,200,428 |
| Net assets | | **8,091,771** | 5,897,122 |
| **EQUITY** | | | |
| Equity attributable to owners of the parent | | | |
| Share capital | *13* | **2,554,421** | 2,386,976 |
| Reserves | | **5,537,350** | 3,510,146 |
| **Total equity** | | **8,091,771** | 5,897,122 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. CORPORATE AND GROUP INFORMATION

The Company was registered in the People's Republic of China ("**PRC**") with limited liability on 26 February 2019 and was converted into a joint stock company on 17 July 2024. The registered office of the Company is located at No. 68 Xin'anjiang Road, Dongnan Community, Changshu, Jiangsu Province, PRC.

During the year, the Company and its subsidiaries were principally engaged in the development of a multi-pathway portfolio of market-driven and technology-fueled battery products.

## 2. ACCOUNTING POLICIES

### 2.1 Basis of Preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Accounting Standards ("**IASs**") and interpretations) as issued by the International Accounting Standards Board (the "**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for bills receivables at fair value through other comprehensive income and financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

***Basis of consolidation***

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

(b) rights arising from other contractual arrangements; and

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

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

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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

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

## 2.2 Changes in Accounting Policies and Disclosures

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. They illustrate how entities report the effects of uncertainties in the financial statements by using climate-related scenarios related to impairment testing, credit risk, decommissioning and site restoration provisions, addressing topics such as materiality judgements, significant judgements and estimates, and aggregation and disaggregation. The Group have considered these examples, and the amendments to Illustrative Examples did not have any impact on the Group's financial statements.

## 2.3 Issued but not yet Effective IFRS Accounting Standards

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

| | |
|---|---|
| IFRS 18 | *Presentation and Disclosure in Financial Statements*[2] |
| IFRS 19 and its amendments | *Subsidiaries without Public Accountability: Disclosures*[2] |
| Amendments to IFRS 9 and IFRS 7 | *Amendments to the Classification and Measurement of Financial Instruments*[1] |
| Amendments to IFRS 9 and IFRS 7 | *Contracts Referencing Nature-dependent Electricity*[1] |
| Amendments to IFRS 10 and IAS 28 | *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3] |
| Amendments to IAS 21 | *Translation to a Hyperinflationary Presentation Currency*[2] |
| *Annual Improvements to IFRS Accounting Standards – Volume 11* | *Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[1] |

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual/reporting periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

Further information about those IFRS Accounting Standards that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. Based on a preliminary assessment, the adoption of IFRS 18 is not expected to have any impact on the Group's results of operations and financial position but has impact on the presentation and disclosure of the Group's financial statements.

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRS Accounting Standards. IFRS 19 was amended in 2025 to (i) remove disclosure objectives from IFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to IFRS 18 for entities that use these measures. Earlier application is permitted. Based on a preliminary assessment, IFRS 19 and its amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of the initial application. Earlier application is permitted. The amendments to IFRS 9 and IFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB. However, the amendments are available for adoption now. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency* require the translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29 *Financial Reporting in Hyperinflationary Economies*, to the foreign operation's comparative figures. The amendments introduce certain additional disclosures. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

*Annual Improvements to IFRS Accounting Standards – Volume 11* set out amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 7 *Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IAS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

## 3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the development of a multi-pathway portfolio of market-driven and technology-fueled battery products. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

**Geographical information**

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Chinese mainland | **8,084,728** | 5,093,866 |
| European Union | **14,172** | 779 |
| Other countries/regions | **2,069** | 35,672 |
| Total | **8,100,969** | 5,130,317 |

The geographical location of customers is based on the location at which the customers operate.

Almost all the non-current assets of the Group are physically located in the Chinese mainland.

**Information about major customers**

The revenue generated from sales to customers which individually amounted to more than 10% of the Group's total revenue during the reporting period is set out below:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Customer A | **2,351,054** | 1,462,322 |
| Customer B | **1,500,246** | * |
| Customer C | **1,272,233** | 1,160,950 |
| Customer D | **1,139,375** | 566,554 |
| Customer E | **807,743** | 1,076,672 |

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

## 4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Revenue from contracts with customers | **8,100,969** | 5,130,317 |

**Revenue from contracts with customers**

***(a) Disaggregated revenue information***

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Types of goods** | | |
| Power Battery | **7,680,508** | 4,663,775 |
| Nickel-cobalt-manganese ternary materials | **758,599** | 1,357,268 |
| Lithium iron phosphate | **6,921,909** | 3,306,507 |
| Energy Storage System | **109,311** | 213,409 |
| Others* | **311,150** | 253,133 |
| Total revenue from contracts with customers | **8,100,969** | 5,130,317 |

* Primarily include sales of down-grade products and waste materials sales.

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Timing of revenue recognition** | | |
| Transferred at a point in time | **8,100,969** | 5,130,317 |

The following table shows the amounts of revenue recognised in the reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Revenue recognised that was included in contract liabilities at the beginning of the reporting period: | **14,756** | 44,662 |

***(b) Performance obligations***

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

*Sales of products*

The performance obligation is satisfied upon acceptance and payment generally varies from 30 days to 90 days.

All amounts of transaction prices allocated to the performance obligations of sales of goods are expected to be recognised as revenue within one year. The Group has no significant unsatisfied performance obligations arising from revenue contracts that have an original expected duration more than one year, thus management applied practical expedient under IFRS 15 and is not disclosing the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied or partially satisfied at the end of the reporting period.

An analysis of other income and gains is as follows:

| | 2025<br>*RMB'000* | 2024<br>*RMB'000* |
|---|---|---|
| **Other income** | | |
| Government grants | **38,505** | 38,387 |
| Interest income | **31,314** | 37,426 |
| Others | **1,894** | 1,754 |
| Total other income | **71,713** | 77,567 |
| **Gains** | | |
| Investment income and fair value gains on wealth management products | **592** | 205 |
| Foreign exchange gains, net | **–** | 966 |
| Total gains | **592** | 1,171 |
| Total other income and gains | **72,305** | 78,738 |

## 5. PROFIT BEFORE TAX

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

| | 2025<br>*RMB'000* | 2024<br>*RMB'000* |
|---|---|---|
| Cost of inventories sold* | **6,591,245** | 4,326,476 |
| Depreciation of property, plant and equipment | **636,647** | 497,298 |
| Depreciation of right-of-use assets | **40,570** | 32,902 |
| Amortisation of other intangible assets | **81,895** | 78,742 |
| Research and development expenses* | **520,257** | 556,165 |
| Listing expenses | **37,802** | 29,285 |
| Auditor's remuneration | **3,100** | 300 |
| Lease payments not included in the measurement of lease liabilities | **16,046** | 13,299 |
| Employee benefit expense (including directors' and supervisors' remuneration): | | |
| Wages, salaries and other allowances | **735,214** | 501,861 |
| Pension scheme contributions and social welfare | **173,370** | 158,286 |
| Share-based payment expenses | **31,675** | 58,875 |
| Impairment losses on property, plant and equipment** | **235,776** | – |
| Impairment losses on financial assets and contract assets, net | **(917)** | 9,705 |
| Impairment losses on inventories | **18,314** | 55,397 |
| Foreign exchange losses/(gains), net | **21,271** | (966) |
| Provision | **194,743** | 109,170 |
| Losses on disposal of items of property, plant and equipment and other intangible assets | **13,306** | 8,797 |
| Investment income and fair value gains on wealth management products | **(592)** | (205) |
| Interest income | **(31,314)** | (37,426) |

* Cost of inventories sold and research and development expenses include expenses relating to staff cost, depreciation and amortisation expenses and impairment losses on inventories, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** The impairment losses on property, plant and equipment are included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

## 6. INCOME TAX

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

**Chinese mainland**

The subsidiaries established in Chinese mainland are subject to tax at the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law.

The Company was qualified as a High and New Technology Enterprise in 2022 and was entitled to a preferential tax rate of 15% from 2022 to 2024. The certificate was renewed in 2025 that the Company entitled to the preferential tax rate of 15% from 2025 to 2027.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Current income tax | **–** | 336 |
| Deferred tax credit | **(199,425)** | (12,307) |
| Total tax credit for the year | **(199,425)** | (11,971) |

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and its subsidiaries are domiciled and/or operate to the tax credit at the effective tax rate is as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Profit before tax | **609,125** | 79,043 |
| Tax at the statutory tax rate of 25% | **152,281** | 19,761 |
| Effect of preferential tax rates | **(42,748)** | (11,035) |
| Profit and losses attributable to joint ventures | **(80,836)** | (46,258) |
| Expenses not deductible for tax *(a)* | **5,595** | 12,761 |
| Super deduction on research and development expenses *(b)* | **(58,315)** | (70,952) |
| Deductible temporary differences not recognised | **35,321** | 15,287 |
| Recognition of previously unrecognised tax losses and temporary differences | **(224,674)** | (49,555) |
| Tax losses not recognised | **13,951** | 118,020 |
| Tax credit at the Group's effective tax rate | **(199,425)** | (11,971) |

(a) Expenses not deductible for tax mainly represent share-based payments expenses and certain other costs and expenses, which all are not deductible in accordance with relevant tax regulations in the PRC.

(b) Super deductible allowance was for qualified research and development costs. According to the relevant laws and regulations promulgated by the State Taxation Administration of the PRC, enterprises engaging in research and development activities are entitled to claim 200% of their research and development costs so incurred as tax deductible expenses when determining their assessable profits.

## 7. DIVIDENDS

No dividends have been paid or declared by the Company during the year.

## 8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The basic profit per share is calculated by dividing the profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

No adjustment has been made to the basic earnings per share amount presented for the year in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The weighted average number of ordinary shares outstanding used in 2024 was determined assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:1 as upon transformation into a joint stock company on 17 July 2024.

The calculations of basic and diluted earnings per share are based on:

| | **2025** | 2024 |
|---|---|---|
| Profit attributable to owners of the parent (RMB'000) | **808,550** | 91,014 |
| Weighted average number of ordinary shares outstanding | **2,482,429,066** | 2,313,018,766 |
| Basic and diluted earnings per share (expressed in RMB per share) | **0.33** | 0.04 |

## 9. INVESTMENTS IN JOINT VENTURES

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Share of net assets | **628,392** | 584,967 |
| Goodwill on acquisition | **2,882,206** | 2,882,206 |
| Total | **3,510,598** | 3,467,173 |

## 10. TRADE AND BILLS RECEIVABLES

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Trade receivables | **2,070,418** | 1,860,219 |
| Commercial acceptance bills receivables | **–** | 2,003 |
| Bank acceptance bills receivables | **248,999** | 385,149 |
| | **2,319,417** | 2,247,371 |
| Impairment | **(619,676)** | (624,066) |
| Net carrying amount | **1,699,741** | 1,623,305 |

The Group's trading terms with its customers are mainly on credit. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk.

The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the Group's trade and bills receivables, based on recognition date and net of loss allowance, as at the end of the reporting period is as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Within 3 months | **1,472,791** | 1,415,189 |
| 3 to 6 months | **224,833** | 196,026 |
| 6 months to 1 year | **1,842** | 4,882 |
| 1 to 2 years | **275** | 7,208 |
| Total | **1,699,741** | 1,623,305 |

The movements in the impairment losses on trade and bills receivables are as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| At beginning of year | **624,066** | 616,832 |
| Impairment losses recognised | **(3,750)** | 9,131 |
| Amounts written off as uncollectible | **(640)** | (1,897) |
| At end of year | **619,676** | 624,066 |

The bills receivables held by the Group were mostly issued by reputable banks and with short-term maturity. Accordingly, the identified impairment loss was assessed to be minimal as at the end of the reporting period.

## 11. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on recognition date, is as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Within 1 year | **5,014,434** | 3,741,138 |
| 1 to 2 years | **–** | 1,394 |
| 2 to 3 years | **–** | 54 |
| Total | **5,014,434** | 3,742,586 |

The trade payables are non-interest-bearing and are normally settled in 30 to 90 days upon receipt of the value-added tax invoice.

The Group entered into supplier finance arrangements with China Construction Bank Corporation Changshu Branch, Shanghai Pudong Development Bank Co., Ltd. Suzhou Branch, Zhejiang Merchants Bank Co., Ltd. Changshu Branch and China CITIC Bank Suzhou Branch, together as the factoring companies. Under these supplier finance arrangements, the Group's suppliers can elect to have their undue trade receivables from the Group factored by the factoring companies. Upon the Group's approval, the suppliers will sign accounts receivables transfer agreements with the factoring companies, whereby their corresponding accounts receivables transfer from the Group to the factoring companies. The factoring companies will pay the suppliers directly for the factored receivables. The Group will subsequently make payments to the factoring companies to settle the factored accounts receivables.

The financial liabilities that are part of the supplier finance arrangements are included in trade and bills payables.

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Carrying amount of financial liabilities that are part of the supplier finance arrangements included in trade and bills payables | **69,648** | 16,600 |
| Of which suppliers have received payments | **69,648** | 16,600 |

For the financial liabilities that are part of the supplier finance arrangements are included in trade and bills payables, there were no significant non-cash changes in the carrying amounts of these financial liabilities.

As at 31 December 2025, the Group's certain bills payables were secured by the pledged deposits amounting to RMB969,011,000 (2024: RMB953,254,000).

## 12. OTHER PAYABLES AND ACCRUALS

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Payables for purchase of property, plant and equipment | **1,392,012** | 1,160,950 |
| Payroll and welfare payable | **139,043** | 63,117 |
| Accrued listing expenses | **–** | 11,569 |
| Accrued expenses | **55,386** | 45,251 |
| Other tax payables | **33,795** | 10,409 |
| Other payables | **56,230** | 27,985 |
| Due to related parties | **–** | 108,567 |
| Total | **1,676,466** | 1,427,848 |

Other payables are non-interest-bearing, unsecured and have no fixed terms of settlement.

## 13. SHARE CAPITAL

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Issued and fully paid: | | |
| Share capital | **2,554,421** | 2,386,976 |

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

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| At the beginning of the year | **2,386,976** | – |
| Conversion into a joint stock company | **–** | 2,255,935 |
| Shareholders' capital contribution | **–** | 131,041 |
| Issuance of ordinary shares related to the initial public offering | **121,524** | – |
| Issuance of ordinary shares under general mandate | **45,921** | – |
| At the end of the year | **2,554,421** | 2,386,976 |

In July 2024, the Company issued 131,041,251 shares with a value of RMB7.63 each to 5 investors (collectively, the "**Series B Investors**") with a cash consideration of an aggregate amount of RMB1,000,000,000. The total proceeds were received in 2024, with approximately RMB131,041,251 and RMB868,958,749 credited to the Company's share capital and share premium, respectively.

In connection with the listing of the shares of the Company on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), 121,523,700 ordinary shares of RMB1.00 each were issued at a price of HKD8.27 per share for a total cash consideration, before expenses, of approximately HKD1,005,000,000 (equivalent to RMB934,100,000). Dealings in the shares of the Company on the Stock Exchange commenced on 14 April 2025.

In October 2025, 45,921,000 ordinary shares of RMB1.00 each were issued at a price of HKD10.98 per share for a total cash consideration, before expenses, of approximately HKD504,213,000 (equivalent to RMB460,175,000).

## 14. EVENTS AFTER THE RELEVANT YEARS

There are no significant events subsequent to 31 December 2025.

## USE OF PROCEEDS

### Use of Proceeds from the Global Offering

The Company's H Shares were listed on the Stock Exchange on 14 April 2025. The Company received net proceeds of approximately HK$927.5 million from the Global Offering. As of 31 December 2025, the Group had utilized approximately HK$653.6 million of the net proceeds from the Global Offering in accordance with the relevant disclosures in the Prospectus, and the remaining unutilized net proceeds amounted to approximately HK$273.9 million. Details are set out in the table below:

| Item | | | Approximate percentage of total net proceeds | Allocation of net proceeds *(HK$ million)* | Net proceeds utilized from the Listing Date to 31 December 2025 *(HK$ million)* | Net proceeds utilized as of 31 December 2025 *(HK$ million)* | Unutilized balance of net proceeds as of 31 December 2025 *(HK$ million)* | Proposed timeline for utilizing unutilized net proceeds |
|---|---|---|---|---|---|---|---|---|
| 1 | **Expansion of our production capacity and construction of intelligent manufacturing facilities and flexible manufacturing lines** | | 80.0% | 741.9 | 483.1 | 483.1 | 258.8 | |
| | (1) | Construction, equipment purchases and preparation costs in relation to the construction of Phase I of the new production facility in Changshu | 44.0% | 408.1 | 408.1 | 408.1 | – | |
| | (2) | Construction, equipment purchases and preparation costs in relation to the construction of Phase II of the new Changshu production facility | 36.0% | 333.8 | 75.0 | 75.0 | 258.8 | Before 31 December 2027 |
| 2 | **Various R&D activities** | | 10.0% | 92.8 | 77.7 | 77.7 | 15.1 | |
| | (1) | Exploring various new battery electrochemistries and advanced materials | 5.0% | 46.4 | 31.3 | 31.3 | 15.1 | Before 31 December 2027 |
| | (2) | Optimizing the next-generation intelligent manufacturing capabilities to improve manufacturing efficiency and product quality, such as root cause analysis system, contactless vision system, quality system for winding and coating, and multi-layer coating technology | 1.5% | 13.9 | 13.9 | 13.9 | – | |
| | (3) | Development of high-power battery cells and battery systems for application in low-altitude economy scenarios and related industries | 1.5% | 13.9 | 13.9 | 13.9 | – | |
| | (4) | Further developing semi-solid-state and solid-state battery products and technologies, which improves thermal stability and battery safety | 1.0% | 9.3 | 9.3 | 9.3 | – | |
| | (5) | Development of high energy density ultra-fast charging battery products and technologies, focusing on the standardized battery cells, platformed battery packs and diversified electrochemistries and advanced materials to improve battery performance in terms of charging speed | 1.0% | 9.3 | 9.3 | 9.3 | – | |
| 3 | **Providing funding for working capital and other general corporate purposes** | | 10.0% | 92.8 | 92.8 | 92.8 | – | |
| **Total** | | | **100.0%** | **927.5** | **653.6** | **653.6** | **273.9** | |

The Group will utilize the net proceeds from the Global Offering for the proposed purposes as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

## Use of Proceeds from the Placing

The Company completed the Placing of new H Shares under the general mandate on the Stock Exchange on 24 October 2025. The Company received net proceeds of approximately HK$500.4 million from the placing. As of 31 December 2025, the Group had utilized approximately HK$70.3 million of the net proceeds from the Placing in accordance with the relevant disclosures in the announcements of the Company dated 17 October 2025 and 24 October 2025, and the remaining unutilized net proceeds amounted to approximately HK$430.1 million. Details are set out in the table below:

| Item | | Approximate percentage of total net proceeds | Allocation of net proceeds *(HK$ million)* | Net proceeds utilized from the date of the Placing to 31 December 2025 *(HK$ million)* | Net proceeds utilized as of 31 December 2025 *(HK$ million)* | Unutilized balance of net proceeds as of 31 December 2025 *(HK$ million)* | Proposed timeline for utilizing unutilized net proceeds |
|---|---|---|---|---|---|---|---|
| **1** | **To support the Group's construction, equipment purchases and preparation costs in relation to the construction of Phase II of the new Changshu production facility** | 70.0% | **350.3** | | | | |
| | (1) used for the construction of factories, manufacturing lines and supportive warehouses | 24.5% | **122.6** | **–** | **–** | **122.6** | Before 31 December 2027 |
| | (2) used for the purchase and installation of production equipment, storage equipment, control systems and equipment | 42.0% | **210.2** | **–** | **–** | **210.2** | Before 31 December 2027 |
| | (3) used for preliminary production preparation, trial production and other expenses | 3.5% | **17.5** | **–** | **–** | **17.5** | Before 31 December 2027 |
| **2** | **Pilot production line construction of all-solid-state batteries** | 10.0% | **50.0** | **–** | **–** | **50.0** | Before 31 December 2027 |
| **3** | **Research and development activities** | 10.0% | **50.0** | **20.2** | **20.2** | **29.8** | Before 31 December 2027 |
| **4** | **Working capital and general corporate purposes** | 10.0% | **50.0** | **50.0** | **50.0** | **–** | |
| **Total** | | **100.0%** | **500.4** | **70.3** | **70.3** | **430.1** | |

The Group will utilize the net proceeds from the Placing for the proposed purposes as set out in the paragraph headed "Use of Proceeds from the Placing" in the announcement of the Company dated 24 October 2025.

## OTHER INFORMATION

### Compliance with the Corporate Governance Code

The Company recognizes the importance of maintaining and promoting sound corporate governance. The principles of the Company's corporate governance are to promote effective internal control measures, to ensure that its business and operations are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to the Company and its Shareholders. The Company has adopted the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance since the Listing Date.

The Board is of the view that the Company has complied with the applicable code provisions of the CG Code throughout the period from the Listing Date to 31 December 2025.

### Compliance with the Model Code for Securities Transactions by Directors and Supervisors

The Company has developed the Management System for Directors, Supervisors, Senior Management and Employees to Hold and Trade the Company's Shares (the "**Company Code**") for securities transactions by the Directors, Supervisors, senior management and relevant employees who are likely to be in possession of unpublished inside information of the Company on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules. Following specific enquiry by the Company, all Directors and Supervisors have confirmed they have complied with the Company Code and, therefore, with the Model Code throughout the period from the Listing Date to 31 December 2025.

### Purchase, Sale or Redemption of Listed Securities of the Company

From the Listing Date to 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including the sale of treasury shares) of the Company. As at 31 December 2025, the Company did not hold any treasury shares.

### Dividend

The Board did not recommend the distribution of a final dividend for the year ended 31 December 2025.

### Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision D.3.3 of the CG Code. The Audit Committee consists of three Directors, namely Mr. Gong Zhengliang, Ms. Xiao Min and Mr. Zhang Li. Currently, Mr. Gong Zhengliang is the chairman of the Audit Committee, and he has the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2025 and has confirmed that the annual results to be in compliance with all applicable accounting principles, standards and requirements and that adequate disclosures have been made. The Audit Committee has also discussed auditing and financial reporting matters adopted by the Company and internal control with our senior management and the Company's external auditor, Ernst & Young.

## SCOPE OF WORK OF ERNST & YOUNG

The financial information of the Group for the year ended 31 December 2025 set out in this announcement does not constitute the Group's audited accounts for the year ended 31 December 2025, but represents an extract from the consolidated financial statements for the year ended 31 December 2025 which have been audited by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. The financial information of the Group for the year ended 31 December 2025 has been reviewed by the Audit Committee and approved by the Board.

## PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at **www.hkexnews.hk** and on the website of the Company at **www.zenergy.cn**. The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be dispatched to the Shareholders in due course (if applicable) and will be published on the above websites in due course.

## DEFINITIONS

In this results announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

| | |
|---|---|
| ""5-3-1" R&D strategy" | Our research and development strategy, under which our research institute is responsible for analyzing and preparing for the development trends in battery material and related technologies of the next five years; our platform center is responsible for establishing the requisite R&D platform and capabilities to carry out the relevant R&D work for the next three years; and our product center is responsible for designing the detailed technologies and product specs for battery products for launch in the next one year |
| "15th Five-Year Plan" | the 15th Five-Year Plan for National Economic and Social Development of the People's Republic of China |
| "Ah" | Amp-hour, battery capacity unit |
| "associate(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Audit Committee" | the audit committee of the Board |
| "BEV" | Battery electric vehicle, a type of vehicle propelled entirely by battery-powered electric motors, without using internal combustion engines |
| "Board" | the board of Directors of the Company |

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| "C" or "C-rate" | Charge or discharge rate, which refers to the rate at which a battery is charged or discharged relative to its total capacity and is an industry term. A charging current of 2C, 3C, 4C, 6C, and 12C implies that the battery can be fully charged in 1/2, 1/3, 1/4, 1/6 and 1/12 of an hour, respectively |
| "CABIA" | China Automotive Battery Innovation Alliance |
| "Cell" | Battery cell |
| "CG Code" or "Corporate Governance Code" | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules |
| "China" or "PRC" | the People's Republic of China, for the purposes of this announcement and for geographical reference only, unless otherwise indicated, excluding Hong Kong, Macao Special Administrative Region of the People's Republic of China, and Taiwan Region |
| "Company" or "the Company" | Jiangsu Zenergy Battery Technologies Group Co., Ltd. (江蘇正力新能電池技術股份有限公司), a limited liability company incorporated in the PRC on 26 February 2019 as Jiangsu Zenergy Battery Technology Company Limited (江蘇正力新能電池技術有限公司) and converted into a joint stock company with limited liability on 17 July 2024 |
| "CPC" | the Communist Party of China |
| "cycle life" or "life cycle" | refers to the number of times (or cycles) that the EV or ESS battery can undergo the process of complete charging and discharging until the end of its life, and the end life of an EV or ESS battery generally indicates that the available capacity of the battery has decayed to 80% or 70% of its designed capacity |
| "Director(s)" | the director(s) of the Company |
| "energy density" | The amount of energy that can be contained in a battery relative to its volume or weight, expressed in Wh/L or Wh/kg |
| "EREV" | Extended-range electric vehicle, a type of electric vehicle (EV) that primarily operates as a battery electric vehicle (BEV) but includes a small internal combustion engine (ICE) or generator to extend the vehicle's driving range when the battery is depleted |
| "ESS" | energy storage system, a device that can store and output power, consisting of multiple subsystems such as battery system and energy management system |
| "EUR" | euro, the lawful currency of European countries |

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| "EV" or "electric vehicle" | new energy vehicles, mainly comprising battery electric vehicles and plug-in hybrid electric vehicles |
| "GB 38031-2025" | PRC National Standard: "Electric vehicles traction battery safety requirements", which was issued on 28 March 2025 |
| "Global Offering" | the Hong Kong public offering and the international offering, the details of which are set out in the Prospectus |
| "gravimetric energy density" | Gravimetric energy density measures the amount of energy stored in a battery relative to its weight, typically expressed in watt-hours per kilogram (Wh/kg). Higher gravimetric energy density means the battery can store more energy for its weight, which is crucial for applications like electric vehicles where weight impacts performance and efficiency |
| "Group" or "we" or "our" or "us" | the Company and its subsidiaries |
| "GWh" | a unit of electricity, 1 GWh=1,000,000 KWh |
| "H Share(s)" | listed ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the Hong Kong Stock Exchange |
| "HEV" | Hybrid electric vehicle, a type of vehicle that combines a conventional internal combustion engine (ICE) with an electric motor and battery to improve fuel efficiency and reduce emissions |
| "HK$" or "HKD" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Hong Kong Stock Exchange" or "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "IFRS" | the International Financial Reporting Standards |
| "installed capacity" or "installation" | the volume of battery products installed in EVs or ESSs, usually expressed in electricity unit of GWh, MWh, or KWh |
| "iron phosphate" | Iron phosphate, also known as high iron phosphate and iron orthophosphate, with molecular formula FePO4, is a white, off-white monoclinic crystal powder, and is a compound used to synthesize lithium iron phosphate battery cathode materials |

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| "LFP" | a lithium-ion battery that uses lithium iron phosphate (LiFePO4) as the cathode material |
| "LISA" | interconnected land, sea and air application scenarios for our battery products |
| "Listing" | the listing of the H Shares on the Main Board of the Stock Exchange |
| "Listing Date" | 14 April 2025, the date on which the Shares were listed and permitted to deal on the Hong Kong Stock Exchange |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time |
| "Model Code" | the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules |
| "MWh" | a unit of electricity, 1 MWh=1,000 KWh |
| "NCM" | a type of lithium-ion battery chemistry that uses a combination of Nickel (Ni), Cobalt (Co), and Manganese (Mn) as key materials in the cathode. Given different ratios of nickel, cobalt, and manganese, it can be classified into NCM523, NCM613, NCM811, etc. |
| "Ni-MH" | Nickel metal hydride, a type of rechargeable battery commonly used in various applications, including hybrid electric vehicles (HEVs), consumer electronics, and power tools. It is named after the materials used in its composition: nickel oxide hydroxide (NiOOH) as the positive electrode (cathode) and a hydrogen-absorbing alloy as the negative electrode (anode) |
| "OEM" | automotive original equipment manufacturer |
| "PHEV" | Plug-in hybrid electric vehicle (including REV), a type of vehicle that combines a battery-powered electric motor with an internal combustion engine (ICE) |
| "Placing" | the placing of 45,921,000 H Shares pursuant to the terms of the conditional placing agreement entered into between the Company and CLSA Limited dated 17 October 2025 |
| "Prospectus" | the prospectus of the Company dated 3 April 2025 |
| "R&D" | research and development |
| "Renminbi" or "RMB" | the lawful currency of the PRC |

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| "Reporting Period" or "Year" | the period commencing from 1 January 2025 and ending on 31 December 2025 |
| "Share(s)" | ordinary share(s) of the Company with a nominal value of RMB1.00 each, comprising H share(s) and unlisted share(s) |
| "Shareholders" | holder(s) of Share(s) |
| "Solid electrolyte" | A new type of electrolyte in which the electrolyte changes from liquid to solid. According to the content of the electrolyte, it is divided into semi-solid electrolyte, solid electrolyte, etc. |
| "STAES" | Sinogy Toyota Automotive Energy System Co., Ltd. (新中源豐田汽車能源系統有限公司), a limited liability company incorporated in the PRC on 12 November 2013, owned by (i) our Company as to 50%; (ii) Toyota Motor Corporation (a company listed on Tokyo Stock Exchange and Nagoya Stock Exchange (stock code: 7203), on New York Stock Exchange (ticker: TM) and on London Stock Exchange (stock code: TYT)) as to 35%; (iii) Toyota Battery Co., Ltd. (豐田電池有限公司) (formerly known as Primearth EV Energy 株式會社) as to 10%; and (iv) Toyota Motor (China) Investment Co., Ltd. (豐田汽車(中國)投資有限公司) as to 5% |
| "state of charge" or "SOC" | the current level of charge in a battery compared to its capacity, expressed as a percentage. For example, reaching 80% state of charge means the battery is charged to 80% of its total capacity |
| "subsidiary(ies)" | has the meaning ascribed to it under the Listing Rules |
| "Supervisor(s)" | the supervisor(s) of the Company |
| "thermal propagation" | Sequential occurrence of thermal runaway within a battery system triggered by thermal runaway of a cell in that battery system |
| "treasury shares" | has the meaning ascribed to it under the Listing Rules |
| "TWh" | a unit of electricity, 1 TWh=1,000,000,000 KWh |
| "UPS" | an uninterruptible power supply with energy storage device |
| "V" | Basic unit of voltage |
| "volumetric energy density" | The amount of energy that can be contained in a battery relative to its volume, expressed in watt-hours per liter (Wh/L). It indicates how much energy can be packed into a given space, important for applications with size constraints like portable electronics or certain vehicle designs |

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| "Wh/kg" | Watt hour/kilogram |
| "%" | per cent |

By order of the Board
**Jiangsu Zenergy Battery Technologies Group Co., Ltd.**
**Ms. Cao Fang**
*Chairperson of the Board and Executive Director*

Changshu, the PRC, 30 March 2026

*As of the date of this announcement, the Board of the Company comprises: (i) Ms. Cao Fang, Mr. Chen Jicheng and Mr. Yu Zhexun as executive Directors; (ii) Mr. Zhang Li as non-executive Director; and (iii) Mr. Xu Zhiming, Mr. Gong Zhengliang and Ms. Xiao Min as independent non-executive Directors.*