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Breton Technology Co., Ltd.

博雷頓科技股份有限公司

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

(Stock code: 1333)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

The Board is pleased to announce the consolidated annual results of the Group for the year ended December 31, 2025, together with comparative figures for the year ended December 31, 2024.

FINANCIAL HIGHLIGHTS

	For the year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Revenue	779,483	635,457
Gross profit	86,174	36,839
Gross profit margin	11.1%	5.8%
Loss before taxation	280,157	274,457
Loss for the year	318,202	274,547

For the year ended December 31, 2025, the Group's revenue was RMB779.5 million, representing a year-on-year increase of 22.7%; our gross profit was RMB86.2 million, representing a year-on-year increase of 133.9%; our gross profit margin was 11.1%, representing an increase of 5.3 percentage points compared with 2024; our loss for the period was RMB318.2 million, representing a year-on-year increase of 15.9%, such year-on-year increase in loss was mainly due to the increase in impairment losses on trade and other receivables, contract assets and financial guarantees issued, as well as the increase in provision for income tax expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview of Results

About Us

Breton is a comprehensive solution provider focusing on zero-carbon and smart mines, committed to building a one-stop green and intelligent operation system for global mining customers. With electrification and intelligence as its core directions, the Company deeply integrates its design, research and development (“**R&D**”) and manufacturing capabilities to develop electric construction machinery capable of autonomous operation, while providing intelligent operation technologies and photovoltaic (“**PV**”) energy storage services, establishing a full-industry-chain value ecosystem covering “energy supply – equipment application – intelligent driving”.

Relying on its technological accumulation and industry insights from early deep cultivation in the mining equipment sector, the Company has become a leading manufacturer of battery-electric wide-body dump trucks and battery-electric loaders, establishing a leading position in the industry. According to CIC data, from 2022 to 2024, the Company ranked first globally for three consecutive years in shipments of battery-electric wide-body dump trucks with a battery capacity exceeding 650kWh, demonstrating a sustained leading market competitiveness in its core products. In the field of unmanned mining operations, the Company has continuously increased investment in technological R&D and taken the lead in achieving industrial breakthroughs. According to CIC data, the Company is the first manufacturer in China to launch battery-electric mining wide-body dump trucks equipped with autonomous operation systems and battery-electric loaders with remote operation technology to the market, providing key equipment support for the intelligent transformation of mines.

Meanwhile, in response to the global development trend of green energy, the Company has actively responded to the clean energy demand of overseas mining customers. It is accelerating the commercialization of energy services for grid-forming photovoltaic energy storage power stations, further expanding its global business landscape of “energy+equipment+services” and striving to become a world-leading comprehensive service provider for zero-carbon smart mines.

Operation Information

During the Reporting Period, the Group recorded a revenue of RMB779.5 million, representing an increase of 22.7% as compared to RMB635.5 million for the corresponding period in 2024, primarily due to the sustained growth in market demand for battery-electric wide-body dump trucks. The following table sets forth the breakdown of the Group's revenue by type and its percentage of total revenue for the periods as indicated:

	For the year ended December 31,					
	2025		2024		Change	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Product sales:						
Battery-electric wide-body dump trucks	646,087	82.9%	364,588	57.4%	281,499	77.2%
Battery-electric loaders	96,656	12.4%	224,197	35.3%	-127,541	-56.9%
Battery-electric tractor trucks	1,073	0.1%	7,035	1.1%	-5,962	-84.7%
Spare parts and accessories	24,448	3.1%	25,688	4.0%	-1,240	-4.8%
Sub-total	768,264	98.5%	621,508	97.8%	146,756	23.6%
Rendering of services	2,207	0.3%	3,187	0.5%	-980	-30.8%
Rental income	9,012	1.2%	10,762	1.7%	1,750	-16.3%
Total revenue	779,483	100.0%	635,457	100.0%	144,026	22.7%

Business Review

In 2025, the Company closely followed the development trend of the era centering on energy and intelligence. With R&D and manufacturing of core equipment as its foundation, industrialization of autonomous driving as its driving engine, and overseas market expansion as its growth driver, the three core business segments achieved remarkable results through synergistic development. The competitiveness of its core products and global market layout capability continued to improve, laying a solid foundation for the Company to enter a new stage of development.

I. R&D AND MANUFACTURING OF BATTERY-ELECTRIC ENGINEERING MACHINERY: STRATEGICALLY FOCUSING ON BATTERY-ELECTRIC MINING TRUCK BUSINESS TO ACHIEVE RAPID REVENUE GROWTH

In 2025, the Company focused on the core application scenarios of mines, strategically optimized and focused on resources for the battery-electric engineering machinery business, and focused its core resources on the high-potential battery-electric wide-body dump trucks (battery-electric mining truck) business. The Company's battery-electric mining trucks cover 105-tonne, 120-tonne, 135-tonne and 145-tonne series models, with continuous improvement in production technology, steady improvement in production capacity and supporting capacity, and excellent reliability of market-side products. Leveraging on the technology accumulation and customer advantages in the mining scene, this category achieved a substantial increase in revenue from RMB364,588,000 in 2024 to RMB646,087,000, representing a year-on-year increase of 77.2%, and the revenue proportion increased from 57.4% to 82.9%, becoming the core driving force driving the growth of the Company's product sales. At the same time, facing the operating challenges of fierce competition in the battery-electric loader market and pressure on gross profit margin, the Company proactively implemented strategic contraction, optimized production capacity and order structure, and the revenue of this category was adjusted from RMB224,197,000 in 2024 to RMB96,656,000, representing a year-on-year decrease of 56.9%, so as to ensure the profit quality and sustainable development of the overall business, and the business structure became healthier.

In terms of product R&D, the Company completed multiple projects for mining trucks, including the 135-tonne range-extended model, battery-swap model and new-generation heavy-duty model, achieved cost reduction for the 120-tonne in-house mass-produced model, and pressed ahead with the development of 145-tonne large-tonnage rigid frame, drive-by-wire pure electric and unmanned driving models. Meanwhile, upon completing the preliminary research on battery replacement and in-house frame manufacturing, it promoted the connection of external cooperation projects such as ultra-fast charging technology and unmanned driving solutions.

II. AUTONOMOUS DRIVING BUSINESS: ACCELERATING SCENARIO IMPLEMENTATION AND BUILDING A FULL-LINK INTELLIGENT SOLUTION

In 2025, the Company's autonomous driving business achieved a critical leap from technical validation to scenario application. Prototype manufacturing of 135-tonne and 145-tonne unmanned driving mining trucks were completed, with field tests conducted in typical mining areas. The drive-by-wire chassis and unmanned driving system were efficiently integrated, achieving vehicle control precision and operational safety at industry-leading levels. The Company has deepened its cooperation with multiple leading industry enterprises, promoting a deep integration of unmanned driving technology with mining production processes.

In technology R&D, breaking through the industry's traditional technical bottlenecks of 2D detection and preset path planning, the Company has charted a forward-looking technology R&D path encompassing 3D pre-fusion perception and full-link end-to-end models. The Company has planned a two-stage technology R&D path: Perception algorithms adopted a combination of 3D pre-fusion and 4D OCC (Occupancy), with a subsequent upgrade to a full-link end-to-end model; PNC (Planning and Control) algorithms adopted 3D spatio-temporal joint planning and hybrid algorithms, with the control end upgraded from LQR (Linear Quadratic Regulator)+PID (Proportional-Integral-Derivative Controller) to an MPC (Model Predictive Control)+LQR+PID redundant design, while simultaneously advancing cloud-based crowdsourced mapping SLAM (Simultaneous Localization and Mapping) output.

III. OVERSEAS BUSINESS: ACHIEVING BREAKTHROUGHS THROUGH DIVERSIFIED LAYOUT AND GRADUALLY FORMING A GLOBAL MARKET OPERATION SYSTEM

The Company's overseas business focused on regional markets with abundant mineral resources yet insufficient power supply and has established an integrated business model of "PV and energy storage power solutions + electric construction equipment". For regions such as Africa and Southeast Asia which boast rich mineral resources but suffer from inadequate power supply and high electricity costs, the Company provided tailored power solutions including PV and energy storage power generation for local mining enterprises. Leveraging this as a gateway to collaboration, the Company has further extended its business to electric construction equipment such as battery-electric wide-body dump trucks, forming a closed business loop of energy and equipment synergy.

In 2025, the Company focused on deepening its presence in the African market, achieving leapfrog breakthroughs in overseas market layout and commercial implementation, completed layout in key regions including the Democratic Republic of the Congo, Sierra Leone and Zimbabwe, achieved the construction of PV and energy storage power stations pending operation, and signed large-scale PPA projects. In addition, the Company has broken through traditional financing channels and deepened cooperation with professional financial institutions. It has completed fundamental arrangements such as the restructuring of its overseas business structure and promoted the simultaneous progress of multiple projects throughout their entire process. Its capabilities in overseas project execution and localized operation have continued to mature, fully preparing for the sustained expansion of its global business.

FUTURE DEVELOPMENT AND STRATEGIES

Our goal is to become a dual-leading technology enterprise focusing on new energy mining equipment and unmanned solutions in China and globally. We aim to build a core technology platform that propels new energy mining equipment into the robotics era, deeply integrate the entire industrial chain resources of new energy mining equipment and unmanned mining, and fully empower the green and intelligent upgrading of the whole mining and transportation process in mines. We will continue to consolidate our dual-leading position in technology and market in the fields of new energy mining equipment and autonomous driving for mines. To achieve this goal, we plan to implement the following core development strategies:

I. Focus on Scenario-based Tiered Implementation, Deepen Product Matrix Upgrades, and Expand Overseas “Dual Expansion” Footprint

We will develop tiered intelligent mine demonstration projects by promoting fully unmanned benchmark projects in large-scale mining areas and launching hybrid-operation transition models in small and medium-sized mining areas while achieving mass production and delivery of autonomous mining trucks, as well as phased implementation of key projects. We will continue to upgrade battery-electric wide-body dump trucks, complete the R&D and core component self-manufacturing breakthroughs for range-extended, battery-swapping, heavy-duty and other models, advance the development of large-tonnage rigid frames and specialized mining trucks adaptable to different operating conditions, and enrich our product matrix. Leveraging advantages in existing overseas markets, we will consolidate core regions such as the Democratic Republic of the Congo and Zambia, explore emerging markets including Guinea and South Africa, establish in-depth partnerships with major state-owned enterprise (SOE) and central SOE customers, and enhance overseas influence through comprehensive capabilities.

- 1. Develop Tiered Intelligent Mine Demonstration Projects and Achieve Mass Production and Delivery of Autonomous Mining Trucks:** We will adopt differentiated project layouts for mining areas of varying scales and operating conditions by building benchmark projects for “unmanned mining operations” at large scale open pit mines and implementing a full-process system covering autonomous driving, intelligent dispatching, and intelligent safety and environmental protection to surpass manual operation in work efficiency; promoting demonstration projects of the “hybrid-operation transition models” at small and medium sized mining areas to reduce the cost of intelligent transformation and rapidly improve the overall efficiency of mining and transportation through mixed dispatching and collaborative operation between manned and autonomous vehicles. Meanwhile, focusing on the core needs of key mining customers, we will achieve mass production and delivery of autonomous mining trucks and the development of three demonstration projects, prioritize phased delivery and implementation of key projects, realize stable operation of manned-unmanned hybrid fleets, and gradually achieve 24/7 normalized unmanned operation in mines; concurrently advance the development of fully autonomous vehicle control, switch to self-developed Vehicle Control Units (VCUs), and launch external sales of self-developed intelligent chassis control modules.

2. **Research, Develop and Launch Specialized Mining Trucks for Different Scenarios:** Building on our existing battery-electric wide-body dump truck products, the Company will continue to intensify product R&D and upgrading. We have successfully completed multiple projects including range-extended, battery-swapping, and new-generation heavy-duty models, achieving cost reduction and efficiency improvement in our 120-tonne self-manufactured mass-produced vehicles, while making core breakthroughs in battery switching technology and frame self-production. Concurrently, we will advance the R&D of 145-tonne large-tonnage rigid frames, drive-by-wire battery electric models, and autonomous driving models. We will further develop specialized battery-electric wide-body dump trucks tailored to different mining scenarios such as open-pit coal mines, metal mines, and sand & aggregate mines, as well as different operating conditions including short-distance transfer, long-distance heavy haulage, and complex terrain operations. This will fully enrich our product matrix and enhance the scenario adaptability of our products.
3. **Expand Both Overseas Existing and New Markets, and Establish In-Depth Partnerships with SOEs and Central SOEs:** Leveraging our solid foundation in overseas PV-storage, vehicle sales and leasing businesses in 2025, we will consolidate our advantages in existing copper mine markets in the Democratic Republic of the Congo and Zambia, fully tap into mining truck demand from overseas mining customers, and explore emerging mineral markets such as Guinea and South Africa, to achieve coverage in core global mining regions. In parallel, we will closely engage with major SOE and central SOE customers going global, deepen partnerships with leading companies such as CNMC (中國有色) and Minmetals (五礦) to build a stable collaborative ecosystem. By leveraging our comprehensive capabilities encompassing “products + solutions + full lifecycle services,” we will enhance our industry influence in overseas PV-storage solutions.

II. Build an Industrial Ecosystem for Mining Autonomous Driving and Forge Core Competitiveness Through Full-Chain Collaboration

By introducing strategic investors and cooperating in industrial incubation funds, the Company will invest in upstream enterprises and reinvest proceeds into the R&D of autonomous driving technologies, forming a synergistic and win-win community of shared interests. It will further deepen strategic cooperation with core hardware suppliers to jointly develop customized mining products and establish a nationwide hardware maintenance system to lower operation and maintenance costs. In collaboration with research institutes and universities, the Company will conduct R&D on key technologies, focusing on breakthroughs in perception, dispatching, and large model algorithms, while jointly establishing talent training bases to enhance the reserve of technical personnel.

1. **Industrial Ecosystem Incubation and Strategic Investment:** By introducing strategic investors focused on mining business layout and establishing a special industrial incubation fund, the Company will deeply integrate external resources with internal R&D through investments in upstream enterprises. This will in turn support the iterative development of autonomous driving technologies, while forging a synergistic and win-win community of shared interests.

2. **Deep Cooperation with Core Hardware Suppliers:** The Company will continue to strengthen strategic cooperation with leading chip suppliers and core hardware providers including LiDAR, cameras and infrared sensors. Leveraging Breton’s application experience in mining scenarios, it will jointly develop automotive-grade and mining-customized hardware products with manufacturers, such as multispectral integrated sensors and high-computing domain controllers adapted to harsh mining conditions; establish a stable hardware supply chain system and cooperate with hardware maintenance enterprises to build a nationwide hardware maintenance system in line with the layout of mining projects, thereby reducing equipment operation and maintenance costs.
3. **Deepened Technical Collaboration with Industry Research Institutes and Universities:** The Company will cooperate with domestic research institutes and universities in the fields of construction machinery, artificial intelligence and automatic control to conduct joint R&D on core technologies for mining autonomous driving, focusing on breakthroughs in key technologies including unstructured road perception, multi-vehicle collaborative dispatching, and end-to-end large model algorithms; jointly build talent training bases to supply professional technical talents for the unmanned mining sector and strengthen the talent reserve for technical R&D.

III. Strengthen Technology R&D and Engineering Implementation Capabilities, Cultivate and Attract High-End Technical Talents, and Continuously Enhance Core Competitiveness and Brand Influence

With independent technology R&D and engineering implementation as dual cores, the Company will continuously strengthen its technological R&D capabilities in mining autonomous driving and improve its talent development and attraction system. It will enhance core competencies across the entire process, including “algorithm R&D, hardware integration, project delivery, and operation services”. Meanwhile, through the development of benchmark projects and brand building, to elevate Breton’s brand influence in the global unmanned construction machinery equipment sector.

1. **Drive Continued Breakthroughs in Core Technology R&D:** Focusing on key technical pain points in mining autonomous driving, the Company will achieve critical technological breakthroughs in 2026, including automated calibration (vision sensors + Planning and Control (PNC)), full-site deployment of end-to-end algorithms + RL algorithms, and dual software redundancy design, accomplish the mass production fusion of tri-spectral features (camera + LiDAR + infrared) and deliver centimeter-level precision for pure vision binocular algorithms; continuously optimize the Planning and Control – Reinforcement Learning (PNC-RL) algorithm system, improve spatiotemporal Transformer trajectory prediction, multi-indicator trajectory optimization, and hybrid control technologies such as Model Predictive Control, Linear Quadratic Regulator, and Proportional-Integral-Derivative Controller (MPC + LQR + PID), enabling safe operation of autonomous driving battery-electric wide-body dump trucks at a maximum speed of 40 km/h. In parallel, the Company will promote standardized development of full-stack software covering perception, SLAM, fusion, prediction, decision-making, planning and control, and complete the standardization of all testing and calibration tools, to support project delivery and test data analysis nationwide.

- 2. Focus on Engineering Implementation of Core Components and Products:** Centered on the “Xiyu (曦馭)” autonomous driving battery-electric wide-body dump trucks, the “Ximou (曦眸)” all-weather perception system, and the “Xiheng (曦衡)” multi-modal large-model intelligent mine dispatching system, the Company will build a multi-level and full-cycle ecological service solution for intelligent mining. We will provide mining customers with full-chain solutions covering autonomous driving equipment deployment, intelligent dispatching system construction, roadside perception and high-precision positioning support, full-life cycle equipment operation and maintenance, and early warning for parts after sales; achieve precise coverage of small and medium-sized mining areas through lightweight service packages (such as truck dispatching systems and remote monitoring systems), and continuously deepen technology iteration and service penetration, to enhance customer stickiness. In 2026, the Company will build a full-link unmanned driving solution covering intelligent perception, intelligent control, intelligent driving, and smart dispatching, centered around five self-developed intelligent products including XiYu Mining Trucks (曦馭礦機), XiHeng Smart Dispatching (曦衡智調) and XiYu Smart Cabin (曦御智艙), laying the product foundation for mass production and installation and commercial application.
- 3. Enhance Project Delivery Capabilities:** The delivery team will be capable of initiating work on two mines simultaneously and completing delivery of a single mine within one month; the operations team will be deployed in a tiered configuration based on mine scale, enabling 24/7 uninterrupted operations alongside a staff rotation mechanism. Concurrently, we will refine the Standard Operating Procedure (SOP) for project delivery covering the full process from mining area survey, solution design, equipment deployment, algorithm adaptation, and trial operation to normalized operation, so as to improve the delivery efficiency and quality through the standardized operating procedure.
- 4. Establish a Comprehensive Talent Development and Attraction System:** To address key talent gaps in autonomous driving R&D, the Company will expand its R&D workforce, with a focus on attracting high-end technical professionals in decision-making and planning, software development, tool chain development, perception algorithms and related fields; establish the Breton Intelligent Driving Academy (博雷頓智能駕駛學院) to improve its talent development system, and continue investing in optimizing R&D and project management training programs to cultivate versatile professionals equipped with both technical expertise and mining scenario experience; create a talent development path covering “R&D – delivery – operation” and select outstanding R&D personnel for project delivery and operation management to achieve deeper integration of technology and practical scenarios; cooperate with universities to build autonomous driving internship bases and launch specialized talent development programs to provide a stable, long-term talent pool for the Company’s development.
- 5. Strengthen Brand Building and Industry Influence:** Through external promotion of core achievements such as cabinless autonomous battery-electric wide-body dump trucks and benchmark projects for fully unmanned mining operations, to establish Breton as a technology leader in the field of mining autonomous driving; actively participate in industry exhibitions and academic exchanges in construction machinery and mine intelligence, release technical whitepapers on unmanned mining, and share practical implementation experience; revamp its official website and product presentation materials, add sections including product operation videos, user feedback, and cost calculation models to fully showcase the products and technological strengths of the Company, thereby enhancing brand professionalism and influence.

IV. Continuously Improve Internal Management and Internal Control Systems and Strengthen Risk Management and Corporate Governance Frameworks to Drive Sustainable Corporate Development

Placing great emphasis on the establishment of internal management and internal control systems, we will continue to establish a scientific, standardized, highly efficient and coordinated governance structure, while optimizing operational management mechanisms, risk control strategies and cost control systems.

- 1. Optimize Internal Operation and Management System:** The Company will promote the digital upgrading of its management and fully integrate its after-sales system, ERP (Enterprise Resource Planning), vehicle-to-everything and dispatching systems to form a digital closed loop for business-finance integration and realize the electronic integration of after-sales management and financial reimbursement; establish automated linkage and penetrating management between human resources and projects to improve operational efficiency. Meanwhile, the procurement management system will be optimized with unified tiered procurement of office equipment and establishment of a lean management mechanism, to effectively reduce the Company's operating costs.
- 2. Improve Risk Management and Control and Compliance Management Systems:** The Company will deeply integrate legal and compliance reviews into the entire process of project cooperation, contract signing, product R&D and project delivery, and establish a closed-loop compliance control system covering the pre-, mid- and post-stages of business operations; improve the regular violation accountability mechanism, with the Internal Audit and Compliance Center taking the lead in audits and relevant departments cooperating to implement accountability tracking, thereby forming an accountability chain of problem identification, supervision and rectification, and closed-loop management. Meanwhile, the Company will strengthen the risk prevention and control capabilities for project delivery and equipment operation and maintenance by establishing a full-chain risk response system covering early warning for equipment fault, emergency takeover and remote operation and maintenance, so as to fully ensure the safe and stable operation of autonomous driving systems in mining.
- 3. Strengthen Cost Control and Supply Chain Management:** The Company will establish a lean cost control system to implement full-cycle cost optimization across the entire chain of hardware procurement, R&D investment, project delivery and operation services; build a strategic coordination mechanism with core suppliers to achieve cost reduction through large-scale procurement of core hardware via long-term cooperation agreements. Meanwhile, the Company will improve the standardized platform for self-developed hardware and software, establish a modular architecture, and continuously reduce the marginal costs of R&D and production. It will also develop a forward-looking early warning mechanism for supply chain risks and enhance resilience for the supply of core hardware and key components to ensure a secure and stable supply chain.

FINANCIAL REVIEW

• Revenue

During the Reporting Period, the Group recorded a revenue of RMB779.5 million, representing an increase of 22.7% as compared to RMB635.5 million for the corresponding period in 2024. Such change was mainly attributable to the increase in the revenue proportion of battery-electric wide-body dump trucks. In terms of revenue structure, the revenue proportion of battery-electric wide-body dump trucks increased to 82.9% in 2025, among which the revenue proportion of models with a power battery capacity exceeding 650kWh exceeded 80%, and models with autonomous driving functions exceeded 25%. The following table sets forth the breakdown of the Group's revenue by type and its percentage of total revenue for the periods as indicated:

	For the year ended December 31,			
	2025		2024	
	<i>RMB'000</i>	<i>As a percentage of revenue</i>	<i>RMB'000</i>	<i>As a percentage of revenue</i>
Sales of products:				
Battery-electric wide-body dump trucks	646,087	82.9%	364,588	57.4%
Battery-electric loaders	96,656	12.4%	224,197	35.3%
Battery-electric tractor trucks	1,073	0.1%	7,035	1.1%
Spare parts and accessories	24,448	3.1%	25,688	4.0%
Sub-total	768,264	98.5%	621,508	97.8%
Rendering of services	2,207	0.3%	3,187	0.5%
Rental income	9,012	1.2%	10,762	1.7%
Total revenue	<u>779,483</u>	<u>100.0%</u>	<u>635,457</u>	<u>100.0%</u>

• Gross Profit and Gross Profit Margin

During the Reporting Period, the Group's gross profit margin was 11.1%, representing an increase of 5.3 percentage points as compared to 5.8% in 2024. This was mainly due to the increase in revenue proportion of battery-electric wide-body dump trucks with higher gross profit margins.

• Other Net Gains

During the Reporting Period, the Group's other gains amounted to RMB6.0 million, mainly consisting of government grants of RMB7.5 million. Other gains decreased by RMB18.7 million as compared with 2024, mainly due to a one-off gain of RMB16.3 million recognized in 2024 from the disposal of an associate.

- **Selling Expenses**

During the Reporting Period, the Group's selling expenses amounted to RMB67.6 million, representing an increase of 13.2% as compared to RMB59.7 million for the corresponding period in 2024. The increase was mainly attributable to the corresponding rise in employee benefits and line with the business growth.

- **Administrative Expenses**

During the Reporting Period, the Group's administrative expenses amounted to RMB98.9 million, representing a decrease of 9.5% as compared with RMB109.3 million for the corresponding period in 2024. The decrease was mainly due to the decline in share-based incentive expenses relating to the grant of restricted share units to employees.

- **Research and Development Costs**

During the Reporting Period, the Group's R&D expenses amounted to RMB69.7 million, representing a decrease of 14.7% as compared with RMB81.7 million for the corresponding period in 2024. The decrease was mainly due to the reduction in outsourced R&D expenditures of the Group.

- **Impairment Losses on Trade and Other Receivables, Contract Assets and Financial Guarantees Issued**

During the Reporting Period, the impairment losses on trade and other receivables, contract assets and financial guarantees issued by the Group amounted to RMB120.1 million, representing an increase of 44.5% as compared with RMB83.1 million for the corresponding period in 2024. The increase was mainly attributable to the growth in the Group's trade and other receivables and the higher provisioning rate applied to certain long-outstanding receivables.

- **Finance Income**

During the Reporting Period, the Group's finance income amounted to RMB8.3 million, representing a decrease of 21.0% as compared with RMB10.5 million for the corresponding period in 2024. The decrease was mainly due to the decline in interest income from bank deposits.

- **Finance Costs**

During the Reporting Period, the Group's finance costs amounted to RMB18.8 million, representing an increase of 104.6% as compared with RMB9.2 million for the corresponding period in 2024. The increase was mainly due to the higher interest expenses on bank borrowings and finance leases.

- **Income Tax Expense**

During the Reporting Period, the Group's income tax expense was primarily derived from the provision for enterprise income tax on the current profits of certain subsidiaries.

- **Loss for the Period**

As a result of the above, the Group's loss for the year ended 2025 amounted to RMB318.2 million, representing an increase of 15.9% as compared with the loss of RMB274.5 million for the year ended 2024.

- **Liquidity and Capital Resources**

During the Reporting Period, our working capital was primarily sourced from cash inflows from operating activities, bank borrowings, finance leases and equity financing. In accordance with our financial policies, our management monitors and maintains a certain level of cash and bank balances to mitigate the impact of cash flow fluctuations.

As of the end of the Reporting Period, the Group's total current assets amounted to RMB1,314.7 million (December 31, 2024: RMB1,019.6 million); the Group's total current liabilities amounted to RMB1,196.2 million (December 31, 2024: RMB665.1 million).

As of the end of the Reporting Period, the Group's total assets amounted to RMB2,247.2 million (December 31, 2024: RMB1,438.3 million); the Group's total liabilities amounted to RMB1,440.2 million (December 31, 2024: RMB756.1 million).

As of the end of the Reporting Period, the Group's gearing ratio (calculated as total liabilities divided by total assets and multiplied by 100%) was 64.1% (as of December 31, 2024: 52.6%).

- **Cash and Cash Equivalents**

As of December 31, 2025, the Group's cash and cash equivalents amounted to RMB350.3 million, representing an increase of 75.8% compared with RMB199.3 million as of December 31, 2024. The increase was mainly due to the receipt of proceeds from the Global Offering and the placement of new H Shares.

- **Pledged Bank Deposits**

As of December 31, 2025, the Group's pledged bank deposits amounted to RMB111.8 million, representing an increase of RMB107.6 million compared with RMB4.2 million as of December 31, 2024. This increase was mainly due to an increase in deposits provided to battery suppliers in line with increased procurement; and paid to PV and energy storage equipment suppliers amid the expansion of the overseas micro-grid business.

- **Inventories**

The Group's inventories decreased from RMB259.0 million as of December 31, 2024 to RMB179.2 million as of December 31, 2025. Inventories turnover days decreased from 161 days as of December 31, 2024 to 115 days as of December 31, 2025, primarily due to a faster inventory turnover as a result of an increase in sales and strengthened inventory management during the Reporting Period.

- **Trade and Other Receivables**

The Group's trade and other receivables increased from RMB555.8 million as of December 31, 2024 to RMB651.8 million as of December 31, 2025. The change was mainly due to the increase in bills receivable and deposits. Meanwhile, the growth rate of operating revenue outpaced that of trade receivables. As a result, trade receivables turnover days decreased from 236 days as of December 31, 2024 to 210 days as of December 31, 2025.

- **Property, Plant and Equipment**

The Group's expenditure on property, plant and equipment increased from RMB165.3 million as of December 31, 2024 to RMB507.9 million as of December 31, 2025. This was mainly due to the increase in investment in construction in progress for property, plant and equipment during the period.

- **Material Investments/Future Plans for Material Investments or Capital Asset**

As at 31 December 2025, we did not have any material investments or significant acquisitions.

As disclosed in the section headed “Business” of the Prospectus, we are expanding PV storage and charging energy business in the international market, which may lead to an increase in investments in “PV-storage micro-grid” asset. On November 24, 2025, the Company completed the placing of an aggregate of 10,000,000 new H Shares, of which approximately 70% of the net proceeds are intended to be used for the investment in and development of the Group’s overseas PV storage and charging energy business. As at the date of this announcement, save for the aforesaid plans, the disclosures set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus, and the section headed “Use of Proceeds from the Placing” in the announcement of the Company dated November 24, 2025, the Group currently has no other plans for material investments or capital assets.

- **Other Investments**

The Group’s other investments increased from RMB41.7 million as of December 31, 2024 to RMB55.8 million as of December 31, 2025, mainly due to increase in the fair value of the Group’s equity investments recognized as financial assets.

- **Significant Acquisitions and Disposals of Subsidiaries, Associates and Affiliates**

From the Listing Date up to December 31, 2025, we had no significant acquisitions or disposals of subsidiaries, associates and affiliates.

- **Right-of-use Assets**

The Group’s right-of-use assets increased from RMB106.6 million as of December 31, 2024 to RMB117.0 million as of December 31, 2025, mainly due to the lease expenditures for newly arose office spaces and overseas land use rights by the Group.

- **Trade and Other Payables**

The Group’s trade and other payables increased from RMB374.5 million as of December 31, 2024 to RMB632.7 million as of December 31, 2025. This increase was mainly due to the expansion of overseas PV and energy storage micro-grid projects, which led to a corresponding increase in trade payables for equipment and construction costs. Trade payables turnover days increased from 139 days as of December 31, 2024 to 153 days as of December 31, 2025.

- **Loans and Borrowings**

The Group’s loans and borrowings increased from RMB352.3 million as of December 31, 2024 to RMB721.5 million as of December 31, 2025, mainly due to the increased funding requirements arising from business development and expansion.

The balances of current and non-current loans and borrowings as of December 31, 2025 were RMB496.7 million and RMB224.8 million respectively (2024: RMB267.2 million and RMB85.1 million), with weighted average interest rates of 3.7% and 3.9% respectively (2024: 3.4% and 3.5%).

- **Provisions**

The Group's provisions increased from RMB16.5 million as of December 31, 2024 to RMB19.1 million as of December 31, 2025, mainly due to an increase in warranty provisions as a result of higher product sales.

- **Lease Liabilities**

The Group's lease liabilities increased from RMB5.8 million as of December 31, 2024 to RMB18.7 million as of December 31, 2025, mainly due to the lease of new office spaces and overseas land use rights.

- **Cash Flows**

During the Reporting Period, the Group recorded a net cash outflow from operating activities of RMB174.6 million (2024: net cash outflow of RMB270.0 million). Such change was mainly due to the enhanced management of the operating cashflow of the Group, with the expansion of its business scale.

During the Reporting Period, the Group recorded a net cash outflow from investing activities of RMB404.9 million (2024: net cash outflow of RMB135.7 million). Such change was mainly due to increased expenditure on purchases of property, plant and equipment, notably from the expansion of the overseas PV and energy storage micro-grid business.

During the Reporting Period, the Group recorded a net cash inflow from financing activities of RMB730.6 million (2024: net cash inflow of RMB182.8 million). Such change was mainly due to new loans and borrowings, the receipt of proceeds from the Global Offering, and the placement of new H Shares obtained by the Group.

- **Foreign Exchange Risk**

As of the end of the Reporting Period, the Group was primarily exposed to foreign exchange risk because the proceeds from the Global Offering and the placement of new H Shares were denominated in Hong Kong dollars and certain bank deposits were denominated in U.S. dollars. The Group currently has not entered into any financial instruments for hedging purposes, nor has it used any currency borrowings or other hedging instruments to hedge foreign exchange risks. (December 31, 2024: nil). The Company's management continued to monitor foreign exchange risk and will consider adopting appropriate hedging measures in the future when necessary.

- **Provision of Financial Guarantees Issued**

Provision of financial guarantees issued includes the Group's liability guarantees provided for certain customers, these customers funded their purchases of the Group's products through finance leases provided by third-party leasing companies. As at December 31, 2025, the Group's maximum exposure to such guarantees was RMB505.5 million (2024: RMB344.1 million). During the year ended December 31, 2025, no customer default incurred (2024: nil).

- **Contingent Liabilities**

As at December 31, 2025, save for the issued financial guarantees as disclosed above, the Group did not have any material contingent liabilities.

- **Capital Commitments**

As at December 31, 2025, the Group had capital expenditures contracted for but not yet recognized of RMB250.9 million, primarily for capital expenditures relating to the purchase of plants and equipment as well as overseas PV and energy storage micro-grid projects.

- **Pledge of Assets**

As at December 31, 2025, certain borrowings of the Group were secured by pledges of part of its plant and land use rights.

- **Employees and Remuneration Policy**

As at the end of the Reporting Period, the Group had 346 employees (as at December 31, 2024: 372 employees). For the year ended December 31, 2025, our staff costs amounted to approximately RMB130.3 million (for the year ended December 31, 2024: RMB151.2 million). The employee remuneration policy of the Group is determined after taking into account the overall salary level in the industry, employees' performance and other factors.

To maintain competitiveness and expand its talent pool, the Group reviews and adjusts its remuneration policy from time to time in response to market conditions. It is committed to providing employees with attractive remuneration packages and a vibrant working environment. The Group also provides training for all employees to equip them with the necessary skills to perform their duties and to assist them in achieving their personal career goals and aspirations. Furthermore, the Group offers management and leadership training to suitable employees to further enhance organizational capabilities and drive the Group towards its mission and growth objectives.

The Group recognizes the importance of employee career development in unleashing their full potential. We provide excellent opportunities for employees through both on-the-job training and formal courses. The Group believes that continuously fostering a unique corporate culture and increasing its investment in training will help enhance employee cohesion and attract more talented people to join us.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Final Dividend

The Board does not recommend the payment of any final dividend for the year ended December 31, 2025.

Use of Proceeds from the Global Offering

The Company was listed on the Main Board of the Stock Exchange on May 7, 2025 and 13,000,000 new H Shares were issued at an offer price of HK\$18.0 per Share. After deducting underwriting commissions, fees and other expenses in relation to the Global Offering, the net proceeds from the Global Offering amounted to HK\$147.8 million. The proceeds from the Global Offering received by the Group have been and will be utilized in accordance with the plans disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus, with details as follows:

Purpose	Approximate percentage of total net assets	Actual amounts of net proceeds (HK\$ million)	Utilized amounts as at December 31, 2025 (HK\$ million)	Unutilized amounts as at December 31, 2025 (HK\$ million)	Expected time of unutilized proceeds
Investment in technology advancement and the development of new products and services	40%	59.1	39.2	19.9	To be utilized before December 31, 2026
Establishment of manufacturing plants and the procurement of essential machinery	40%	59.1	18.2	40.9	To be utilized before the first quarter of 2027
Expansion of sales and services network	10%	14.8	12.2	2.6	To be utilized before December 31, 2027
Working capital and general corporate purposes	10%	14.8	14.8	0	–
Total	100%	147.8	84.4	63.4	–

Use of Proceeds from the Placing

On November 24, 2025, the Company completed the placing of an aggregate of 10,000,000 new H Shares (representing approximately 3.98% of the issued H Shares and approximately 2.57% of the total number of issued shares immediately after the allotment and issuance of the Placing Shares upon completion of the placing, respectively) under the terms and subject to the conditions set out in the placing agreement (the “**Placing**”), with an aggregate par value of RMB10,000,000. The placing price for the Placing was HK\$25.08 per H Share (excluding applicable brokerage commission, transaction levy, trading fee and levies). After deducting all applicable costs and expenses, the net price receivable by the Company per share was approximately HK\$24.0. The placees shall not be less than six persons who are individuals, professional or institutional investors. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the placees and their respective ultimate beneficial owners are independent third parties. None of the placees became a substantial shareholder of the Company (as defined in the Listing Rules) immediately upon completion of the Placing. Among them, the closing price on the date of agreeing the terms of issue or sale of the Placing on November 14, 2025 was HK\$29.50 per share.

The gross proceeds from the Placing and the net proceeds from the Placing (after deducting commissions and estimated expenses) amounted to approximately HK\$250.8 million and approximately HK\$240.0 million, respectively. The proceeds received from the Placing by the Group have been and will be applied in accordance with the plan as disclosed in the Company’s announcement dated November 24, 2025 regarding the completion of placing of new H Shares under the general mandate (the “**Announcement on Completion of Placing**”), as set out below:

Purpose	Approximate percentage of total net assets	Actual amounts of net proceeds (HK\$ million)	Utilized amounts as at December 31, 2025 (HK\$ million)	Unutilized amounts as at December 31, 2025 (HK\$ million)	Expected time of unutilized proceeds
Investment and development of overseas PV & energy-storage projects	70%	168.0	34.1	133.9	To be utilized before the end of 2027
Repayment of the Group’s interest – bearing borrowings	15%	36.0	31.0	5.0	To be utilized before the end of 2026
R&D, commercialization and demonstration application of dump truck dispatching large model system	15%	36.0	0	36.0	To be utilized before the end of 2026
Total	100%	240.0	65.1	174.9	–

Purchase, Redemption or Sale of the Company’s Listed Securities

From the Listing Date to December 31, 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares). As at the end of the Reporting Period, the Company did not hold any treasury shares as defined under the Listing Rules.

Up to the date of this Announcement, the Company repurchased a total of 710,800 H Shares on the Stock Exchange, which were held by the Company as treasury shares, for a total consideration of HK\$14,987,928.8. As of the date of this Announcement, the 710,800 repurchased H Shares have not been canceled and are held by the Company as treasury shares.

Model Code for Securities Transactions by Directors and Supervisors

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules to regulate all transactions in the Company's securities by its Directors and Supervisors (who, by virtue of their positions or employment, are likely to possess inside information in relation to the Group's or the Company's securities) and other matters covered by the Model Code.

The securities transactions of the Directors of the Company have been conducted in compliance with the Model Code, which has also been adopted by the Company for its Supervisors (during their respective terms of office). Having made specific enquiries of all Directors and Supervisors, the Company confirms that all Directors and Supervisors have complied with the Model Code throughout their respective tenures during the year ended December 31, 2025.

Compliance with the Corporate Governance Code

As the Company was listed on the Stock Exchange on May 7, 2025, the Corporate Governance Code as set out in Appendix C1 to the Listing Rules was not applicable to the Company prior to the Listing Date.

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. Since the Listing Date, the Company has adopted corporate governance practices based on the principles and code provisions as set out in the CG Code. Save as disclosed below, the Company has complied with all applicable code provisions under the CG Code from the Listing Date up to December 31, 2025. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the code provisions under the CG Code.

Pursuant to Code Provision C.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Chen Fangming holds both the positions of the chairman of the Board of the Company and the general manager of the Company. As Mr. Chen Fangming has been responsible for the Group's business and overall strategic planning for many years, the Board is of the view that vesting the roles of both the chairman and the general manager in Mr. Chen Fangming will be beneficial to the business prospects and management of the Group by ensuring consistent leadership within the Group. Taking into account all the corporate governance measures implemented by the Group, the Board considers that the balance of power and authority under the present arrangement will not be impaired, and this structure will enable the Company to make and implement decisions promptly and effectively. Accordingly, the Company has not segregated the roles of the chairman and the general manager. The Board will continue to review and consider splitting the roles of the chairman of the Board and the general manager of the Company as necessary and appropriate, taking into account the circumstances of the Group as a whole.

- **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

On February 10, 2026, the Group entered into an energy storage system equipment procurement contract with a third-party supplier in relation to the procurement, supply and related services of equipment for the Ruashi Microgrid Project in the Democratic Republic of the Congo. The total contract price is approximately EUR39 million. For details, please refer to the announcement of the Company dated February 10, 2026.

On March 5, 2026, the Group entered into a general construction contract with a third-party construction company in respect of the Jinchuan Ruashi Digital Energy Project. Pursuant to the contract, the contractor shall be responsible for the civil engineering and installation works of this project, with a total contract price of approximately US\$17 million. For details, please refer to the announcement of the Company dated March 5, 2026.

- **REVIEW BY THE AUDIT COMMITTEE**

The Audit Committee has reviewed with the Company's management the annual financial results of the Group for the year ended December 31, 2025. The Audit Committee considered that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. The Audit Committee has also discussed with the senior management of the Company matters relating to the accounting policies and practices adopted by the Company, as well as internal controls.

- **Scope of the Auditor's Work in Respect of the Annual Results Announcement**

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended December 31, 2025 as set out in the preliminary results announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary results announcement.

- **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

The 2025 Annual Results Announcement of the Company has been published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.breton.top).

The Company's 2025 Annual Report will be published on the above websites in due course.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*for the year ended 31 December 2025**(Expressed in Renminbi)*

	<i>Note</i>	2025 RMB'000	2024 <i>RMB'000</i>
Revenue	4(a)	779,483	635,457
Cost of sales		<u>(693,309)</u>	<u>(598,618)</u>
Gross profit		86,174	36,839
Other net gain	5	5,950	24,617
Selling expenses		(67,640)	(59,720)
Administrative expenses		(98,896)	(109,264)
Research and development costs		(69,706)	(81,707)
Impairment loss on trade and other receivables, contract assets and financial guarantee issued	6(c)	<u>(120,119)</u>	<u>(83,097)</u>
Loss from operations		(264,237)	(272,332)
Finance income	6(a)	8,332	10,547
Finance costs	6(a)	(18,796)	(9,187)
Share of results of associates		<u>(5,456)</u>	<u>(3,485)</u>
Loss before taxation	7	(280,157)	(274,457)
Income tax	7(a)	<u>(38,045)</u>	<u>(90)</u>
Loss for the year		<u>(318,202)</u>	<u>(274,547)</u>
Attributable to:			
Equity shareholders of the Company		(318,629)	(274,547)
Non-controlling interests		<u>427</u>	<u>—</u>
Loss for the year		<u>(318,202)</u>	<u>(274,547)</u>
Loss per share	8		
– Basic and diluted (RMB)		<u>(0.86)</u>	<u>(0.78)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025

(Expressed in Renminbi)

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year	<u>(318,202)</u>	<u>(274,547)</u>
Other comprehensive income for the year (after tax and reclassification adjustments)		
Items that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income – net movement in fair value reserves (not recycling)	<u>7,936</u>	<u>1,051</u>
Other comprehensive income for the year	<u><u>7,936</u></u>	<u><u>1,051</u></u>
Total comprehensive income for the year	<u><u>(310,266)</u></u>	<u><u>(273,496)</u></u>
Attributable to:		
Equity shareholders of the Company	(310,950)	(273,496)
Non-controlling interests	<u>684</u>	<u>–</u>
Total comprehensive income for the year	<u><u>(310,266)</u></u>	<u><u>(273,496)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*at 31 December 2025**(Expressed in Renminbi)*

	<i>Note</i>	At 31 December 2025 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment	9	507,864	165,303
Other investments		55,752	41,735
Right-of-use assets		116,989	106,559
Intangible assets		2,332	2,961
Interest in associates		24,450	28,482
Other non-current assets	10	225,126	73,660
		<u>932,513</u>	<u>418,700</u>
Current assets			
Inventories	11	179,192	259,023
Contract assets		21,606	1,322
Trade and other receivables	12	651,820	555,833
Pledged bank deposits	13	111,785	4,208
Cash and cash equivalents	13	350,312	199,254
		<u>1,314,715</u>	<u>1,019,640</u>
Current liabilities			
Loans and borrowings	14	496,654	267,197
Trade and other payables	15	632,746	374,539
Provision		19,076	16,472
Contract liabilities		4,288	3,655
Lease liabilities		5,407	3,222
Income tax payables		38,042	—
		<u>1,196,213</u>	<u>665,085</u>
Net current assets		<u>118,502</u>	<u>354,555</u>
Total assets less current liabilities		<u>1,051,015</u>	<u>773,255</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*at 31 December 2025**(Expressed in Renminbi)*

		At 31 December	
	<i>Note</i>	2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities			
Loans and borrowings	14	224,821	85,116
Lease liabilities		13,310	2,606
Deferred tax liabilities		5,897	3,252
		<u>244,028</u>	<u>90,974</u>
Net assets		<u>806,987</u>	<u>682,281</u>
Capital and reserves			
Share capital		389,652	366,652
Reserves		398,152	315,629
Total equity attributable to equity shareholders of the Company		<u>787,804</u>	<u>682,281</u>
Non-controlling interests		<u>19,183</u>	<u>—</u>
Total equity		<u>806,987</u>	<u>682,281</u>

Notes to the financial information

(Expressed in Renminbi unless otherwise indicated)

1 STATEMENT OF COMPLIANCE

The financial information contained in this annual results announcement was extracted from the Group's consolidated financial statements. These financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual International Accounting Standards ("IASs"), and Interpretations issued by the International Accounting Standards Board ("IASB"), and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 December 2025 comprise the Group and the Group's interest in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for the other investments in equity securities.

The Directors are of the opinion that, taking into account of the available banking facilities and internal financial resources of the Group, the Group has adequate resources to continue in operational existence for the foreseeable future. Mr. Chen Fangming, the controlling shareholder, also has committed to provide the necessary financial support, as and when needed, to support the Group's continuing operation for a period of at least twelve months from 31 December 2025. Hence, the consolidated financial statements have been prepared on a going concern basis.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

(i) Disaggregation of revenue

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

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
Battery-electric vehicles		
– Battery-electric tractor trucks	1,073	7,035
– Battery-electric loaders	96,656	224,197
– Battery-electric wide-body dump trucks	646,087	364,588
Spare parts and accessories	24,448	25,688
Sales of products	768,264	621,508
Rendering of services	2,207	3,187
	770,471	624,695
 Revenue from other sources		
Rental income	9,012	10,762
	779,483	635,457

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Disaggregation by timing of revenue recognition		
– Point in time	768,264	621,508
– Over time	11,219	13,949
	779,483	635,457

During the year ended 31 December 2025 and 2024, the Group's customers with whom transactions have exceeded 10% of the Group's revenue are as follows.

	For the year ended 31 December	
	2025 RMB'000	2024 RMB'000
Customer A	N/A	86,936
Customer B	N/A	70,899
	<u>N/A</u>	<u>157,835</u>

Note: N/A represents transactions did not exceeded 10% of the Group's revenue for the year ended 31 December 2025.

(b) Segment reporting

(i) Segment information

IFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Company's chief operating decision maker for the purpose of resources allocation and performance assessment. The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Group who reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment. On this basis, the Company has determined that it only has one operating segment during the year ended 31 December 2025 and 2024.

(ii) Geographic information

The following tables set out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets ("specified non-current assets"). The geographical information of the Group's revenue from external customers is based on the location at which new energy engineering machinery are delivered. The geographical location of specified non-current assets is based on the physical location of the asset.

	For the year ended 31 December	
	2025 RMB'000	2024 RMB'000
Revenue from external customers		
– The PRC	774,237	635,457
– Overseas	5,246	–
	<u>779,483</u>	<u>635,457</u>

	For the year ended 31 December	
	2025 RMB'000	2024 RMB'000
Specified non-current assets		
– The PRC	336,440	271,862
– Overseas	288,413	–
	<u>624,853</u>	<u>271,862</u>

5 OTHER NET GAIN

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Government grants (<i>Note</i>)	7,497	8,252
Unrealised gain on listed equity investment	1,936	–
Net loss on foreign exchange	(3,091)	–
Net loss on disposal of property, plant and equipment	(114)	(1,130)
Dividends received from unlisted equity investment	333	333
Gain on loss of significant influence of associates	–	16,277
Others	(611)	885
	<u>5,950</u>	<u>24,617</u>

Note: Government grants are not assets related and primarily represent reward and subsidies provided to the Group for its contribution to the local economic growth.

6 LOSS BEFORE TAXATION

Loss before taxation is arrived at after crediting/charging:

(a) Finance income/costs:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Finance income		
Interest income on financial assets measured at amortised cost	838	3,011
Interest income on sales under instalment payments	<u>7,494</u>	<u>7,536</u>
	<u>8,332</u>	<u>10,547</u>
Finance costs		
Interest expenses on loans and borrowings	13,366	9,336
Interest expenses on obligations arising from leaseback transactions	5,040	95
Interest expenses on lease liabilities	390	674
Less: interest expense capitalised into property, plant and equipment	<u>–</u>	<u>(918)</u>
	<u>18,796</u>	<u>9,187</u>

(b) Staff costs:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Salaries, wages and other benefits	105,553	98,754
Discretionary bonuses	5,324	7,816
Contributions to retirement schemes (<i>Note</i>)	10,743	11,175
Equity settled share-based payment expenses	8,674	33,478
	<u>130,294</u>	<u>151,223</u>

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

The Group has no other material obligation for the payment of pension benefits beyond the annual contributions described above.

(c) Other items:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Depreciation and amortisation		
– Owned property, plant and equipment	13,116	11,941
– Right-of-use assets	5,165	6,198
– Intangible assets	876	800
Impairment losses recognised/(reversed)		
– Trade and other receivables	120,023	80,496
– Contract assets	176	36
– Financial guarantee issued	(80)	2,565
Product warranty costs	23,430	18,609
Research and development expenses (<i>i</i>)	69,706	81,707
Auditors' remuneration (<i>ii</i>)	5,314	3,477
Listing expenses	10,893	23,463
Cost of sales (<i>iii</i>)	693,309	598,618
Write-down of inventories	14,097	17,432

(i) During the year ended 31 December 2025, R&D costs included staff costs of RMB39,123,000 (2024: RMB45,760,000) and depreciation and amortisation expenses of RMB569,000 (2024: RMB567,000), which are also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

(ii) During the year ended 31 December 2025, the Group recognised auditors' remuneration in respect of initial public offering of RMB1,514,000 (2024: RMB3,477,000), which are also included in the listing expenses disclosed separately above.

(iii) During the year ended 31 December 2025, cost of sales included staff costs of RMB8,584,000 (2024: RMB9,087,000), depreciation and amortisation expenses of RMB12,080,000 (2024: RMB11,367,000) and write-down of inventories, which are also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

7 INCOME TAX

(a) Taxation in the consolidated statements of profit or loss represents:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Provision for income tax for the year	<u>38,045</u>	<u>90</u>

(b) Reconciliation between income tax expense and accounting loss at applicable tax rates:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Loss before taxation	<u>(280,157)</u>	<u>(274,457)</u>
Notional tax on loss before taxation, calculated at the rates applicable to profit in the tax jurisdictions concerned (<i>Note (i)</i>)	(69,293)	(68,171)
Tax effect of non-deductible expenses	544	430
Tax effect of non-taxable income	–	(83)
Tax losses and temporary differences not recognised, net of utilisation	105,927	67,006
Tax effect in respect of share of results of associates	<u>867</u>	<u>908</u>
Actual income tax expense	<u>38,045</u>	<u>90</u>

Notes:

- (i) Pursuant to the Enterprise Income Tax (the “EIT”), the Company and its subsidiaries in the PRC are liable to EIT at a rate of 25%, unless otherwise specified.
- (ii) Certain subsidiaries in the PRC were entitled to a preferential PRC EIT rate of 5% as it was accredited as small and micro business.
- (iii) According to the EIT Law and its relevant regulations, entities that qualified as a High and New Technology Enterprises are entitled to a preferential income tax rate of 15%. The Company obtained the High and New Technology Enterprises status in 2019 and had this status renewed in 2025.

8 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company of RMB318,629,000 (2024: RMB274,547,000) and the weighted average number of ordinary shares of 370,017,000 shares (2024: 351,709,000 shares) in issue during the year, calculated as follows:

	For the year ended 31 December	
	2025 '000	2024 '000
Issued ordinary shares at 1 January	351,709	351,709
Effect of issuance of shares by initial public offering	8,477	—
Effect of issuance of shares by placement	1,014	—
Effect of shares vested under the Restricted Share Scheme	8,817	—
Weighted average number of ordinary shares in issue at the end of the year	370,017	351,709

(b) Diluted loss per share

Restricted shares granted under the Group's Restricted Share Scheme is not included in the calculation of diluted loss per share because their effect would have been anti-dilutive. Accordingly, diluted loss per share is the same as basic loss per share.

9 PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Machinery and equipment RMB'000	Office and other equipment RMB'000	Lease vehicles RMB'000	Leasehold improvement RMB'000	Construction in progress RMB'000	Total RMB'000
Cost:							
At 1 January 2024	–	9,642	2,700	25,966	8,269	63,667	110,244
Additions	149	179	850	12,587	1,338	68,307	83,410
Transfer from construction in progress	64,615	12,018	–	–	1,592	(78,225)	–
Disposals	–	(371)	(240)	(3,199)	(1,695)	–	(5,505)
At 31 December 2024 and 1 January 2025	64,764	21,468	3,310	35,354	9,504	53,749	188,149
Additions	–	6,231	1,613	35,080	–	332,489	375,413
Disposals	–	(471)	(213)	(29,381)	(335)	–	(30,400)
At 31 December 2025	64,764	27,228	4,710	41,053	9,169	386,238	533,162
Accumulated depreciation:							
At 1 January 2024	–	(1,954)	(1,415)	(3,719)	(5,857)	–	(12,945)
Charge for the year	(1,585)	(2,413)	(723)	(5,957)	(1,263)	–	(11,941)
Written back on disposals	–	124	108	1,060	748	–	2,040
At 31 December 2024 and 1 January 2025	(1,585)	(4,243)	(2,030)	(8,616)	(6,372)	–	(22,846)
Charge for the year	(3,330)	(2,885)	(621)	(4,504)	(1,776)	–	(13,116)
Written back on disposals	–	78	198	10,053	335	–	10,664
At 31 December 2025	(4,915)	(7,050)	(2,453)	(3,067)	(7,813)	–	(25,298)
Net book value:							
At 31 December 2025	59,849	20,178	2,257	37,986	1,356	386,238	507,864
At 31 December 2024	63,179	17,225	1,280	26,738	3,132	53,749	165,303

Property, plant and equipment with net book value of RMB59,849,000 are pledged as security for bank loans as at 31 December 2025 (2024: nil).

10 OTHER NON-CURRENT ASSETS

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Financial assets measured at amortised cost		
– Trade receivables due from third parties	65,298	53,847
– Trade receivables due from related parties	13,863	6,382
Less: loss allowance on trade and receivables	(12,174)	(4,194)
Trade receivables, net (<i>Note 12</i>)	66,987	56,035
Prepayment for property, plant and equipment	107,679	1,467
Contract assets	4,290	7,094
Deposits	46,170	9,064
	225,126	73,660

11 INVENTORIES

(a) Inventories in the consolidated statements of financial position comprise:

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Raw materials	125,137	97,001
Finished goods	51,883	161,583
Right to recover returned goods	2,172	439
	179,192	259,023

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Carrying amount of inventories used	679,212	581,186
Write-down of inventories	14,097	17,432
	693,309	598,618

12 TRADE AND OTHER RECEIVABLES

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Trade receivables due from		
– third parties	559,618	382,989
– related parties	152,570	220,164
Less: loss allowance on trade receivables	(261,480)	(156,825)
	450,708	446,328
Less: Trade receivables due more than one year	(66,987)	(56,035)
	383,721	390,293
Bills receivable	103,482	56,572
Other receivables due from third parties	10,218	7,466
Less: loss allowance on other receivables	(6,000)	(5,425)
	4,218	2,041
Deposits	32,515	5,414
Prepayments for purchase of raw materials	68,230	69,909
Prepaid expenses	10,178	2,207
Prepayments for listing expenses	–	1,823
Value-add tax recoverable	49,476	27,574
	651,820	555,833

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

(a) Ageing analysis

As of the end of the reporting periods, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Within 1 year	355,531	303,451
1-2 years	68,319	118,231
2-3 years	20,593	22,070
More than 3 years	6,265	2,576
	450,708	446,328

(b) Endorsed bank acceptance bills

(i) Endorsed bank acceptance bills that are not derecognised in their entirety

As at 31 December 2025, the Group endorsed certain bank acceptance bills with a carrying amount of RMB77,719,000 (2024: RMB28,248,000) to suppliers for settling trade and other payables of the same amount on a full recourse basis and discounted commercial bills receivable amounting to RMB23,980,000 to banks.

In the opinion of the directors, the Group has not transferred the substantial risks and rewards relating to these bank acceptance bills and commercial bills, and accordingly, these bills receivable and the associated trade and other payables were not de-recognised in the consolidated statements of financial position.

(ii) Endorsed bank acceptance bills that are derecognised in their entirety

As at 31 December 2025, the Group endorsed certain bank acceptance bills with a carrying amount of RMB47,743,000 (2024: RMB16,630,000) to suppliers for settling trade and other payables of the same amount on a full recourse basis. The Group derecognised these bills receivable and the payables to suppliers in their entirety in the consolidated statements of financial position.

In the opinion of the directors, the Group has transferred substantially all the risks and rewards of ownership of these bills and has discharged its obligation of the payables to its suppliers. The Group considered the issuing banks of the bills are of good credit quality and the non-settlement of these bills by the issuing banks on maturity is not probable.

As at 31 December 2025, the Group's maximum exposure to loss and undiscounted cash outflow, which is the same as the amounts payable by the Group to suppliers in respect of the endorsed bills, should the issuing banks fail to settle the bills on maturity date, amounted to RMB47,743,000 (2024: RMB16,630,000).

13 CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

	Note	At 31 December 2025 RMB'000	2024 RMB'000
Cash and cash equivalents		350,312	199,254
Pledged bank deposits			
– Bills payable	(i)	60,223	–
– Bank loans (Note 14)	(i)	20,000	–
– Others	(ii)	31,562	4,208
		111,785	4,208

(i) The bank deposits pledged for banks loans and bills payable will be released upon the settlement of relevant bank loans and bills payable.

(ii) As at 31 December 2025, other pledged bank deposits mainly comprised bank deposits as guarantee in relation to certain supplier contracts and customer contracts.

14 LOANS AND BORROWINGS

- (a) The analysis of the carrying amount of borrowings in the consolidated statements of financial position is as follows:

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Current		
Short-term bank loans	112,023	50,024
Current portion of long-term bank loans	201,786	215,845
Obligations arising from sale and leaseback transactions	50,325	1,328
Other borrowings	132,520	—
	<u>496,654</u>	<u>267,197</u>
Non-current		
Obligations arising from sale and leaseback transactions	63,908	5,891
Long-term bank loans	160,913	79,225
	<u>224,821</u>	<u>85,116</u>
	<u>721,475</u>	<u>352,313</u>

As at 31 December 2025, the weighted average interest rates of current and non-current loans and borrowings were 3.7% and 3.9% per annum, respectively (2024: 3.4% and 3.5%).

- (b) The borrowings are repayable as follows:

	At 31 December	
	2025	2024
	RMB'000	RMB'000
Within 1 year	496,654	267,197
After 1 year but within 2 years	188,207	44,610
After 2 years but within 5 years	36,614	40,506
	<u>721,475</u>	<u>352,313</u>

(c) The borrowings of the Group are secured as follows:

	Note	At 31 December 2025 RMB'000	2024 RMB'000
Bank loans			
– Secured	(i)	63,062	47,083
– Unsecured		411,660	298,011
		<u>474,722</u>	<u>345,094</u>
Obligations arising from sale and leaseback transactions			
– Secured	(ii)	114,233	7,219
Other borrowings			
– Secured	(iii)	1,431	–
– Unsecured	(iv)	131,089	–
		<u>132,520</u>	<u>–</u>
Total		<u>721,475</u>	<u>352,313</u>

(i) As at 31 December 2025, certain bank loans were secured by the Group's land use rights, property, plant and equipment and pledged bank deposits with the net carrying amounts of RMB62,220,000, RMB59,849,000 and RMB20,000,000, respectively (2024: RMB24,791,000, nil and nil).

(ii) As at 31 December 2025, certain subsidiaries of the Group entered into agreements of sale and leaseback of property, plant and equipment with finance leasing companies, with weighted average interest rate of 6.4% per annum (2024: 6.0%). The principals and interests should be repaid monthly within 5 years.

Based on the annual assessment from the management of the Group, the finance leasing companies did not obtain control of the assets, and the transfer of assets did not satisfy the requirements of IFRS 15 to be accounted for as a sale of the assets. Therefore, the Group continued to recognise the assets and recognised borrowings equal to the transfer proceeds according to IFRS 9.

(iii) As at 31 December 2025, the Group borrowed USD204,000 (equivalent to RMB1,431,000) from a third party with interest rate of 6.0% per annum, which were secured by the Group's deposits.

(iv) As at 31 December 2025, the Group borrowed RMB131,089,000 from third parties, with weighted average interest rate of 4.5% per annum, and would mature within one year.

15 TRADE AND OTHER PAYABLES

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables due to third party suppliers	310,122	270,526
Bills payable	65,223	10,000
Financial liabilities measured at amortised cost	375,345	280,526
Other payables		
– Deposits	6,352	8,572
– Payables for purchase of property, plant and equipment	180,079	7,012
– Commission expenses payable	6,989	2,885
– Deposit for restricted shares	1,066	11,600
– Others	32,980	34,414
Accrued payroll and other benefits	17,506	19,881
VAT and sundry taxes payable	7,374	4,939
Refund liabilities		
– accrual of sales return	1,821	429
– accrual of sales rebate	3,234	4,281
	632,746	374,539

As of the end of the reporting periods, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	306,173	265,049
1 year to 2 years	2,212	1,490
Over 2 years	1,737	3,987
	310,122	270,526

16 DIVIDENDS

No dividends were proposed after the end of years ended 31 December 2025 and 2024.

DEFINITIONS

“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors of the Company
“Corporate Governance Code” or “CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Company” or “Breton”	Breton Technology Co., Ltd.(博雷頓科技股份有限公司), a limited liability company established under the laws of the PRC on November 28, 2016 and converted into a joint stock company with limited liability on November 23, 2022, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1333)
“Director(s)”	the Director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi and not listed or traded on any stock exchange
“Global Offering”	has the meaning ascribed thereto in the Prospectus of the Company dated April 25, 2025
“Group”, “we” or “us”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Date”	May 7, 2025, being the date on which the H Shares were listed and approved for trading on the Main Board of the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified 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

“PRC” or “China”	the People’s Republic of China, which for the purpose of this Annual Results Announcement only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus of the Company dated April 25, 2025
“Reporting Period”	the year ended December 31, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising Domestic Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Supervisor(s)”	member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“treasury share(s)”	has the meaning ascribed to it under the Listing Rules
“subsidiary(ies)”	has the meaning ascribed to it under section 15 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong)
“%”	per cent

By Order of the Board
Breton Technology Co., Ltd.
Mr. Chen Fangming
Chairman, General Manager and Executive Director

Hong Kong, March 30, 2026

As at the date of this announcement, the Directors are (i) Mr. Chen Fangming, Mr. Qiu Debo, Mr. Sun Kanghua, and Ms. Yang Hui as executive Directors; (ii) Mr. Cao Haiyi, and Mr. Wang Zhenkun as non-executive Directors; and (iii) Mr. Zhou Yuan, Mr. Gui Zhenhua, Dr. Jiang Bailing, and Mr. YIM, Chi Hung Henry as independent non-executive Directors.