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WUXI LEAD INTELLIGENT EQUIPMENT CO., LTD.

無錫先導智能裝備股份有限公司

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

(Stock Code: 0470)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Wuxi Lead Intelligent Equipment Co., Ltd. (the “**Company**” or “**Lead Intelligent**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”, or “**we**”) for the year ended December 31, 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended December 31, 2024.

FINANCIAL HIGHLIGHTS

For the year ended December 31, 2025:

- the Group’s revenue amounted to RMB14,358.0 million, representing a year-on-year increase of 22.0%.
- the Group’s net profit amounted to RMB1,559.8 million, representing a year-on-year increase of 482.0%.
- the basic and diluted earnings per share attributable to owners of the Company for the year amounted to RMB1.01 and RMB1.00, respectively (2024: RMB0.18 and RMB0.18, respectively).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2025

	NOTES	Year ended December 31, 2025 RMB'000	2024 RMB'000
Revenue	3	14,358,016	11,773,350
Cost of sales		(9,950,545)	(8,235,805)
Gross profit		4,407,471	3,537,545
Other income and expenses	4	332,452	330,268
Other gains and losses	5	22,323	14,607
Impairment losses (including reversals of impairment losses or impairment gains) on financial assets	6	108,690	(555,170)
Selling and marketing expenses		(353,477)	(362,399)
Administrative expenses		(1,100,815)	(1,119,678)
Listing expenses		(2,009)	—
Research and development expenses		(1,605,067)	(1,670,731)
Finance costs	7	(120,720)	(62,187)
Profit before tax		1,688,848	112,255
Income tax (expense) credit	8	(129,011)	155,776
Profit for the year	9	1,559,837	268,031
Other comprehensive income (expense)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		13,746	(6,610)
Other comprehensive income (expense) for the year		13,746	(6,610)
Total comprehensive income for the year		1,573,583	261,421
Profit (loss) for the year attributable to:			
Owners of the Company		1,563,778	286,100
Non-controlling interests		(3,941)	(18,069)
		1,559,837	268,031
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		1,577,559	279,470
Non-controlling interests		(3,976)	(18,049)
		1,573,583	261,421
Earnings per share	10		
– Basic (RMB)		1.01	0.18
– Diluted (RMB)		1.00	0.18

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

	NOTES	As at December 31, 2025 RMB'000	2024 RMB'000
Non-current Assets			
Property, plant and equipment		3,180,645	2,833,081
Right-of-use assets		908,924	695,095
Goodwill		1,086,614	1,086,614
Other intangible assets		272,866	310,026
Equity instrument at fair value through other comprehensive income ("FVTOCI")		5,000	5,000
Deferred tax assets		486,838	592,299
Prepayment for acquisition of property, plant and equipment		293	219
		<u>5,941,180</u>	<u>5,522,334</u>
Current Assets			
Inventories	12	14,956,690	13,580,021
Bills, trade and other receivables	13	8,379,408	10,658,402
Contract assets	14	902,344	725,299
Tax recoverable		78,820	53,998
Financial assets at fair value through profit or loss ("FVTPL")	15	1,572,220	432,278
Bills receivables at FVTOCI	16	1,093,699	785,988
Time deposits		254,699	106,183
Restricted bank deposits		808,843	869,269
Cash and cash equivalents		4,993,148	3,360,355
		<u>33,039,871</u>	<u>30,571,793</u>
Current Liabilities			
Bills, trade and other payables	17	9,161,985	8,113,910
Contract liabilities	18	12,873,255	11,596,989
Tax liabilities		10,138	16,896
Borrowings	19	1,230,785	1,786,226
Lease liabilities		172,547	150,646
		<u>23,448,710</u>	<u>21,664,667</u>
Net Current Assets		<u>9,591,161</u>	<u>8,907,126</u>
Total Assets less Current Liabilities		<u>15,532,341</u>	<u>14,429,460</u>

	NOTE	As at December 31, 2025 RMB'000	2024 RMB'000
Non-current liabilities			
Borrowings	19	1,816,572	2,476,582
Lease liabilities		478,377	275,733
Deferred income		117,476	97,760
		<u>2,412,425</u>	<u>2,850,075</u>
Net Assets		<u>13,119,916</u>	<u>11,579,385</u>
Capital and reserves			
Share capital		1,566,163	1,566,163
Reserves		11,573,764	10,031,369
		<u>13,139,927</u>	<u>11,597,532</u>
Equity attributable to owners of the Company			
Non-controlling interests		(20,011)	(18,147)
Total equity		<u>13,119,916</u>	<u>11,579,385</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2025

1. GENERAL INFORMATION

The Company was established and registered in the People's Republic of China (the "PRC") on April 30, 2002, as a limited liability company. In December 2011, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. In May 2015 and February 2026, the Company was listed on the Shenzhen Stock Exchange and the Main Board of The Stock Exchange of Hong Kong Limited, respectively. The address of the registered office of the Company is No. 20 Xinxi Road, Xinwu District, Wuxi City, Jiangsu Province, the PRC and the address of its headquarters and principal place of business is No. 18 Xinzhou Road, Xinwu District, Wuxi City, Jiangsu Province, the PRC.

The Group is principally engaged in the research and development, manufacturing and sales of advanced intelligent equipment to address the customers' customised manufacturing needs. The Group offers products and solutions along a continuum ranging from stand-alone equipment to complete production lines across several sectors, including lithium-ion battery intelligent equipment, photovoltaic intelligent equipment, intelligent logistics equipment, 3C intelligent equipment and etc.

The consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual improvements to IFRS Accounting Standards -Volume 11 ²
IFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after January 1, 2026.

³ Effective for annual periods beginning on or after January 1, 2027.

Except for the new IFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7 *Financial Instruments*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Types of goods or services		
Sales of intelligent equipment		
– Lithium-ion battery intelligent equipment	9,450,653	7,688,549
– Photovoltaic intelligent equipment	1,122,569	866,993
– 3C Intelligent equipment	606,694	688,767
– Intelligent logistics equipment	1,155,067	1,867,332
– Automotive intelligent production line	899,614	125,722
– Others	1,123,419	535,987
	<u>14,358,016</u>	<u>11,773,350</u>
Timing of revenue recognition		
A point in time	<u>14,358,016</u>	<u>11,773,350</u>
Geographical markets (Note)		
Chinese Mainland	11,229,410	8,942,013
Overseas	<u>3,128,606</u>	<u>2,831,337</u>
	<u>14,358,016</u>	<u>11,773,350</u>

Note: Information about the Group's revenue from external customers is presented based on the locations of the customers.

Segment information

Information reported to the chief executive officer and executive directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resources allocation and performance assessment focused on geographical locations of the production bases. The Group has identified the following two reportable segments:

- Lead Intelligence: its production bases are located in Wuxi, Jiangsu Province; design, manufacture and sales of front and middle of the manufacturing processes of lithium-ion battery intelligent equipment, photovoltaic intelligent equipment, 3C intelligent equipment, and other equipment; and
- Titan New Power: its production bases are located in Zhuhai, Guangdong Province; design, manufacture and sales of back-end of the manufacturing processes of lithium-ion battery intelligent equipment and intelligent logistics equipment.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Lead Intelligence RMB'000	Titan New Power RMB'000	Elimination RMB'000	Total RMB'000
For the year ended December 31, 2025				
Segment revenue				
External sales	12,296,640	2,061,376	–	14,358,016
Inter-segment sales	81,344	550,031	(631,375)	–
Segment revenue	<u>12,377,984</u>	<u>2,611,407</u>	<u>(631,375)</u>	<u>14,358,016</u>
Segment profit before tax	<u>1,545,726</u>	<u>156,316</u>	<u>(13,194)</u>	<u>1,688,848</u>

For the year ended December 31, 2024

Segment revenue				
External sales	9,140,269	2,633,081	–	11,773,350
Inter-segment sales	1,045,742	554,898	(1,600,640)	–
Segment revenue	<u>10,186,011</u>	<u>3,187,979</u>	<u>(1,600,640)</u>	<u>11,773,350</u>
Segment (loss) profit before tax	<u>(317,212)</u>	<u>390,244</u>	<u>39,223</u>	<u>112,255</u>

Segment profit/(loss) represents the profit earned by/loss from each segment. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Segment assets		
Lead Intelligence	29,993,660	28,814,019
Titan New Power	8,987,391	7,280,108
Consolidated assets	<u>38,981,051</u>	<u>36,094,127</u>
Segment liabilities		
Lead Intelligence	21,405,026	18,844,926
Titan New Power	4,456,109	5,669,816
Consolidated liabilities	<u>25,861,135</u>	<u>24,514,742</u>

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Customer A	3,052,689	N/A ¹
Customer B	N/A ¹	1,787,432
	<u>3,052,689</u>	<u>1,787,432</u>

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

4. OTHER INCOME AND EXPENSES

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Unconditional government grants	11,021	28,067
Subsidies for research and development projects	20,062	3,310
Subsidies for assets acquisition	8,033	7,637
Value-added tax refund and additional deduction	231,270	333,474
Interest income from bank balances	46,273	38,415
Interest income from time deposits	3,255	3,371
Penalty income	3,793	6,147
Others	8,745	(90,153)
	<u>332,452</u>	<u>330,268</u>

5. OTHER GAINS AND LOSSES

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Gains from changes in fair value of financial assets measured at FVTPL	24,974	3,086
Losses on derecognition of bills receivables at FVTOCI	(7,386)	(12,254)
Losses on disposal of property, plant and equipment	(4,353)	(4,444)
Losses on write-off of other intangible assets	(150)	—
Net foreign exchange gains	21,319	45,864
Others	(12,081)	(17,645)
	<u>22,323</u>	<u>14,607</u>

6. IMPAIRMENT LOSSES (INCLUDING REVERSALS OF IMPAIRMENT LOSSES OR IMPAIRMENT GAINS) ON FINANCIAL ASSETS

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Impairment losses (reversed) recognised on:		
– trade receivables	(115,569)	594,183
– contract assets	9,318	(44,300)
– other receivables	(2,439)	5,287
	<u>(108,690)</u>	<u>555,170</u>

7. FINANCE COSTS

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Interest on lease liabilities	14,336	18,553
Interest on bank loans	105,410	42,196
Bank charges for discounted bills receivables	974	1,438
	<u>120,720</u>	<u>62,187</u>

8. INCOME TAX EXPENSE (CREDIT)

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Enterprise Income Tax		
– Current tax	12,162	38,258
– Under (over) provision in prior years	11,388	(1,487)
Deferred tax (credit) expense (note 19)	105,461	(192,547)
	<u>129,011</u>	<u>(155,776)</u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25% during both years, except for the Company and certain subsidiaries entitled to preferential tax rates.

The Company and certain PRC subsidiaries were accredited as a “high and new technical enterprise” and entitled to the preferential income tax rate of 15% during both years.

Certain PRC subsidiaries were subject to “small and thin profit enterprises” and would benefit from a preferential tax rate of 20% under the EIT Law and enjoyed 75% reduction on annual taxable income during both years.

9. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Staff costs, including directors' remuneration		
– salaries and other benefits	3,323,297	3,467,162
– retirement benefit scheme contributions	221,126	233,290
– equity-settled share-based payment expenses	52,377	3,827
	<u>3,596,800</u>	<u>3,704,279</u>
Total staff costs		
Capitalised in inventories	(1,529,903)	(1,623,418)
Capitalised in development costs	–	(4,910)
	<u>2,066,897</u>	<u>2,075,951</u>
Depreciation of property, plant and equipment	250,425	208,535
Depreciation of right-of-use assets	164,408	151,875
Amortisation of other intangible assets	115,464	112,992
	<u>530,297</u>	<u>473,402</u>
Total depreciation and amortisation		
Capitalised in inventories	(405,308)	(355,728)
Capitalised in development costs	–	(122)
	<u>124,989</u>	<u>117,552</u>
Cost of inventories recognised as an expense	9,605,697	7,706,971
Write-down of inventories (included in cost of sales)	338,614	548,672
Auditor's remunerations	3,600	1,250
	<u>9,947,911</u>	<u>8,806,893</u>

10. DIVIDENDS

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Dividend for ordinary shareholders of the Company recognised as distribution:		
2023 Final – RMB0.343 per share	–	533,327
2024 Final – RMB0.056 per share	87,081	–
	<u>87,081</u>	<u>533,327</u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended December 31, 2025 of RMB0.287 (2024: final dividend in respect of the year ended December 31, 2024 of RMB0.056) per ordinary share, in an aggregate amount of approximately RMB477,301,000 (2024: approximately RMB87,081,000), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

11. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Year ended December 31,	
	2025	2024
Earnings (RMB'000)		
Earnings for the purpose of basic and diluted earnings per share attributable to owners of the Company	<u>1,563,778</u>	<u>286,100</u>
Number of shares ('000)		
Weighted average number of ordinary shares for the purpose of basic earnings per share (Note)	1,554,954	1,554,890
Effect of dilutive potential ordinary shares: – share incentive plans of the Company	<u>2,634</u>	<u>333</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>1,557,588</u>	<u>1,555,223</u>

Note: The number of treasury shares was excluded in calculating the weighted average number of ordinary shares for the purpose of basic earnings per share.

12. INVENTORIES

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Raw materials	670,139	502,921
Work in progress	3,631,050	4,050,507
Goods delivered	<u>10,655,501</u>	<u>9,026,593</u>
	<u>14,956,690</u>	<u>13,580,021</u>

13. BILLS, TRADE AND OTHER RECEIVABLES

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade receivables		
– due from related parties	953,611	1,206,734
– due from third parties	7,989,649	9,765,779
	<u>8,943,260</u>	<u>10,972,513</u>
Less: Allowance for credit losses	(2,232,790)	(2,346,389)
	<u>6,710,470</u>	<u>8,626,124</u>
Bills receivables (Note)	689,695	956,233
Prepayments and other receivables		
Prepayment to suppliers	470,060	399,732
Value added tax recoverable	415,374	571,176
Deposits for tendering and performance	62,150	83,221
Amounts due from related parties – trade related	–	6,613
Amounts due from related parties – non-trade related	1,154	906
Deferred issue costs	28,091	–
Other receivables	28,033	47,135
Less: Allowance for credit losses	(25,619)	(32,738)
	<u>979,243</u>	<u>1,076,045</u>
	<u>8,379,408</u>	<u>10,658,402</u>

Note: All the bills receivables of the Group were bank acceptance bills and are with a maturity period of less than one year. For bills receivables, based on the historical data and management's analysis, the potential loss on collection of bills receivables is not material and no impairment loss is considered.

As at January 1, 2024, the Group's trade receivables from contracts with customers amounted to RMB9,748,842,000.

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on revenue recognition dates:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within 1 year	4,129,602	4,793,102
1 to 2 years	1,866,540	3,265,549
2 to 3 years	714,328	567,473
	<u>6,710,470</u>	<u>8,626,124</u>

14. CONTRACT ASSETS

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Retention receivables		
– due from related parties	298,731	72,915
– due from third parties	651,105	690,558
	<u>949,836</u>	<u>763,473</u>
Less: Allowance for credit losses	(47,492)	(38,174)
	<u>902,344</u>	<u>725,299</u>

As at January 1, 2024, the Group's contract assets amounted to RMB1,567,004,000.

The intelligent equipment sales contracts include the terms that require certain portion of the contract value to be withheld by the customers until the expiry of the warranty period.

The Group typically agrees to a retention period for one year for 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditioned on the equipment not having quality issue.

The contract assets are transferred to trade receivables when the warranty obligations expire.

15. FINANCIAL ASSETS AT FVTPL

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Financial assets mandatorily measured at FVTPL – structured deposits (Note)	1,572,220	432,278

Note: The structured deposits were short-term investments issued by banks and financial institutions with no predetermined or guaranteed return. These financial assets were with expected rates of return (not guaranteed), depending on the market price of underlying financial instruments, including listed shares, bonds, debentures and other financial assets.

16. BILLS RECEIVABLES AT FVTOCI

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Bills receivables	1,093,699	785,988

As at December 31, 2025, certain bills which were held by the Group for the practice of endorsing to suppliers or discounting to banks before the bills due for payment were classified as “bills receivables at FVTOCI”. All the bills receivables are with a maturity period of less than one year.

The credit risk on bills receivables at FVTOCI is limited because the counterparties are banks with high credit-ratings assigned by credit rating agencies. In the view of the directors of the Company, the credit risk of bills receivables at FVTOCI was minimal and no impairment was provided.

17. BILLS, TRADE AND OTHER PAYABLES

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade payables		
– due to related parties	28,309	27,066
– due to third parties	3,735,381	3,752,519
	<u>3,763,690</u>	<u>3,779,585</u>
Trade payables under supplier finance arrangements	542,985	32,649
Bills payables (Note)	3,661,493	3,176,070
Payables for acquisition of property, plant and equipment	384,327	292,070
Payroll payables	599,520	639,254
Value added tax and other taxes payable	64,726	40,607
Amounts due to related parties – non-trade related	–	11,630
Accrued issue costs	5,304	–
Other payables	139,940	142,045
	<u>5,398,295</u>	<u>4,334,325</u>
	<u>9,161,985</u>	<u>8,113,910</u>

Note: These relate to trade payables in which the Group has issued bills to the relevant suppliers for settlement of trade payables. The suppliers can obtain the invoice amounts from the bank on the maturity date of the bills. The Group continues to recognise these trade payables as the Group are obliged to make payments to the relevant banks on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the consolidated statement of cash flows, settlements of these bills by the Group are included within operating cash flows based on the nature of the arrangements.

The following is an aged analysis of trade payables (including supplier finance arrangements) presented based on invoice date at the end of the reporting period:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within 1 year	4,242,265	3,812,234
Over 1 year	64,410	–
	<u>4,306,675</u>	<u>3,812,234</u>

18. CONTRACT LIABILITIES

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Sales of equipment		
– from related parties	2,332,238	1,156,504
– from third parties	10,541,017	10,440,485
	<u>12,873,255</u>	<u>11,596,989</u>

Contract liabilities that are expected to be settled within the Group's normal operating cycle are classified as current liabilities based on the Group's earliest obligation to transfer goods to the customers.

As at January 1, 2024, the Group's contract liabilities amounted to RMB12,572,739,000.

As at January 1, 2024 and December 31, 2024, the Group's contract liabilities amounted to RMB6,933,726,000 and RMB7,310,639,000 were recognised as revenue during the years ended December 31, 2024 and 2025, respectively.

19. BORROWINGS

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Secured	127,868	82,796
Unsecured	2,919,489	4,180,012
	<u>3,047,357</u>	<u>4,262,808</u>
The carrying amounts of the above borrowings are repayable:		
Within one year	1,230,785	1,786,226
Within a period of more than one year but not exceeding two years	1,398,095	1,172,666
Within a period of more than two years but not exceeding five years	418,477	1,303,916
	<u>3,047,357</u>	<u>4,262,808</u>
Less: Amounts due within one year shown under current liabilities	<u>(1,230,785)</u>	<u>(1,786,226)</u>
Amounts shown under non-current liabilities	<u>1,816,572</u>	<u>2,476,582</u>

The exposure of the Group's borrowings are as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Fixed-rate borrowings	1,120,107	2,266,329
Variable-rate borrowings	1,927,250	1,996,479
	<u>3,047,357</u>	<u>4,262,808</u>

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's and the Company's borrowings are as follows:

	As at December 31,	
	2025	2024
Fixed-rate borrowings	0.95%~2.70%	0.76%~2.70%
Variable-rate borrowings	2.25%~2.70%	2.48%~2.70%

20. PLEDGE OF ASSETS

The following assets have been pledged to or placed with various banks mainly for issuance of bills payables or for placing structured bank deposits at the end of each reporting period:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Restricted bank deposits	808,843	869,269
Time deposits	76,003	—
Bills receivables	—	82,796
	884,846	952,065

21. CAPITAL COMMITMENT

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Capital expenditures contracted for but not provided in the consolidated financial statements in respect of acquisition of property, plant and equipment	162,577	396,340

MANAGEMENT DISCUSSION AND ANALYSIS

Principal Businesses of the Company During the Reporting Period

(I) Principal Businesses and Products

The Company specializes in the research and development (“R&D”), design, production and sales of high-end and non-standard intelligent equipment. With a focus on the integration of “new energy + high-end equipment”, the Company is a leading global provider of new energy intelligent manufacturing solutions. Its business portfolio covers areas including lithium-ion battery intelligent equipment, solid-state battery intelligent equipment, photovoltaic (PV) intelligent equipment, 3C, automotive and energy storage intelligent equipment, intelligent logistics systems, hydrogen energy equipment, and laser precision processing equipment, enabling the Company to provide customers with comprehensive smart factory solutions integrating intelligent manufacturing +services.

- 1. Lithium-ion battery intelligent equipment:** The Company is committed to building end-to-end solutions for the intelligent manufacturing of lithium-ion batteries. Its product offerings cover intelligent equipment for the entire process, including mixing, coating, rolling, slitting, winding and chemical composition, and extend into industrial-grade, high-precision inspection by introducing advanced equipment such as industrial CT, X-ray inspection and visual defect recognition systems. This achieves full life-cycle equipment support from manufacturing to final product inspection and quality traceability for prismatic and cylindrical power batteries as well as energy storage batteries, thereby fully ensuring consistency and reliability of battery products. In addition, the Company is actively developing new battery technologies, offering customized equipment solutions for emerging battery systems, such as sodium-ion batteries, to empower customers to stay at the forefront of technological innovation. In terms of turnkey solutions, Lead Intelligent leverages its self-developed dome-series intelligent manufacturing platform, LEADACE, to deeply integrate equipment interconnectivity, smart scheduling and digital factory systems. It provides “turnkey” delivery services characterized by rapid deployment, flexible production, and smart operation and maintenance, which effectively enhance production efficiency and operational intelligence, helping clients reduce costs, increase efficiency, and accelerate their transition into the next stage of smart factories.
- 2. Solid-state battery intelligent equipment:** With a forward-looking layout in the R&D of key solid-state battery equipment, the Company has launched dry and wet mixing and coating equipment suitable for all-solid-state electrode preparation. It offers ultra-high precision lithium foil preparation systems and high-vacuum R2R lithium plating machines for metallic lithium anode preparation, and offers solid-state composite transfer equipment specifically designed for solid-state electrolyte membrane preparation. Also, tailored to the physical and electrochemical properties of solid-state raw materials, the Company has developed ultra-efficient integrated machines for frame-gluing, laminating, cutting, and stacking, as well as large-capacity isostatic presses to strengthen interfacial bonding. In terms of turnkey solutions, the Company offers customized turnkey solutions that cover material preparation, electrode processing and cell assembly. By integrating smart inspection and closed-loop control technologies, these solutions support flexible manufacturing for multiple product varieties to help customers accelerate the pilot testing and industrial commercialization of solid-state batteries and enable them to possess leading technical reserves and engineering capabilities.

3. **PV intelligent equipment:** The Company provides manufacturing equipment and turnkey solutions for both PV modules and PV cells. For PV modules, smart equipment includes BC/0BB/SMBB stringers, integrated laser scribing equipment, tab welding equipment, complete busbar welding equipment, as well as module turnkey solutions. For PV cells, smart equipment includes equipment for screen printing, sintering and testing/sorting processes, wet process equipment for texturing, alkaline polishing, cleaning and BSG/PSG removal, as well as turnkey solutions for PV cells across various fields, including TOPCon, HJT, XBC and perovskite.
4. **3C, automotive and energy storage intelligent equipment:** Leveraging its self-developed 3D+AI vision algorithms, precision fluid technology and integrated testing technology, Jiangsu Lead Technology Co., Ltd. (江蘇立導科技有限公司), a subsidiary of the Company, empowers innovation in the consumer electronics, smart vehicle and digital energy industries by providing end-to-end intelligent equipment solutions. (1) Consumer electronics: its offerings include equipment for visual measurement, AI defect detection, five-axis high-speed dispensing, high-flow sealing, imaging testing, electrical testing, reliability testing and 3D printing and assembly. (2) Intelligent vehicles: focusing on Pack & CTP, intelligent electric powertrains, smart cockpits, body and chassis systems and intelligent driving, it provides intelligent equipment solutions for the entire manufacturing process. (3) Digital energy: its offerings include equipment and supporting solutions for energy storage containers, inverters and ultra-fast charging stations.
5. **Intelligent logistics systems:** With a core focus on “flexible manufacturing” and “smart manufacturing”, Guangdong Beidao Intelligent Technology Co., Ltd. (廣東貝導智能科技有限公司), a subsidiary of the Company, helps customers resolve various challenges in warehousing and production logistics management by improving storage and transfer efficiency and enabling digital and intelligent operations. It provides one-stop turnkey logistics solutions that encompass consulting, design, planning, manufacturing, installation, commissioning and upgrade services. These include intelligent warehousing solution, production logistics solution, distribution center solution, and digital intelligence solution. Principal products: (1) Intelligent warehousing equipment includes: stackers, shuttle vehicles, OHT, etc. (2) Production conveyor equipment includes: belt/roller conveyor systems, high-speed circulating elevators, etc. (3) Intelligent handling equipment includes: cantilever AGVs, double-fork transfer AGVs for roll, narrow-aisle forklift AGVs, latent lift AGVs, etc. (4) Palletizing and sorting equipment includes: 4-axis and 6-axis robotic arms, gantry robots, etc. (5) Digital and intelligent software products include: intelligent warehouse management system (WMS), intelligent warehouse control system (WCS), intelligent logistics execution system (LES), intelligent flexible manufacturing system (FMS), AGV control system (ACS), digital twin system, etc.

6. **Hydrogen energy equipment:** Jiangsu Qingdao Intelligent Equipment Co., Ltd. (江蘇氫導智能裝備有限公司) (“**Qingdao Intelligent**”), a subsidiary of the Company, focuses on key technologies such as electrolyzers and fuel cells, and systematically advances the equipment adoption for core processes such as slurry coating, packaging, stacking and assembly, and high-precision testing. With a comprehensive understanding of the entire process chain from materials, processes and components to complete systems, Qingdao Intelligent has established significant technical advantages in precision control, production consistency and scalability, and thus is able to provide customers with professional equipment solutions that meet high efficiency and reliability requirements. As the global hydrogen energy industry transitions from the validation stage to commercialization, Qingdao Intelligent offers a complete delivery framework encompassing from process demonstration and laboratory lines to pilot trial and mass production lines, which helps customers efficiently advance product development, performance validation and large-scale manufacturing, thereby significantly reducing production costs and improving yields.
7. **Laser precision processing equipment:** Wuxi Guangdao Precision Technology Co., Ltd. (無錫光導精密科技有限公司) (“**Guangdao Technology**”), a subsidiary of the Company, has specialized in the “precision” sector for 20 years. With its deep integration of laser technology, it has established a comprehensive presence across the entire laser industry chain. Leveraging robust visual algorithms and software R&D capabilities, it provides customers with complete equipment and holistic solutions. Currently, centered on high-precision CNC systems, Guangdao Technology offers precision micro-processing, measurement and automated intelligent workshop solutions for related industries in the fields of semiconductor, PCB and advanced display. Semiconductors: its offerings cover semiconductor FE-BE processes, laser stealth dicing, marking, notching, and special applications such as 3D TSV/TGV. Consumer electronics: it offers comprehensive laser solutions for consumer electronics, covering traditional PCB/FPC and 3C fields. Advanced displays: it offers new laser solutions applied to LCD, OLED and Micro LED.

(II) Operating Model

The Company’s products are specialized automation equipment, which vary significantly among products and require personalized design and customization tailored to specific customer requirements. The operating model of the Company is heavily influenced by the industries in which its downstream customers operate. Taking customer needs as its core, the Company has developed R&D, procurement, production and sales models in response to customer needs. The Company manages business activities including R&D, procurement, production and sales through an IT platform. By building a comprehensive digital management platform on top of its self-developed information management software, the Company continuously enhances its operational efficiency and product quality.

1. *R&D model*

The specialized automation equipment manufacturing industry is highly interconnected and closely tied to the development of downstream industries. Before initiating any R&D efforts, the Company first establishes a close partnership with its downstream customer, and conducts in-depth inspections of its production environment to fully understand its manufacturing processes and the technical parameters and automation requirements of related production equipment. Once the customer's needs are identified, the Company forms a dedicated project team to handle tasks from project initiation and project management to R&D, design, testing and process development. It assigns responsibilities to each team member, and outlines the specific requirements and key points for each stage to ensure the R&D process progresses smoothly. The project team holds regular meetings for in-depth discussions on issues encountered during the R&D process and to propose improvement measures and suggestions. During the final prototype trial production, team members perform targeted inspections on the implementation of each stage as required. Once the prototype meets all user specifications, the team compiles a summary of the issues encountered during the R&D process with the measures taken to address them to accumulate experience for subsequent project development.

2. *Procurement model*

To ensure timely procurement while keeping inventory levels in check, the Company procures materials in batches based on its production schedules, and a rigorous procurement management system has been established accordingly. For core components that have a significant impact on its product quality, the Company regularly maintains an approved brand catalog and conducts procurement either directly purchasing from the manufacturers or through agents, depending on the supply method of these brands. The core component suppliers of the Company are typically renowned domestic and international enterprises, ensuring a relatively stable supply base of core components.

3. *Production model*

The Company's principal products are specialized automation equipment, which vary significantly among products and require personalized design and customization tailored to specific customer requirements. As such, this requires the Company to adopt a make-to-order production management model for manufacturing. Once the sales department secures an order or supply contract from a customer, it issues a production schedule to the production department based on the contract requirements. The production department then collaborates with the R&D department to map out a production timeline in accordance with the contract terms and the capacities of each workshop, and delegates the tasks accordingly. To reduce production costs, the Company consistently pushes for product standardization by increasing the standardization level of equipment on the basis of fulfilling customized customer needs, i.e., evolving towards a design where the equipment manufactured by the Company integrates "standard components" with "custom non-standard components". For some equipment with high market demand, the Company appropriately increases the material input for the production of standard components upon receipt of customer orders. This allows for the mass production of standard components, which not only lowers procurement costs and production costs but also boosts the Company's production efficiency and enables faster delivery to customers.

4. Sales model

The sales model of the Company relies primarily on a direct-to-order model. The equipment manufactured by the Company is applied to the production of lithium-ion batteries, PV cells and modules, new energy vehicles (NEVs) and fuel cells, as well as industrial intelligence fields such as visual measurement and general assembly for consumer electronics products. Given the highly specialized nature of its equipment, the Company has built a strong reputation across downstream industries and secures orders primarily through direct customer engagement. In addition, the Company also actively participates in professional exhibitions both domestically and internationally to expand its customer base. The Company has established a sales department responsible for engaging with customers, developing sales strategies, tracking customer dynamics, and identifying further customer needs.

(III) Market Position

Since its inception, Lead Intelligent has remained dedicated to the high-end equipment manufacturing sector. Through continuous dedication and technological breakthroughs, the Company has now evolved into a leading global provider of new energy intelligent manufacturing solutions. It even stands as the only provider of lithium-ion battery turnkey solutions in the world that possesses full and independent intellectual property rights. With an industry-leading operational scope, the Company operates across multiple key sectors, including lithium-ion battery intelligent equipment, PV intelligent equipment, 3C intelligent equipment, intelligent logistics systems, and hydrogen energy equipment. Its products are exported to over 20 countries and regions. Backed by exceptional technical expertise and superior service quality, the Company has become a preferred partner for core equipment and customized solutions for top-tier global corporations such as CATL, BMW, Tesla and LG. In 2025, driven by its industry-leading technological foundation and robust momentum for R&D innovation, the Company was awarded a number of prestigious honors. These include the “Hurun China Enterprises Top 500”, “National Advanced Collectives in the Industrial and Information Technology System”, “Outstanding Contribution Enterprise in Industry”, “2025 Industry Contribution Award (Enterprise Category)” and “2025 Top 10 Energy Brands”.

Situation of the Industry in Which the Company Operated During the Reporting Period

The Company specializes in the R&D, design, production and sales of high-end and non-standard intelligent equipment. The industry in which it operates is the intelligent equipment manufacturing industry, with principal activities in equipment manufacturing for sectors including lithium-ion batteries, PV, 3C and hydrogen energy. In accordance with the Guidelines on Industry Classification of Listed Companies issued by the China Securities Regulatory Commission (the “CSRC”) in October 2012, the Company is classified under “C35 Special Equipment Manufacturing Industry”.

(I) Lithium-ion Battery Equipment Industry

Lithium-ion batteries are divided into three categories: power, energy storage and digital. The lithium-ion battery equipment industry provides specialized equipment for downstream lithium-ion battery production. The industry’s performance is highly correlated with downstream market demand.

1. *Power batteries:*

In 2025, the global NEV market continued to recover, driving rapid growth in the demand for power batteries. According to CPCA, global NEV sales in 2025 reached 22.71 million units, representing a year-on-year increase of 27% and accounting for a market share of 23.5%. According to CAAM, China's NEV production and sales reached 16.626 million units and 16.49 million units, representing a year-on-year increase of 29% and 28.2%, respectively. This marked the 11th consecutive year that China ranked first globally, directly spurring leading lithium-ion battery manufacturers to expand their production capacities. In terms of installed capacity, statistics from the China Automotive Battery Innovation Alliance indicate that China's power battery installations in 2025 reached 769.7 GWh, representing a year-on-year increase of 40.4%. SNE Research data reveals that global power battery installations in 2025 reached 1,187 GWh, representing a year-on-year increase of 31.7%. Both domestic and international markets maintained robust growth momentum. Meanwhile, industry regulations have been continuously tightened, with industrial upgrades driven by regulatory documents and stricter entry criteria, which have accelerated the phasing out of outdated production capacity and further shifted industry concentration towards companies with technological and scale advantages.

In the medium to long term, the ongoing expansion of the NEV market will provide stable support for power battery demand. As industry supply and demand has gradually reached an equilibrium, companies with technological and cost advantages will be well-positioned to enhance quality and efficiency. By virtue of their high energy density and enhanced safety, solid-state batteries have emerged as a core development direction for NEVs, low-altitude aircraft and humanoid robots. Major global automakers and leading battery manufacturers have established clear timelines for their commercialization. As commercialization accelerates, solid-state battery production equipment will undergo comprehensive innovation, with the pace of technological iteration continuing to speed up. According to GGII, global solid-state battery installations were approximately 5.3 GWh in 2024, expected to grow to 17.3 GWh in 2025 and further to 47.5 GWh by 2027. In China, the solid-state battery market was estimated at RMB1.7 billion in 2025 and is forecast to exceed RMB5 billion by 2027, with a CAGR of 65.8%. In addition, due to their resource advantages and superior safety profile, sodium-ion batteries have attracted significant investment and R&D resources. They present market opportunities in applications such as micro-cars, two-wheeled vehicles, starter batteries, PHEVs and commercial vehicles. According to research data from SPIR, global shipments of sodium-ion batteries reached 9 GWh in 2025, representing a year-on-year increase of 150%. According to forecasts by GGII, by 2030, sodium-ion batteries are expected to reach a production scale of hundreds of GWh.

2. *Energy storage batteries:*

Against the backdrop of carbon neutrality, building a new power system dominated by renewable energy has become a global consensus. As the core pillar for smoothing out new energy fluctuations, ensuring grid stability and balancing power supply and demand, new energy storage has propelled the industry into a new phase of high-quality development driven by both policy and the market. Compounded by the current complex international environment, the demand for a stable global energy supply has risen. With overseas power grids under pressure and a growing desire for regional energy autonomy, the need for global energy storage deployment has been further stimulated. Meanwhile, the rapid development of the AI industry has led to the explosive expansion of AIDC intelligent computing centers. The rigid demand for high-power and zero-interruption

power supply has made energy storage a core supporting facility for data centers, opening up increments in energy storage demand. At the national level, the policy framework has been continuously refined. The government has successively issued major documents, including the Guiding Opinions on Accelerating the Development of New Energy Storage, the Implementation Plan for the Development of New Energy Storage during the 14th Five-Year Plan Period, and the Special Action Plan for the Large-Scale Development of New Energy Storage (2025-2027). These documents clarify the industry's goals for large-scale development, proposing to achieve a total capacity of new energy storage nationwide exceeding 180 million kW by the end of 2027 and to facilitate direct investment of approximately RMB250 billion. Local supporting regulations have been implemented at an accelerated pace. Measures such as optimizing peak-valley tariff differences and refining the requirements for coupling new energy with storage have further consolidated the foundation for industry development, driving the industry's transition from being policy-driven to market-led.

In terms of market size, new energy storage installations experienced explosive growth. According to data disclosed by CNEA DataLink and Xinhuanet, China's cumulative installed capacity for new energy storage reached 144.7 GW by the end of 2025, representing a year-on-year increase of 85%, which secured China's position as the global leader. In 2025, newly commissioned capacity was 66.43 GW/189.48 GWh, representing a year-on-year increase of 52% and 73% in power and energy capacities, respectively. New installations exceeded 100 GW for the first time, underscoring a prominent scale effect. The application structure continued to optimize, with independent energy storage emerging as the mainstream, accounting for 58% of market share in 2025. Energy storage has officially integrated into power system dispatching as an independent regulation resource, marking steady progress in the improvement of its market-oriented operational capabilities.

Downstream demand has been fully unleashed. In 2025, domestic C&I energy storage increased by 10.5 GWh, representing a year-on-year increase of 40%, supported by substantial peak-valley tariff differences that reinforced the industry's economic viability. Grid-forming energy storage recorded commissioned capacities of 7.3 GW/25.2 GWh, with energy capacity nearly tripling year-on-year. In the AIDC data center sector, surging AI computing loads and upgraded power supply standards have driven rapid growth in energy storage demand, emerging as a highly promising growth area within the industry. The CAGR for global AIDC-related energy storage demand remains high, further propelling shipments of energy storage lithium-ion batteries. In 2025, China's energy storage lithium-ion battery shipments reached 630 GWh, representing a year-on-year increase of 85%, prompting related equipment to upgrade towards greater efficiency and intelligence.

3. *Consumer batteries:*

In 2025, supported by a mild recovery in consumer electronics, device iterations and the mass rollout of AI hardware, the consumer lithium-ion battery sector showed an overall trend of steady recovery and structural optimization, which positioned the sector as a stable pillar for the lithium-ion battery equipment industry. Traditional consumer electronics devices gradually picked up, with accelerated upgrade and replacement cycles for smartphones, laptops and other devices. Growing market penetration of foldable screens and high-end models drove battery upgrades towards high energy density, ultra-thin and unconventional shapes, and fast-charging capabilities. Coupled with the demand for replacing existing devices, this solidified the industry's foundation.

Emerging device applications continue to expand, with the accelerated adoption of wearables, AR/VR, AIPC and intelligent medical equipment. The concentrated launch of AI devices in 2025 fuelled demand for customized and miniaturized lithium-ion batteries, making these batteries the primary driver of industry growth. Meanwhile, stricter industry regulations and elevated safety standards, combined with intensifying market competition, accelerated the phasing out of small and medium-sized production capacities, thereby shifting industry concentration towards leading enterprises.

Overall, the consumer battery market made steady progress in 2025. Driven by both device innovation and technological iteration, the industry demonstrated strong resilience. According to forecasts by SPIR, global 3C battery shipments exceeded 70 GWh in 2025, representing a year-on-year increase of 5.8%, which pushed consumer lithium-ion battery equipment to upgrade towards higher precision, automation and flexibility.

(II) PV Equipment Industry

The PV equipment industry provides specialized equipment for PV cells and PV modules production, serving as a core upstream sector of the PV supply chain. The industry's performance is closely tied to downstream demand for PV installations, industry supply and demand dynamics, policy directions, and the pace of technological iteration. The year 2025 marked a pivotal year for the quality enhancement, upgrading and transformational development of China's PV industry. Guided by regulatory policies and driven by market structure optimization as well as breakthroughs in cutting-edge technologies, the industry experienced steady growth. Throughout the year, the industry exhibited a development trend characterized by steady growth in installation size, continuous optimization of production capacity structure, an increasingly refined policy framework, and the accelerated application of technological innovations.

1. Industry supply and demand dynamics

In 2025, the supply and demand dynamics of the PV industry experienced a phased divergence, in which demand maintained steady growth, while supply entered a period of optimization and adjustment. As the global energy transition continued to deepen, PV – as a core clean energy category – enjoyed solid support for downstream installation demand. On the supply side, influenced by the pace of previous production capacity expansions, the industry's overall production capacity remained large, with production capacity utilization in certain segments at relatively low levels amid intense market competition. This has ushered the industry into a critical phase of production capacity optimization and structural adjustment.

Demand-side data showed impressive performance. According to authoritative figures from the National Energy Administration (NEA), China's newly installed PV capacity in 2025 reached 317 million kW, representing a year-on-year increase of 14%. China's cumulative grid-connected wind and solar capacity reached 1.84 billion kW, historically surpassing thermal power in installed capacity and accounting for 47% of total national installed power capacity. This clearly highlighted the ongoing substitution effect of clean energy. On the supply side, ongoing optimization and upgrades continued, with outdated capacity phased out in a gradual and orderly manner, while supply chain resources and market share increasingly concentrated among leading enterprises with technological, scale and cost advantages, leading to a steady increase in industry concentration.

2. *Industry policies and technological development*

Industry policies focused on regulating the development order, facilitating improvements in quality and efficiency and encouraging technological innovation, thereby providing a solid foundation for the high-quality development of the PV industry. Several government authorities introduced policies to regulate market competition and guide the sector towards rational planning and orderly growth. NEA issued the Administrative Measures for the Development and Construction of Distributed Photovoltaic Power Generation, which clarified the classification and management standards for distributed PV, streamlined the project filing process, and promoted the diversified, multi-scenario integration and application of distributed PV systems.

Meanwhile, the full integration of grid-connected new energy into market-based electricity trading ended the era of fixed tariffs. This shift prompted the industry to enhance project operational efficiency and power consumption and adaptability capabilities. Policymakers continued to support PV technological innovation by accelerating the industrialization of cutting-edge technologies, such as perovskite, to help the industry transition from homogeneous competition to technology-driven competition. According to the China Business Industry Research Institute, China's newly added perovskite cell capacity reached 4GW in 2025, with a market size of RMB3.75 billion, doubling the figures from 2024. The accelerated industrialization of these advanced technologies simultaneously facilitated the PV equipment industry to upgrade and evolve towards high-end and intelligent directions.

(III) 3C Equipment Industry

The 3C equipment industry primarily provides specialized intelligent equipment, including those for visual measurement, AI defect detection, precision fluid control, 3D precision assembly and imaging testing, to downstream sectors such as consumer electronics and intelligent vehicles. It is a core upstream equipment sector supporting high-end manufacturing and the quality enhancement and upgrading of end products. The industry's development is closely tied to downstream demand for product innovation, production capacity upgrades and intelligent manufacturing transformations. In 2025, driven by the recovery of the downstream consumer electronics sector, the deep integration of AI technology and the synergistic growth of the intelligent vehicle industry, the 3C equipment industry overall showed a development trend of rising prosperity with a steady release of demand. The industry's structure continued to optimize, with a growing proportion of demand for high-end and intelligent equipment.

In 2025, the downstream consumer electronics sector benefited from a combination of favorable factors that facilitated a structural recovery in the industry. Global digital transformation solidified the rigid demand for smart devices. The explosive penetration of AI technology promoted the intelligent upgrade of traditional devices and accelerated the commercialization of new hardware. Domestic consumer subsidy policies stimulated end-user consumption, leading to a rebound in the sales of mainstream consumer electronics. This, in turn, triggered a simultaneous demand release for production line upgrades and equipment renewals. Cross-sector demand from the intelligent vehicle industry emerged as a new growth driver, with rising needs for the precision manufacturing and inspection of components such as automotive intelligent hardware. Leveraging shared technological foundations, 3C equipment manufacturers expanded into the automotive operations. Coupled with high downstream requirements for product precision and high yield rates, the industry was prompted to upgrade towards high automation, great flexibility and AI empowerment, underscoring the sustained prominence of leading enterprises in technological and customized service advantages.

According to Statista, the global consumer electronics market was projected to reach US\$1.15 trillion in 2025. The steady expansion of this downstream market, combined with the equipment demand arising from production line intelligent transformation and mass production of new products, created a highly favorable environment for the 3C equipment industry, presenting the industry with development opportunities for quality enhancement and capacity expansion in general.

(IV) Hydrogen Energy Equipment Industry

The hydrogen energy equipment industry primarily provides specialized equipment for fuel cells, electrolyzer production, hydrogen testing and the entire hydrogen energy chain spanning production, storage, transportation and refuelling. It is a core upstream sector supporting the large-scale development of the hydrogen energy industry and the development of a zero-carbon energy system. The industry's growth is driven by top-level policy guidance, the implementation of industrial pilot projects, and technological breakthroughs. Its strategic position continues to elevate with robust development momentum.

Since 2025, domestic hydrogen policies have achieved a leapfrog improvement, establishing a clear policy promotion logic that laid a solid foundation for industry development. In June 2025, NEA issued a notice on the hydrogen energy pilot program, ushering the industry into a full-chain pilot phase and accelerating standardized development. In February 2026, Qiushi Journal published a key article that mentioned the integration of hydrogen energy development into the top-level planning for national economy, officially elevating hydrogen energy to a major new national growth driver. During the "15th Five-Year Plan" period, various government departments will continue to strengthen planning guidance, boost policy support and tackle core technological challenges, further consolidating the certainty of the industry's development.

Spurred by favorable policies, the domestic hydrogen energy industry has achieved notable progress in practical implementation, with green hydrogen scaling up rapidly. As disclosed by NEA in January 2026, cumulative green hydrogen capacity exceeded 250,000 tonnes per year as of the end of 2025, doubling year-on-year. Major projects, such as those in Kuqa, Xinjiang and Ningdong, Ningxia, have successfully integrated the entire industry chain. Meanwhile, fuel cell vehicle demonstration programs advanced steadily, with over 540 hydrogen refuelling stations built nationwide and approximately 24,000 vehicles rolled out, accompanied by ongoing expansion of application scenarios.

The global hydrogen energy industry is also gaining momentum, with multiple countries rolling out policies to ramp up their positioning. The European Union introduced the “Hydrogen Bank” initiative, intending to invest EUR3 billion in market development and set targets for green hydrogen production and imports by 2030. The United States is leveraging CCUS technology to develop its blue hydrogen sector, with large-scale blue hydrogen projects advancing steadily. This global wave of hydrogen energy development has created a highly favorable external environment for domestic industry while pushing the hydrogen energy equipment industry towards high-end and large-scale upgrades.

Analysis of Core Competitiveness

The Company’s core competitiveness lies in the deep synergy and organic integration of six major dimensions, which together form a systematic and sustainable comprehensive advantage. The details are as follows:

(I) A Leading International Presence Establishes a Solid Global Market Foundation

As a pioneer in the globalization of China’s new energy intelligent equipment sector, the Company launched its globalization strategy in 2018. It has established 19 overseas branches and subsidiaries across 16 countries and regions. In Europe, the Company set up a technical competence center, a delivery center and a central logistics warehouse, which created a comprehensive system for “global R&D, global delivery and global service”. Leveraging its leading technological capabilities and an efficient global supply chain network, the Company has established deep partnerships with world-renowned enterprises such as Volkswagen, BMW, Toyota, Tesla, Porsche, LG and SK. It successfully delivered numerous benchmark projects that earned a high degree of recognition and trust. Meanwhile, in light of the trend of domestic new energy manufacturers expanding abroad, the Company has leveraged its strong ties with leading domestic customers to become a core partner in their overseas expansion. This has further solidified its first-mover advantage and leading position in international markets.

(II) Diversified Platform Layout Expands Room for Growth

Since its inception, the Company has remained dedicated to the intelligent equipment sector, accumulating substantial technical advantages in foundational areas such as high-speed automation, digital control and precision processing. These technical advantages can be transferred and replicated across industries, enabling the Company to efficiently and precisely overcome technical bottlenecks in intelligent equipment across various fields. Also, the Company has established synergistic advantages across multiple business segments within its R&D, supply chain and service operations. In terms of R&D, the Company has achieved comprehensive sharing of foundational, pioneering and common technologies. It has also established a mechanism for optimizing the allocation of technical resources across different business segments to facilitate the smooth transfer of technical capabilities among these segments. In terms of macro-supply chain management, the Company fully realizes resource synergies for products across different fields throughout all stages, including planning, procurement, production, quality management, installation and commissioning, thereby ensuring low-cost, high-efficiency product delivery across all areas. In terms of services, the Company has further standardized its service methods and execution capabilities, and established and shared standardized service resources to enhance the customer experience across all areas. As a result, the Company is well-positioned to continuously capture growth opportunities in various industries, benefit from diversified growth curves and build resilience against cyclical fluctuations in any single industry.

(III) Industry-Leading Technical Strength Builds Strong Core Barriers

The Company is committed to the dual drive of independent R&D innovation and production. It possesses multiple high-level R&D platforms, including a National Enterprise Technology Center, a National Postdoctoral Research Station and the Jiangsu Provincial Lithium-ion Battery Equipment Engineering Center. It serves as a Key High-Tech Enterprise of the National Torch Program, a Single Champion Product Enterprise and a Benchmark Factory for the Industrial Internet in Jiangsu Province. It was also recognized as a National Technological Innovation Demonstration Enterprise by the Ministry of Industry and Information Technology (MIIT). In recent years, the annual R&D investment of the Company accounted for more than 10% of its revenue. It assembled an experienced R&D team, which established significant advantages in the core technologies, key processes and system integration of intelligent equipment. During the Reporting Period, the Company and its wholly-owned subsidiaries were granted a total of 778 patents, including 182 invention patents, 573 utility model patents and 23 design patents. As of the end of the Reporting Period, the Company and its wholly-owned subsidiaries were granted a total of 3,592 nationally authorized patents. With years of practical experience, the Company has conquered numerous key core technologies in fields such as intelligent lithium-ion battery equipment, and has built strong core technical barriers, emerging as a turnkey solution provider for lithium-ion batteries with 100% independent intellectual property rights.

(IV) Efficient and Intelligent Customized Service Model Deepens Customer Engagement

Guided by its commitment to fully serving customer needs in R&D, the Company has built a flexible and comprehensive R&D system. It tailors exclusive solutions based on specific customer requirements, offering end-to-end planning, design and optimization services – from initial concept to final implementation – that cover every stage of battery production. Rooted in the core principles of high efficiency and adaptability, its proprietary modular R&D approach ensures that the system can quickly accommodate adjustments and upgrades, which in turn significantly shortens the changeover cycle for production lines and enables customers to respond nimbly to shifting market conditions. This approach realizes effective cost control and efficiency gains, helping customers achieve highly efficient operations and sustainable development for their production lines.

(V) Cost Advantages Driven by Economies of Scale Strengthen Market Competitiveness

The Company is dedicated to technological innovation. By continuously improving production processes, optimizing turnkey solutions and promoting the integration of digital intelligence, the Company spearheads a comprehensive upgrade of production workflows to reduce costs and enhance efficiency. In terms of production processes, drawing on its long-term research into battery manufacturing workflows and parameters, it applies numerous innovative technologies to optimize process flows and layouts. This enhances equipment productivity, lowers overall costs for customers and ensures the stability of end products. In terms of turnkey solutions, it iteratively refines production processes and manufacturing technologies. By streamlining and integrating workflows, it enhances overall efficiency, generating higher returns for customers while reducing energy consumption and management costs, which in turn drives a dual enhancement in both production efficiency and product quality. In terms of digital and intelligent integration, it actively incorporates advanced technologies such as intelligent manufacturing systems, the Internet of Things (IoT) and big data. It has independently developed the LEADACE platform, as well as PHM (Prognostics and Health Management), PQM (Production Quality Management) and PEM (Production Execution Management) systems. By making the production process digital, intelligent and transparent, it achieves equipment failure alert, closed-loop quality control and increased production efficiency. This not only improves manufacturing flexibility but also lowers production costs and energy consumption, creating greater value for enterprises.

(VI) Flat and IT-Driven Management Processes Ensure Operational Efficiency

The Company's core management team remains stable. Built upon a business unit model, the Company has established a flat and efficient operational management structure, enabling highly effective collaboration among different business units and functional departments. The Company advocates the values of being “customer-centric, hardworking, honest and pragmatic, selflessly accountable, comprehensively innovative, focused, striving for perfection, reputation-driven, and fast” to foster a practical and highly efficient work style. The workforce features a well-balanced distribution of knowledge and age, ensuring robust execution and organizational capabilities. Meanwhile, the Company continuously leverages information technology to optimize workflows, maximizing management efficiency and providing solid support for smooth and highly efficient business operations.

Analysis of Principal Businesses

In 2025, the global power battery market continued to pick up, and demand in the energy storage sector experienced robust growth. As overall industry demand continued to rebound, leading domestic battery manufacturers witnessed increased utilization rates and an orderly acceleration in production capacity expansion. During the Reporting Period, the Company seized the opportunities of industry recovery and stayed focus on the core goal of high-quality development. It deeply advanced its dual strategies of international and platform development, focusing on four key areas of technological innovation, market expansion operational efficiency enhancement and green development. The Company built strong core barriers through technological innovation, cultivated domestic and international markets through customer collaboration, enhanced operational efficiency through digital transformation, and fulfilled its social responsibilities through green and low-carbon practices. Over the year, the Company's operating performance and order volume bottomed out and returned to a path of rapid growth. The pace of order delivery and project acceptance accelerated accordingly, and the overall profitability increased significantly. Core financial indicators continued to improve, further consolidating the Company's leading position in the new energy intelligent equipment sector and continuously strengthening its operational resilience and sustainable development capabilities.

The Company generated revenue of RMB14,358.0 million in 2025, representing a year-on-year increase of 22.0%. Net profit amounted to RMB1,559.8 million, representing a year-on-year increase of 482.0%. Cash flow from operating activities significantly improved from a net outflow of RMB1,567.1 million in 2024 to a net inflow of RMB4,949.3 million for the year. Cash collection improved significantly, with profitability and capital operation efficiency optimized accordingly. By business segment, the principal business of lithium-ion battery intelligent equipment resumed rapid growth, which generated revenue of RMB9,450.7 million during the year, representing a year-on-year increase of 22.9%, with its industry-leading advantage continuing to enhance. In terms of segments outside lithium-ion battery operations, the PV intelligent equipment operations generated revenue of RMB1,122.6 million, representing a year-on-year increase of 29.5% with its revenue share rising to 7.8%. The automotive intelligent production line operations generated revenue of RMB899.6 million, representing a year-on-year increase of 615.6%. These results demonstrated the gradual success of the Company's platform development strategy. In addition, 3C, intelligent logistics and hydrogen energy operations also made positive progress in securing orders and developing new products. Other business segments of the Company, such as operations and maintenance services, continued to grow their contribution to both revenue and profitability. Meanwhile, the Company's overseas operations maintained continuous growth despite the complex international landscape, and generated revenue of RMB3,128.6 million during the year, representing a year-on-year increase of 10.5% with a revenue share of 21.8%. Gross margin improved to 40.7% year on year. The Company continued to deepen its overseas presence, marking a shift towards high-quality advancement in its globalization efforts.

During the Reporting Period, the Company made solid progress in its business operations by focusing on four core directions, as detailed below:

(I) Accelerated Technological Innovation and Product Iteration to Strengthen Leadership in High-End Equipment

In 2025, committed to a dual focus on independent innovation and process development, the Company continued to increase its R&D investments. It deeply cultivated its core segment in high-end new energy equipment, and focused on achieving critical breakthroughs in areas such as solid-state batteries, sodium-ion batteries, energy storage and cutting-edge PV equipment. By building strong technical barriers and securing a commanding position in the industry, it successfully promote the efficient industrialization of its technological achievements. In the solid-state battery equipment sector, leveraging its fully independent intellectual property rights, the Company streamlined the entire mass production process. This enabled the Company to provide comprehensive coverage for both turnkey and core manufacturing stages, and deliver industry-leading core equipment performance. The Company continuously deepened collaborative validation with multiple leading domestic and international customers across core process stages, including dry electrodes, isostatic pressing, solid-state stacking, insulating frames and high-voltage formation, and successfully integrated into the supply chains of top-tier domestic and international battery manufacturers and renowned automakers. It completed batch deliveries and secured repeat orders, establishing itself as the core equipment backbone for the industrialization of solid-state batteries. In the sodium-ion battery equipment sector, the Company's production lines completed batch deliveries. In the energy storage equipment sector, it assisted multiple global leading enterprises in delivering GWh-scale energy storage projects, with cumulative order volume leading the industry. In the PV equipment sector, the Company pioneered a GW-scale TOPCon smart factory solution and achieved breakthroughs in TOPCon 3.0 technology, boosting mass production efficiency to $\geq 26.5\%$ and increasing overall line efficiency by nearly 0.8%. With a comprehensive portfolio of perovskite laboratories, pilot lines and production-level solutions, the Company successfully assisted multiple customers in advancing their perovskite mass production processes. Its independently developed XBC string welding machine ranked first globally in terms of shipment volume, which significantly accelerated the mass production of BC battery modules.

(II) Deepened Cooperation with Leading Global Customers with Significant Achievements in Overseas Expansion

In 2025, the Company steadfastly advanced its globalization strategy. Taking the principles of “deepening presence in core markets, expanding into emerging regions, deepening customer collaboration, and enhancing local operations” as its drivers, the Company continuously enhanced its global business framework. Its efforts in overseas market expansion and customer collaboration yielded remarkable results, further solidifying its core global competitiveness. On the one hand, the Company optimized its global market footprint. While consolidating its core competitive advantages in the European market, it also ramped up expansion efforts in other key overseas regions. By establishing a marketing and service network that covers the world’s major new energy industrial clusters, it achieved targeted penetration into overseas markets. On the other hand, the Company deepened strategic partnerships with leading global customers. By focusing on the production capacity upgrades and technological iteration needs of its international customers, it provided customized turnkey solutions and full-lifecycle services. This approach supported the mass export of its core equipment for solid-state batteries and lithium-ion batteries, which enabled the Company to successfully integrate into the leading supply chains of leading overseas battery manufacturers and renowned automakers, with its products and services earning high recognition from customers. During the Reporting Period, the size of the Company’s overseas operations grew steadily, and profitability continued to improve. The counter-cyclical advantages of the global footprint were fully demonstrated, injecting robust international momentum into the Company’s long-term development.

(III) Strengthened Intelligent Manufacturing and Digitalization to Support High-Quality Development of the Company

In 2025, the Company seized the opportunities of intelligent manufacturing and digital transformation. Leveraging technological integration with an aim to improve quality and efficiency, the Company systematically advanced its digital and intelligent upgrades. By building an end-to-end intelligent manufacturing system, the Company not only enhanced its own operational efficiency but also empowered and delivered added value to downstream customers. The Company deeply integrated cutting-edge digital technologies, such as AI, digital twins and the IoT, to build an intelligent manufacturing IoT cloud platform. This initiative supported the comprehensive cloud migration of sub-domains of its principal businesses, and effectively shortened product development cycles, improved equipment production consistency and lowered defect rates, thereby solidifying the foundation of internal digital operations. Building on this and leveraging years of technical expertise, the Company developed the highly customizable intelligent manufacturing system, LEADACE, which enabled standardized and intelligent management across the entire process – from raw material control, production scheduling and workshop manufacturing to finished product packaging and logistics delivery – providing customers with a closed-loop, comprehensive information-based solution. As of the end of the Reporting Period, digital applications such as ultrasonic welding anomaly detection, closed-loop liquid injection control and predictive equipment maintenance were deployed at large scale, which effectively improved production line yields and reduced operational and maintenance costs. These advancements supported downstream new energy manufacturers in achieving lean production, cost reduction and efficiency enhancement, advancing the industry’s intelligent manufacturing standards to the next level.

(IV) Reinforced ESG and Low-Carbon Practices to Lead the Industry’s Green Development

During the Reporting Period, the Company continued to deepen its efforts in the ESG field, promoting the industry’s green transformation through systematic practices.

As the first company in China’s new energy equipment industry to publish a White Paper on Climate Efforts, the Company comprehensively disclosed its climate action achievements based on the international TCFD framework. This provided a replicable “pioneering solution” for the low-carbon transition of the global new energy industry. The Company made a solemn commitment in the white paper: to reach peak carbon emissions in its core operations (Scope 1 and 2) by 2030, and to achieve carbon neutrality in its core operations by 2035. It also established a three-tier climate governance structure led by the Board to reinforce emission reduction responsibilities across the entire workforce. Meanwhile, the Company’s green manufacturing practices set new records once again. In April 2025, its Wuxi Plant II obtained the ISO 14068 carbon-neutral factory certification, making it the first company in this domestic sector to receive such certification. By implementing measures such as clean production, intelligent energy management and prudent carbon offsetting, the Company achieved carbon neutrality in its factory operations, offering a verifiable implementation path for the low-carbon transition in the new energy equipment sector. During the Reporting Period, the Company’s ESG performance earned multiple authoritative recognitions, including a “B” rating in both the CDP climate change and water security questionnaires, inclusion in the S&P Global Sustainability Yearbook 2025 (China Edition), receipt of the “Industry Mover Award” and a Wind ESG AA rating, as well as a spot on the “2025 Global Energy ESG Top 100 List”.

Outlook on the Company's Future Development

(I) Development Trends in the New Energy Industry

As the global energy transition deepens and the “dual carbon” goals are steadily implemented, lithium-ion batteries and PV, as the core segments of the new energy industry, are both entering a new phase of high-quality development. Overall, they present a common trend of positive long-term demand, accelerated technological iteration and a concentrated industry landscape, providing abundant momentum for long-term growth.

In the lithium-ion battery sector, demand is driven jointly by power batteries and energy storage batteries. The growth rate of energy storage batteries is leading the way and is expected to gradually become the largest sub-sector for demand. Coupled with the expansion into emerging scenarios such as electric ships and eVTOL, the room for growth continues to expand. The industrialization of solid-state batteries is accelerating, breaking through the bottlenecks of traditional lithium-ion batteries with their high energy density and enhanced safety, making them the primary direction for technological innovation. The industry's Matthew effect is becoming more pronounced as the phasing out of small- and medium-sized production capacities is speeding up, and resources are concentrating among leading enterprises, which in turn drives the upstream equipment industry to upgrade and improve in quality. In the PV sector, the sector is undergoing short-term structural optimization and adjustment, with a slight pullback in newly installed capacity. However, medium- to long-term demand remains rigid, and the sector is expected to resume high growth during the “15th Five-Year Plan” period. Technological iteration continues to accelerate, with the practical application of intelligent PV and the integration of solar, wind and energy storage. Cutting-edge technologies such as XBC, OBB and perovskite are gradually entering mass production, consistently driving down the cost per kilowatt-hour. Driven by the rigid global demand for clean energy substitution, PV will continue to reinforce its core position in the energy transition, prompting a steady release of demand for high-end equipment.

(II) Development Strategy of the Company

In response to new opportunities and challenges brought by the transformation of the global new energy industry, the Company will remain committed to its principal business of high-end equipment manufacturing. With a focus on key sectors including lithium batteries, PV and hydrogen energy, it will devote its efforts to three core strategies of “operational excellence, steady growth and adaptive innovation” to reinforce its core competitiveness, build long-term growth momentum and continuously consolidate its position as a global leader in new energy equipment.

First, the Company will reinforce operational excellence to build a solid foundation for development. With product quality as the core, it will strictly implement lean management across the entire value chain. By deeply optimizing its cost structure, production processes and supply chain systems, it ensures superior product performance, efficient delivery and manageable costs. Adhering to a customer-centric approach, the Company will focus on customers' core needs and strengthen its three core advantages in technology, cost and delivery through an integrated product development system, thereby improving customer service quality and response efficiency, and increasing customer loyalty and market recognition.

Second, the Company will maintain steady growth to achieve sustainable development. Rooted in strengthening core competitiveness, it will consolidate its advantages in the core businesses of lithium-ion batteries and PV, optimize its business layout and improve the quality of its products and services. Guided by the principles of market orientation, resource synergy and steady progress, the Company will prudently pursue diversified business expansion by rationally tapping into emerging sectors in order to smooth out cyclical industry fluctuations, broaden revenue streams, reduce operational risks, and achieve steady growth in both revenue and profit.

Third, the Company will promote agile innovation to seize development opportunities early on. It will focus on the R&D of high-tech and high-value-added products and align with the industry's future direction through a forward-looking approach to cutting-edge technologies and emerging markets, such as solid-state batteries, sodium-ion batteries, perovskite and hydrogen energy equipment. Relying on its professional and efficient R&D and operations teams, the Company will respond swiftly to market changes and customer needs, concentrate resources to overcome core technological bottlenecks and accelerate the industrialization of innovative achievements to facilitate product upgrades and business expansion through technological innovation, thus continuously consolidating its leading global industry position.

(III) Potential Risks and Measures to be Taken

1. Risks of macroeconomic and industry policy changes

Demand for the Company's products is highly correlated with the capacity expansion of downstream sectors, such as lithium-ion batteries, PV and 3C. The industry's performance is heavily influenced by fixed-asset investment and production capacity expansion cycles. Any significant adverse changes in the external economic environment or industry support policies may have an adverse impact on the Company's intelligent equipment operations.

Measures to be taken: The Company will maintain close monitoring of changes in the macro-economy, industry policies and market demand, and actively respond to national strategic directives. It will maintain a customer-centric approach, and consistently enhance product performance and service quality. It will increase R&D investment in new technologies, new products and new processes focused on the frontiers of new energy equipment, while actively developing emerging growth drivers in sectors such as solid-state battery equipment and sodium-ion smart equipment. It will continue to deepen lean operations and internal management reforms by implementing multiple measures to reduce costs and enhance efficiency, thereby continuously strengthening the Company's overall resilience against risks of macroeconomic and policy changes.

2. *Accounts receivable collection risks*

As of the end of the Reporting Period, the Company's accounts receivable balance was relatively large, which might have a certain impact on the Company's cash flow, capital utilization efficiency and daily operations. Any adverse changes in the macroeconomic environment and industry outlook, or significant operational difficulties encountered by customers leading to overdue or defaulted payments, may expose the Company to risks of bad debts on accounts receivable.

Measures to be taken: Adhering strictly to the principle of prudence, the Company will make reasonable provisions for bad debts based on the actual status of accounts receivable, in accordance with the Accounting Standards for Business Enterprises and the accounting policies of the Company, for a fair representation of asset values. Meanwhile, it will continue to strengthen the customer credit management system by refining customer rating, credit approval and credit limit control mechanisms to optimize the full-process management of accounts receivable. The Company will enhance information sharing and collaboration between business and finance functions. By stepping up efforts into the daily tracking, analysis and collection of receivables, it may take timely targeted actions on defaulted payments, and, when necessary, resort to legal actions to safeguard the Company's legitimate rights and interests.

3. *Inventory write-down risks*

The Company's inventory primarily consists of raw materials, work-in-progress, finished goods and goods delivered. As of the end of the Reporting Period, the inventory balance was relatively large, with goods delivered accounting for a high percentage. The Company's products are primarily specialized automation equipment, which requires a relatively long commissioning and acceptance period after delivery, resulting in relatively slow inventory turnover. A large inventory base may affect the efficiency of capital utilization. Any adverse changes in market conditions may hinder the smooth sale of inventory or lead to price declines, which in turn may expose the Company to inventory write-down risks.

Measures to be taken: The Company will make prudent provisions for inventory write-downs in accordance with the Accounting Standards for Business Enterprises and accounting policies for an objective representation of inventory values. Meanwhile, it will maintain an order-based production and procurement model, strictly enforce procurement management protocols, and reasonably control purchasing volumes to prevent overstocking. The Company will enhance full-lifecycle inventory management by conducting regular inventory counts and aging analyses to minimize backlogs. It will strengthen the tracking management of goods delivered and expedite the installation, commissioning and acceptance processes to improve inventory turnover and mitigate inventory write-down risks.

4. *Foreign exchange fluctuation risks*

As the Company continues to advance its internationalization strategy, the size and revenue share of its overseas operations continue to increase. The Company's export activities are primarily denominated and settled in foreign currencies such as the US dollar and the Euro. Exchange gains or losses arising from exchange rate fluctuations may have a certain impact on the Company's business performance.

Measures to be taken: The Company will employ a combination of methods, including natural hedging and foreign exchange hedging, to manage foreign exchange risks. The relevant foreign exchange hedging activities have been considered and approved by the Board. Meanwhile, the Company will deepen research and analysis of international foreign exchange markets by closely monitoring exchange rate trends and changes in the international macro environment. It will conduct rational structuring of its foreign currency assets and liabilities and adjust operational and settlement strategies in a timely manner to minimize the impact of foreign exchange fluctuations on the Company's business performance.

5. *New product R&D risks*

The new energy equipment industry is characterized by rapid technological iteration. If domestic or international competitors take the lead in achieving breakthroughs in key technologies and launching more competitive products, the returns on the Company's R&D investments may fall short of expectations, which in turn may affect the successful execution of our R&D plans.

Measures to be taken: The Company will closely monitor technological trends of the industry, changes in downstream demand and competitor dynamics to continuously enhance its R&D direction and project planning. It will accelerate the development of ongoing projects and the commercialization of research outcomes to facilitate the swift application of new technologies and products. The Company will timely adjust R&D strategies and implementation paths in response to changes in the external environment. When necessary, it will integrate external resources through M&A, joint ventures and strategic partnerships to address technological gaps, thus safeguarding the Company's core technological competitiveness and the fulfillment of long-term strategic objectives.

FINANCIAL REVIEW

Revenue

The Group's revenue increased from RMB11,773.4 million for the year ended December 31, 2024 to RMB14,358.0 million for the year ended December 31, 2025, representing an increase of 22.0%.

Disaggregation of revenue from contracts with customers

	2025		2024	
	Revenue	Proportion of	Revenue	Proportion of
	<i>RMB'000</i>	revenue	<i>RMB'000</i>	revenue
		(%)		(%)
Types of goods or services				
Sales of intelligent equipment				
– Lithium-ion battery intelligent equipment	9,450,653	65.8	7,688,549	65.3
– Photovoltaic intelligent equipment	1,122,569	7.8	866,993	7.4
– 3C Intelligent equipment	606,694	4.2	688,767	5.8
– Intelligent logistics equipment	1,155,067	8.1	1,867,332	15.9
– Automotive intelligent production line	899,614	6.3	125,722	1.1
– Others	1,123,419	7.8	535,987	4.5
Total	<u>14,358,016</u>	<u>100</u>	<u>11,773,350</u>	<u>100</u>

During the Reporting Period, revenue generated from the Group's sales of lithium-ion battery intelligent equipment increased from RMB7,688.5 million for the year ended December 31, 2024 to RMB9,450.7 million for the year ended December 31, 2025, representing an increase of 22.9%. The year-on-year increase of revenue generated from the sales of lithium-ion battery intelligent equipment was primarily due to the increase in the demand from the downstream new energy industries and the revival of the energy storage market, leading to an increase in the number of orders and acceptance.

During the Reporting Period, revenue generated from the Group's sales of photovoltaic intelligent equipment increased from RMB867.0 million for the year ended December 31, 2024 to RMB1,122.6 million for the year ended December 31, 2025, representing an increase of 29.5%. The increase was primarily due to the completion of acceptance of photovoltaic intelligent equipment delivered previously by the Company during the period, leading to an increase in revenue.

During the Reporting Period, revenue generated from the Group's sales of intelligent logistics equipment decreased from RMB1,867.3 million for the year ended December 31, 2024 to RMB1,155.1 million for the year ended December 31, 2025, representing a decrease of 38.1%. The decrease in sales of intelligent logistics equipment was primarily affected by our customer acceptance cycle. The volume of the projects in hand delivered during the period was substantial but the revenue recognition conditions had not yet been met.

Cost of Sales

The Group's cost of sales increased from RMB8,235.8 million for the year ended December 31, 2024 to RMB9,950.5 million for the year ended December 31, 2025 mainly due to cost and revenue growing in tandem.

Gross Profit and Gross Profit Margin

The Group's gross profit increased from RMB3,537.5 million for the year ended December 31, 2024 to RMB4,407.5 million for the year ended December 31, 2025, representing an increase of 24.6%. Its gross profit margin increased from 30.0% for the year ended December 31, 2024 to 30.7% for the year ended December 31, 2025.

Other Income and Expenses

Other income and expenses primarily comprised value-added tax refund and additional deduction, government grants and interest income. The Group's other income and expenses increased from RMB330.3 million for the year ended December 31, 2024 to RMB332.5 million for the year ended December 31, 2025.

Other Gains and Losses

Other gains and losses primarily comprised gains from changes in fair value of financial assets measured at FVTPL, losses on derecognition of bills receivables at FVTOCI, losses on disposals of property, plant and equipment, and net foreign exchange gains. The Group's other gains and losses increased from RMB14.6 million for the year ended December 31, 2024 to RMB22.3 million for the year ended December 31, 2025, mainly due to the increase in gains from structural deposit and wealth management products compared to the previous period. At the same time, the decline in the business scale of discounted bills during the period resulted in a corresponding decrease in discounting fees, leading to an increase in the net gain for that item.

Impairment Losses (Including Reversals of Impairment Losses or Gains) on Financial Assets

In 2025, the Group reversed RMB108.7 million of impairment losses on financial assets, while it recognized RMB555.2 million of impairment losses on financial assets in 2024. This was primarily due to the impairment losses reversed on trade receivables, as well as the lithium battery industry recovering and resuming production, which significantly improved customers' ability to make payments. The specific impairment losses on assets are as follows:

	2025 RMB'000	2024 RMB'000
Impairment losses (reversed) recognized on:		
– trade receivables	(115,569)	594,183
– contract assets	9,318	(44,300)
– other receivables	(2,439)	5,287
	<u>(108,690)</u>	<u>555,170</u>

Selling and Marketing Expenses

The Group's selling and marketing expenses mainly represent traveling and business related expenses, staff cost related to sales and office expense. They decreased by 2.5% from RMB362.4 million for the year ended December 31, 2024 to RMB353.5 million for the year ended December 31, 2025, primarily due to the Company's tightening control over expenses, resulting in a slight reduction in expenditures such as business entertainment expenses.

Administrative Expenses

The Group's administrative expenses mainly represent staff costs related to administration, profession service fees, depreciation and amortization expenses, and office expenses. They decreased by 1.7% from RMB1,119.7 million for the year ended December 31, 2024 to RMB1,100.8 million for the year ended December 31, 2025, primarily due to the Company's tightening control over expenses, resulting in a slight reduction in expenditures such as business entertainment expenses and traveling expenses.

Research and Development Expenses

The Group's research and development expenses mainly represent staff costs related to research and development, raw materials costs, and depreciation and amortization expenses. They decreased by 3.9% from RMB1,670.7 million for the year ended December 31, 2024 to RMB1,605.1 million for the year ended December 31, 2025, primarily due to the completion of material investment for some ongoing research projects during the Reporting Period, while the material investment for new research and development projects had not yet reached its peak.

Income Tax (Expenses)/Credit

The Group recognized income tax expenses of RMB129.0 million in 2025 as compared to income tax credit of RMB155.8 million recognized in 2024, primarily due to an increase in profit before tax and a decrease in the amount of impairment losses recognized during the period, resulting in a corresponding increase in income tax expenses.

Net Profit

The Group's net profit for the year increased significantly from RMB268.0 million for the year ended December 31, 2024 to RMB1,559.8 million for the year ended December 31, 2025, representing a year-on-year increase in net profit of RMB1,291.8 million or 482.0%.

Inventories

The Group's inventories primarily comprise raw materials (such as controllers, electrical components, cylinders and sensors), work in progress and goods delivered. Inventories increased from RMB13,580.0 million as of December 31, 2024 to RMB14,956.7 million as of December 31, 2025 primarily due to improved demand from the downstream market. The Company had sufficient new orders, and the scale of product delivery increased significantly compared to the same period last year. As a result, the balance of goods shipped but not yet accepted at the end of the period rose accordingly.

	2025 RMB'000	2024 RMB'000
Raw materials	670,139	502,921
Work in progress	3,631,050	4,050,507
Goods delivered	10,655,501	9,026,593
	<u>14,956,690</u>	<u>13,580,021</u>

Liquidity and Financial Resources

For the year ended December 31, 2025, the Group's operating cash inflows amounted to RMB4,949.3 million, as compared to operating cash outflows of RMB1,567.1 million for the year ended December 31, 2024. The increase in net cash inflows was primarily due to higher cash collections from sales of goods during the Reporting Period.

As at December 31, 2025, the Group's bank and cash balances (including time deposits and restricted bank deposits) amounted to approximately RMB6,056.7 million, which increased by RMB1,720.9 million as compared to the balance of RMB4,335.8 million as at December 31, 2024.

As at December 31, 2025, bank borrowings of the Group amounted to RMB3,047.4 million, of which RMB1,230.8 million was due within one year, and the remaining bank borrowings were due within two to five years. The balance of bank borrowings for the current year decreased by RMB1,215.4 million as compared to the balance as at December 31, 2024, which was primarily due to the repayment of bank borrowings using idle funds during the Reporting Period.

Capital Structure

The financial management department of the Group is responsible for its financial risk management, aiming to ensure that the liquidity structure of the assets, liabilities and other commitments of the Group can meet its funding needs on an ongoing basis. The borrowings of the Group are mainly settled in RMB, while its cash and cash equivalents are mainly held in RMB, U.S. dollars and Euro. The Group planned to maintain an appropriate portfolio of equity and debt during the period to ensure an effective capital structure. As at December 31, 2025, the outstanding loans of the Group were RMB-denominated loans with approximately 36.8% of these outstanding loans bearing interest at fixed rates and the remainder at floating rates. The Group monitored the capital structure by using the gearing ratio (i.e. total liabilities divided by total assets) and the debt-to-equity ratio (i.e. net debt divided by equity), with its policies to maintain financial stability and support the sustainable, healthy and rapid development of the Group's business. Net debt includes borrowings and lease liabilities, net of cash and cash equivalents, and equity includes share capital, reserves and retained profits. The gearing ratio of the Group as at December 31, 2025 was 66.3% (December 31, 2024: 67.9%). The Group maintained its financial stability.

Foreign Exchange Risk

Certain entities of the Group have sales and purchases, cash and cash equivalents, trade receivables and trade payables denominated in foreign currencies such as U.S. dollars and Euro. The Group did not experience any material difficulties or impact on its operations or liquidity as a result of fluctuations in currency exchange rates. The Group believes that it will have sufficient foreign currencies to meet its foreign exchange needs and will take effective measures to prevent foreign exchange risks.

Pledge of Assets

As at December 31, 2025, the Group had restricted assets with a total carrying amount of RMB884.8 million, which were used to issue bills payables or place structured bank deposits. These assets included restricted bank deposits of RMB808.8 million and time deposits of RMB76.0 million.

Significant Investments

As at December 31, 2025, the Group had no significant investments (including any investments in an investee with a value of 5% or more of the Group's total assets).

Future Plans for Material Investments and Capital Assets

As at December 31, 2025, the Group had no plans for material investments and capital assets.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Group had no material acquisitions or disposals of its subsidiaries, associates or joint ventures.

Contingent Liabilities

As at December 31, 2025, the Group had no material contingent liabilities.

Employees, Training and Remuneration Policy

1. Employees

The Company adheres to a talent philosophy of “being people-oriented, utilizing everyone’s strengths, and maximizing their potential”, and places great emphasis on the protection of employees’ rights and career development. The Company strictly complies with laws and regulations, while fully implementing national requirements and standards in areas such as labor employment, workplace safety and hygiene, social security and occupational health to effectively safeguard its employees’ fundamental rights and interests. The Company insists on equal employment and equal pay for equal work, and opposes any form of discrimination to provide a fair, open and inclusive development platform for employees regardless of gender, age, nationality and race. Meanwhile, the Company continuously refines its internal management systems and employee care mechanisms to build harmonious and stable labor relations, thereby supporting employees in their growth and development while enabling mutual progress and shared success between employees and the Company. As of December 31, 2025, the Group had 15,173 employees (December 31, 2024: 15,025 employees). In 2025, the Group’s total employee costs amounted to approximately RMB3,596.8 million (2024: approximately RMB3,704.3 million).

2. *Training*

During the Reporting Period, to support the execution of its globalization strategy and develop as a learning-oriented organization, the Company established a systematic training system that covers all employees throughout their entire career lifecycles. The Company developed and implemented multi-tiered talent development programs, encompassing onboarding training for new employees, general and professional capability enhancement, and leadership development for management teams. The Company actively facilitated the digital transformation of its talent development initiatives. By continuously enhancing the “Lead e-Learning” online learning platform and adopting a blended learning model integrating “online + offline” approaches, the Company expanded training coverage, enhanced accessibility, and boosted employees’ initiative in participation, and thus fostered a comprehensive upgrade of the training system.

In 2025, the Company continued to increase investment in training, and organized numerous training sessions of various types, achieving 100% employee participation in training. Overall training engagement, learning activity and average learning hours per employee remained at high levels. Online learning has become a core scenario for employees to upskill, providing a solid foundation for the Company to cultivate a highly qualified, professional workforce and sustain high-quality growth over the long term.

3. *Remuneration Policy*

During the Reporting Period, the Company continued to optimize its employee remuneration system., refined role-based responsibility and performance evaluation mechanisms, and established comprehensive mechanisms for job competition, incentives and exits. These efforts continuously improved internal mobility and organizational vitality, fully ignited employee initiative and creativity, and provided employees with broad career development opportunities and a stable platform for growth.

Guided by its mission, vision and values, the Company closely aligned performance management with its strategic goals, striving to build a highly performance-driven corporate culture and organizational structure. The Company adopted a standardized management model that combines annual and semi-annual performance evaluations with monthly performance tracking. Through clear goal setting and process management, the Company effectively guided employees to maximize their personal value, fostering coordinated development and mutual success between employees and the Company.

Meanwhile, the Company continued to reinforce the role of performance-based incentives. By empowering managers through authorization, recognizing and rewarding outstanding employees, and refining incentive and constraint mechanisms, the Company consistently attracted, cultivated and retained top talents, and thus further elevated organizational efficiency and core competitiveness.

OTHER INFORMATION

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including the sale of any treasury shares (as defined under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”))). As at December 31, 2025, the Company held 11,152,297 treasury A shares, which were the A shares held by the Company in its dedicated securities account for share repurchases to be utilized for the Company’s restricted share plan in due course in the future.

Use of Proceeds from the Global Offering

The Company's H shares were listed on the Main Board of the Stock Exchange on February 11, 2026 (the "**Listing Date**"). The net proceeds from the global offering (taking into account the partial exercise of the over-allotment option, net of underwriting fees and commissions and other estimated offering expenses payable by the Company in connection with the global offering) amounted to approximately HK\$4,829 million. The Company will apply such net proceeds in accordance with the purposes as set out in the prospectus of the Company dated February 3, 2026 (the "**Prospectus**").

The following table sets forth the proposed use of the net proceeds from the global offering and the actual use as of the date of this announcement:

Use of proceeds	Percentage of total net proceeds	Allocation of net proceeds (HK\$ million)	Utilized net proceeds (from the Listing Date to the date of this announcement) (HK\$ million)	Unutilized net proceeds (as of the date of this announcement) (HK\$ million)	Expected timetable for the utilization of unutilized proceeds
Expansion of global R&D, sales and service network and selectively pursuing strategic initiatives	40%	1,932	–	1,932	2031/7/31
Deepening of platform-based strategy	30%	1,449	–	1,449	2031/7/31
R&D for product design and manufacturing process, as well as technologies optimization of intelligent equipment	10%	483	–	483	2031/7/31
Enhancing digital infrastructure and improving digitalization capabilities across various business processes	10%	483	–	483	2031/7/31
Working capital and general corporate purposes	10%	483	–	483	2031/7/31
Total	100%	4,829	–	4,829	

The Group has not utilized any other proceeds from the listing since the Listing Date and up to the date of this announcement. The Company will continue to gradually utilize the remaining net proceeds in accordance with the intended purposes as set out in the Prospectus. The expected timetable for the utilization of the net proceeds from the global offering is based on the Company's best estimate of future market conditions and may be subject to adjustment in accordance with our actual business operations.

Proceeds from Previous Fund-raising Activities

Proceeds from the Issuance of A Shares to Specific Targets in 2020

Pursuant to the Approval for the Registration of the Issue of Shares by Wuxi Lead Intelligent Equipment Co., Ltd. to Specific Targets (Zheng Jian Xu Ke [2021] No.1424) (《關於同意無錫先導智能裝備股份有限公司向特定對象發行股票註冊的批覆》(證監許可[2021]1424號)) issued by the CSRC and with the consent of the Shenzhen Stock Exchange, the Company issued 111,856,823 shares to specific targets in June 2021 at an issue price of RMB22.35 per share. The total proceeds amounted to approximately RMB2,500 million. After deducting sponsor underwriting fees (excluding tax) and other offering expenses (excluding tax), the net proceeds amounted to approximately RMB2,487.66 million.

During the Reporting Period, the Company promoted the investments project financed by the proceeds in an orderly manner pursuant to the Announcement on the Listing of Shares Issued to Specific Targets by Wuxi Lead Intelligent Equipment Co., Ltd. and previous changes to the use of part of the proceeds for projects financed by proceeds. The details of the utilization of aforementioned proceeds as of December 31, 2025 are as follows:

Item	Total proceeds planned to be used (RMB million)	Adjusted total proceeds planned to be used ⁽¹⁾ (RMB million)	Utilized amount during the Reporting Period (RMB million)	Utilized amount as of December 31, 2025 (RMB million)	Expected timeline for using total unutilized proceeds
Lead High-end Intelligent Equipment Southern China Manufacturing Base Project	740.02	340.02	20.33	313.89	N/A
Lead Southern China Intelligent Equipment Industrial Park Development Project	–	400.00	12.28	337.39	N/A
Automation Equipment Production Base Capacity Enhancement Project	358.16	58.16	0.00	66.94 ⁽²⁾	N/A
Wuxi Lead Industrial Park Phase II Plant Construction Project	–	300.00	0.00	273.51	N/A
Lead Industrial Internet Collaborative Manufacturing System Development Project	176.58	176.58	0.00	191.89 ⁽²⁾	N/A
R&D and Industrialization Project for Comprehensive Digital Solution of Intelligent Lithium-ion Battery Manufacturing	462.90	462.90	0.00	494.28 ⁽²⁾	N/A
Replenishment of working capital	750.00	750.00	0.00	750.75 ⁽²⁾	N/A
Total	2,487.66	2,487.66	32.61	2,428.65	N/A

Notes:

- (1) On December 29, 2022, the Company convened the fourth extraordinary general meeting of 2022, at which the resolution on Changing the Use of Proceeds was considered and approved, authorizing the Company to reallocate proceeds of RMB400 million from the Lead High-end Intelligent Equipment Southern China Headquarters Manufacturing Base Project to the Lead Southern China Intelligent Equipment Industrial Park Development Project; and reallocate proceeds of RMB300 million from the Automation Equipment Production Base Capacity Enhancement Project to invest in the Wuxi Lead Industrial Park Phase II Factory Construction Project.

- (2) The difference between the adjusted total proceeds planned to be used and the utilized amount as of December 31, 2025, represents interest income.

As at December 31, 2025, the remaining proceeds amounted to approximately RMB105.46 million, comprising the balance of the proceeds and interest accrued thereon, which were reallocated to permanently supplement the working capital of the Company pursuant to the approval obtained at the general meeting of the Company held on February 13, 2026. For details, please refer to the announcement of the Company dated February 13, 2026. Accordingly, as at the date of this announcement, the proceeds allocated to other intended uses as set out in the table above have been fully utilized, save that an amount of approximately RMB105.46 million for replenishment of working capital pursuant to the approval obtained at the abovesaid general meeting remains unutilized and is expected to be fully utilized by the end of 2026.

Proceeds from the Public Offering of A Share Convertible Bonds in 2019

Upon approval of the Approval for the Public Offering of Convertible Bonds by Wuxi Lead Intelligent Equipment Co., Ltd. (Zheng Jian Xu Ke [2019] No. 2309) (《關於核准無錫先導智能裝備股份有限公司公開發行可轉換債券的批覆》(證監許可[2019]2309號)) from the CSRC, the Company publicly issued 10,000,000 million convertible corporate bonds (the “**Lead Convertible Bonds**”) in December 2019, each with a nominal value of RMB100. The total proceeds amounted to RMB1,000 million. After deducting sponsor underwriting fees (excluding tax) and other offering expenses (excluding tax), the net proceeds amounted to approximately RMB989.87 million.

During the Reporting Period, the Company utilized the proceeds pursuant to the Prospectus for the Public Offering of Convertible Corporate Bonds and previous changes to the use of part of the proceeds for projects financed by proceeds. The details of the utilization of aforementioned proceeds as at December 31, 2025 are as follows:

Item	Total proceeds planned to be used (RMB million)	Adjusted total proceeds planned to be used ⁽¹⁾ (RMB million)	Utilized amount during the Reporting Period (RMB million)	Utilized amount as of December 31, 2025 (RMB million)	Expected timeline for using total unutilized proceeds
Specialized Automation Equipment Project for Capacitors, PV Modules and Lithium-ion Batteries with Annual Production Capacity of 2,000 Units	470.68	470.68	0.00	419.86	N/A
Lead Research Institute Construction Project	136.21	36.21	0.00	36.21	N/A
Information Technology and Intelligent Upgrade and Transformation Project	82.98	82.98	0.00	85.69 ⁽²⁾	N/A
Replenishment of working capital	300.00	400.00	0.00	400.00	N/A
Total	989.87	989.87	0.00	941.77	N/A

Notes:

- (1) On December 29, 2022, the Company convened the fourth extraordinary general meeting of 2022, at which the resolution on Changing the Use of Proceeds was considered and approved, authorizing the Company to reallocate proceeds of RMB100 million from the Lead Research Institute Construction Project to permanently supplement the working capital.
- (2) The difference between the adjusted total proceeds planned to be used and the utilized amount as of December 31, 2025, represents interest income.

As at December 31, 2025, the remaining proceeds amounted to approximately RMB59.96 million, comprising the balance of the proceeds and interest accrued thereon, which were reallocated to permanently supplement the working capital of the Company pursuant to the approval obtained at the general meeting of the Company held on February 13, 2026. For details, please refer to the announcement of the Company dated February 13, 2026. Accordingly, as at the date of this announcement, the proceeds allocated to other intended uses as set out in the table above have been fully utilized, save that an amount of approximately RMB59.96 million for replenishment of working capital pursuant to the approval obtained at the abovesaid general meeting remains unutilized and is expected to be fully utilized by the end of 2026.

Final Dividend

Taking into account both the reasonable returns for investors and the long-term development of the Company, and in light of the operating and financial performance in 2025 as well as the development plan for 2026, the Company has formulated the following profit distribution proposal for 2025: based on the share capital entitled to profit distribution on the record date for equity distribution, a cash dividend of RMB2.87 (tax inclusive) per 10 shares will be distributed to all shareholders of the Company (the “**Shareholders**”). The total proposed cash dividend amounts to RMB477,300,842.31 (tax inclusive). No bonus shares will be issued, and no capital reserve will be converted into share capital. The remaining undistributed profits will be carried forward for distribution in subsequent years.

If there is any change in the Company’s total share capital between the date of this announcement and the record date for equity distribution due to events such as repurchase and cancellation of restricted shares or listing of new shares, the total amount to be distributed will be adjusted accordingly based on the principle of maintaining a constant distribution ratio. Dividends for A shares will be paid in RMB, while dividends for H shares will be paid in HKD. The actual amount will be calculated using the average benchmark exchange rate of RMB to HKD announced by the People’s Bank of China over the five working days prior to the date of the 2025 annual general meeting of the Company.

The aforementioned profit distribution proposal has been considered and approved at the 19th meeting of the fifth session of the Board, and is subject to consideration at the general meeting, and the distribution will be completed within two months from the date of approval at the general meeting. The Company will disclose further details regarding the proposed final dividend distribution in due course, including, among other things, the expected timetable and arrangements for the closure of the H share register of members for the purpose of determining Shareholders’ entitlement to the final dividend. For the distribution of the final dividend to A Shareholders, the Company will publish a separate announcement on dividend distribution on the Shenzhen Stock Exchange.

Compliance with the Corporate Governance Code

Since the Listing Date, the Company has adopted the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Listing Rules as its own corporate governance code. As the Company’s H shares were not listed on the Stock Exchange as of December 31, 2025, the CG Code was not applicable to the Company during the Reporting Period. The Board is of the view that the Company has complied with all code provisions as set out in Part 2 of the CG Code from the Listing Date and up to the date of this announcement, except for the deviation from code provision C.2.1 of the CG Code concerning the separation of the roles of chairman and chief executive officer. Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. We do not have separate individuals serving as chairman and chief executive officer, and Mr. Wang Yanqing currently holds both roles. The Board believes that vesting the roles of chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired, and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the general manager of the Company if and when it is appropriate, taking into account the circumstances of the Group as a whole.

Compliance with the Model Code for Securities Transactions by Directors

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors since the Listing Date. As the Company’s H shares were not listed on the Stock Exchange as of December 31, 2025, the Model Code was not applicable to the Company during the Reporting Period. Nevertheless, the Company has made specific enquiries with all Directors, and they have confirmed that they have complied with the Model Code since the Listing Date and up to the date of this announcement.

Review of Annual Results by the Audit Committee

The audit committee of the Board of the Company (the “**Audit Committee**”) comprises Ms. Zhang Mingyan, Mr. Dai Jianjun and Ms. Wong Sze Wing, all being independent non-executive Directors. The Audit Committee has reviewed the Group’s annual results for the year ended December 31, 2025 and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made.

Scope of Work of the Auditor

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on March 30, 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement, and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

Events After the Reporting Period

After the Reporting Period, 107,658,400 H shares of the Company were listed on the Main Board of the Stock Exchange on February 11, 2026. On March 11, 2026, following the partial exercise of the over-allotment option by the overall coordinators (on behalf of the international underwriters) in connection with the global offering, the Company further issued and allotted a total of 400,000 H shares, which were listed on the Main Board of the Stock Exchange. For further details, please refer to the announcement of the Company dated March 8, 2026.

Save as disclosed above, no significant events affecting the Group have occurred since the end of the Reporting Period and up to the date of this announcement.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND THE ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.leadintelligent.com). The annual report of the Company for the year ended December 31, 2025, containing all information required under the Listing Rules, will be dispatched to the Shareholders (if requested) and will be published on the afore-mentioned websites in due course.

By order of the Board
WUXI LEAD INTELLIGENT EQUIPMENT CO., LTD.
Mr. Wang Yanqing
Chairman of the Board, Executive Director and Chief Executive Officer

Hong Kong, March 30, 2026

As at the date of this announcement, the Board comprises: (i) Mr. Wang Yanqing, Mr. Wang Jianxin, Mr. You Zhiliang and Mr. Wang Lei as executive Directors; and (ii) Ms. Zhang Mingyan, Mr. Dai Jianjun and Ms. Wong Sze Wing as independent non-executive Directors.