

The following is the text of a report, prepared for the purpose of incorporation in this prospectus, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong.



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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF MEIG SMART TECHNOLOGY CO., LTD. AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED

Introduction

We report on the historical financial information of MeiG Smart Technology Co., Ltd. (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-4 to I-150, which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025 (the “**Relevant Periods**”), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2022, 2023 and 2024 and 30 September 2025 and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-4 to I-150 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 27 February 2026 (the “**Prospectus**”) in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2022, 2023 and 2024 and 30 September 2025 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group for the nine months ended 30 September 2024 and other explanatory information (the "**Interim Comparative Financial**

Information”). The directors of the Company are responsible for the preparation and presentation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Relevant Periods.



Certified Public Accountants

Hong Kong

27 February 2026

I. HISTORICAL FINANCIAL INFORMATION**Preparation of Historical Financial Information**

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
						(unaudited)
REVENUE	5	2,305,932	2,147,336	2,941,374	2,182,028	2,821,288
Cost of sales		(1,900,557)	(1,751,198)	(2,456,712)	(1,837,399)	(2,464,709)
Gross profit		405,375	396,138	484,662	344,629	356,579
Other income and gains	5	69,733	47,138	20,015	11,929	27,948
Selling and marketing expenses		(46,359)	(63,800)	(59,190)	(42,955)	(46,171)
Administrative expenses		(59,167)	(66,752)	(70,676)	(49,784)	(54,353)
Research and development expenses		(185,909)	(213,877)	(208,136)	(148,287)	(153,125)
(Provision for)/reversal of impairment losses on financial assets		(7,318)	(14,231)	6,556	11,200	6,296
Other expenses		(6,987)	(6,764)	(29,947)	(18,198)	(1,191)
Finance costs	7	(13,886)	(8,644)	(6,297)	(5,051)	(7,348)
Share of profits and losses of joint ventures	16	(618)	(511)	(860)	(580)	(568)
Share of profits and losses of associates	17	(5,279)	(5,570)	(11,986)	(8,364)	(5,927)
PROFIT BEFORE TAX	6	149,585	63,127	124,141	94,539	122,140
Income tax credit/(charge)	10	(22,970)	(518)	10,234	(4,041)	(8,970)
PROFIT FOR THE YEAR/PERIOD		<u>126,615</u>	<u>62,609</u>	<u>134,375</u>	<u>90,498</u>	<u>113,170</u>
Attributable to:						
Owners of the parent		127,836	64,509	135,572	91,356	113,170
Non-controlling interests		(1,221)	(1,900)	(1,197)	(858)	—
		<u>126,615</u>	<u>62,609</u>	<u>134,375</u>	<u>90,498</u>	<u>113,170</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	12					
Basic (RMB per share)		0.54	0.25	0.52	0.35	0.43
Diluted (RMB per share)		0.54	0.25	0.52	0.35	0.43

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
PROFIT FOR THE YEAR/PERIOD	<u>126,615</u>	<u>62,609</u>	<u>134,375</u>	<u>90,498</u>	<u>113,170</u>
OTHER COMPREHENSIVE INCOME					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations.	<u>2,134</u>	<u>212</u>	<u>1,877</u>	<u>(414)</u>	<u>(2,468)</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods.	<u>2,134</u>	<u>212</u>	<u>1,877</u>	<u>(414)</u>	<u>(2,468)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR/PERIOD, NET OF TAX	<u>2,134</u>	<u>212</u>	<u>1,877</u>	<u>(414)</u>	<u>(2,468)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD.	<u><u>128,749</u></u>	<u><u>62,821</u></u>	<u><u>136,252</u></u>	<u><u>90,084</u></u>	<u><u>110,702</u></u>
Attributable to:					
Owners of the parent	129,970	64,721	137,449	90,942	110,702
Non-controlling interests	(1,221)	(1,900)	(1,197)	(858)	—
	<u>128,749</u>	<u>62,821</u>	<u>136,252</u>	<u>90,084</u>	<u>110,702</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December			As at
					30 September
		2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	25,105	21,682	17,885	16,768
Other intangible assets	14	75,446	118,667	109,078	104,728
Right-of-use assets	15	40,900	24,037	9,405	6,975
Investment in joint ventures	16	2,399	1,888	1,479	2,260
Investment in associates.	17	63,663	58,168	46,181	54,583
Equity investments at fair value through profit or loss ("FVTPL")	18	198,875	234,246	189,971	176,137
Prepayment, other receivables and other assets.	22	9,693	21,190	16,536	23,982
Deferred tax assets	29	41,085	59,564	88,410	89,704
Total non-current assets		457,166	539,442	478,945	475,137
CURRENT ASSETS					
Inventories	19	490,386	526,319	650,552	812,156
Trade and bills receivables	20	420,301	659,426	1,016,069	761,422
Prepayments, other receivables and other assets	22	268,613	232,598	254,122	454,017
Debt investments at fair value through other comprehensive income ("FVOCI").	21	5,122	38,427	9,992	26,739
Restricted cash	23	12,828	9,584	7,998	5,340
Cash and cash equivalents	23	72,287	138,926	341,879	315,854
Total current assets.		1,269,537	1,605,280	2,280,612	2,375,528
CURRENT LIABILITIES					
Trade and bills payables	24	331,384	485,880	579,916	571,106
Other payables and accruals	25	68,204	60,037	109,140	86,723
Interest-bearing bank borrowings	27	310,720	5,016	352,606	348,181
Lease liabilities	15	16,808	16,470	8,592	6,288
Contract liabilities	26	67,451	52,328	109,344	125,086
Tax payable		2,888	4,714	8,311	5,927
Total current liabilities		797,455	624,445	1,167,909	1,143,311
NET CURRENT ASSETS		472,082	980,835	1,112,703	1,232,217
TOTAL ASSETS LESS CURRENT					
LIABILITIES		929,248	1,520,277	1,591,648	1,707,354

	<i>Notes</i>	As at 31 December			As at
		2022	2023	2024	30 September
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	2025
					<i>RMB'000</i>
NON-CURRENT LIABILITIES					
Interest-bearing bank borrowings	27	60,000	—	—	—
Deferred income	28	950	3,875	3,875	3,875
Lease liabilities	15	27,078	9,300	1,417	3,870
Deferred tax liabilities.	29	20,969	27,309	19,243	18,284
Total non-current liabilities.		108,997	40,484	24,535	26,029
Net assets		820,251	1,479,793	1,567,113	1,681,325
EQUITY					
Equity attributable to owners of the parent					
Share capital	30	239,667	261,641	261,802	262,629
Treasury shares	30	(56,605)	(41,999)	(79,286)	(67,044)
Reserves	31	636,356	1,261,218	1,384,597	1,485,740
		819,418	1,480,860	1,567,113	1,681,325
Non-controlling interests		833	(1,067)	—	—
Total equity		820,251	1,479,793	1,567,113	1,681,325

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2022

	Attributable to owners of the parent								
	Share capital	Treasury Shares	Capital reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000 (note 30)	RMB'000 (note 30)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000	RMB'000	RMB'000
At 1 January 2022	184,729	(68,766)	239,914	18,271	(815)	315,928	689,261	2,054	691,315
Profit for the year	—	—	—	—	—	127,836	127,836	(1,221)	126,615
Other comprehensive income for the year:									
Exchange differences on translation of foreign operations	—	—	—	—	2,134	—	2,134	—	2,134
Total comprehensive income for the year	—	—	—	—	2,134	127,836	129,970	(1,221)	128,749
Exercise of share options	265	—	4,772	—	—	—	5,037	—	5,037
Exercise of restricted shares units	—	11,048	458	—	—	—	11,506	—	11,506
Equity-settled share-based compensation expenses	—	—	8,455	—	—	—	8,455	—	8,455
Transfer from capital reserve	54,731	—	(54,731)	—	—	—	—	—	—
Transfer from retained profits	—	—	—	4,150	—	(4,150)	—	—	—
Dividend	—	—	—	—	—	(24,811)	(24,811)	—	(24,811)
Others**	(58)	1,113	(1,055)	—	—	—	—	—	—
At 31 December 2022	239,667	(56,605)	197,813*	22,421*	1,319*	414,803*	819,418	833	820,251

Year ended 31 December 2023

	Attributable to owners of the parent								
	Share capital	Treasury Shares	Capital reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000 (note 30)	RMB'000 (note 30)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000	RMB'000	RMB'000
At 1 January 2023	239,667	(56,605)	197,813	22,421	1,319	414,803	819,418	833	820,251
Profit for the year	—	—	—	—	—	64,509	64,509	(1,900)	62,609
Other comprehensive income for the year:									
Exchange differences on translation of foreign operations	—	—	—	—	212	—	212	—	212
Total comprehensive income for the year	—	—	—	—	212	64,509	64,721	(1,900)	62,821
Capital contribution by shareholders	21,209	—	571,722	—	—	—	592,931	—	592,931
Exercise of share options	793	—	11,360	—	—	—	12,153	—	12,153
Exercise of restricted shares units	—	14,321	429	—	—	—	14,750	—	14,750
Equity-settled share-based compensation expenses	—	—	2,777	—	—	—	2,777	—	2,777
Transfer from retained profits	—	—	—	125	—	(125)	—	—	—
Dividend	—	—	—	—	—	(25,890)	(25,890)	—	(25,890)
Others**	(28)	285	(257)	—	—	—	—	—	—
At 31 December 2023	<u>261,641</u>	<u>(41,999)</u>	<u>783,844*</u>	<u>22,546*</u>	<u>1,531*</u>	<u>453,297*</u>	<u>1,480,860</u>	<u>(1,067)</u>	<u>1,479,793</u>

Year ended 31 December 2024

	Attributable to owners of the parent								
	Share capital	Treasury Shares	Capital reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000 (note 30)	RMB'000 (note 30)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000	RMB'000	RMB'000
At 1 January 2024	261,641	(41,999)	783,844	22,546	1,531	453,297	1,480,860	(1,067)	1,479,793
Profit for the year	—	—	—	—	—	135,572	135,572	(1,197)	134,375
Other comprehensive income for the year:									
Exchange differences on translation of foreign operations	—	—	—	—	1,877	—	1,877	—	1,877
Total comprehensive income for the year	—	—	—	—	1,877	135,572	137,449	(1,197)	136,252
Exercise of share options	161	—	2,774	—	—	—	2,935	—	2,935
Exercise of restricted shares units	—	—	390	—	—	—	390	—	390
Equity-settled share-based compensation expenses	—	—	11,118	—	—	—	11,118	—	11,118
Transfer from retained profits	—	—	—	1,287	—	(1,287)	—	—	—
Dividend (note 11)	—	—	—	—	—	(25,802)	(25,802)	—	(25,802)
Shares repurchased	—	(37,287)	—	—	—	—	(37,287)	—	(37,287)
Deemed disposal of a subsidiary	—	—	—	—	—	(2,550)	(2,550)	2,264	(286)
At December 31, 2024	261,802	(79,286)	798,126*	23,833*	3,408*	559,230*	1,567,113	—	1,567,113

Nine months ended 30 September 2025

	Attributable to owners of the parent								
	Share capital	Treasury Shares	Capital reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000 (note 30)	RMB'000 (note 30)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000	RMB'000	RMB'000
At 1 January 2025	261,802	(79,286)	798,126	23,833	3,408	559,230	1,567,113	—	1,567,113
Profit for the period	—	—	—	—	—	113,170	113,170	—	113,170
Other comprehensive income for the period:									
Exchange differences on translation of foreign operations	—	—	—	—	(2,468)	—	(2,468)	—	(2,468)
Total comprehensive income for the period	—	—	—	—	(2,468)	113,170	110,702	—	110,702
Equity-settled share-based compensation expenses	—	—	18,599	—	—	—	18,599	—	18,599
Shares issued and granted for restricted share incentive plan	263	(5,997)	5,734	—	—	—	—	—	—
Exercise of restricted shares units	—	25,730	(11,226)	—	—	—	14,504	—	14,504
Exercise of share options	564	—	11,263	—	—	—	11,827	—	11,827
Dividend	—	456	—	—	—	(33,929)	(33,473)	—	(33,473)
Shares repurchased	—	(7,947)	—	—	—	—	(7,947)	—	(7,947)
At 30 September 2025	262,629	(67,044)	822,496*	23,833*	940*	638,471*	1,681,325	—	1,681,325

* These reserve accounts comprised the consolidated reserves of RMB636,356,000, RMB1,261,218,000, RMB1,384,597,000 and RMB1,485,740,000 in the consolidated statements of financial position as at 31 December 2022, 2023 and 2024 and 30 September 2025, respectively.

** Others mainly represent the equity impact on the deregistration of previously repurchased shares.

Nine months ended 30 September 2024 (Unaudited)

	Attributable to owners of the parent								
	Share capital	Treasury Shares	Capital reserve	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000 (note 30)	RMB'000 (note 30)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000 (note 31)	RMB'000	RMB'000	RMB'000
At 1 January 2024	261,641	(41,999)	783,844	22,546	1,531	453,297	1,480,860	(1,067)	1,479,793
Profit for the period	—	—	—	—	—	91,356	91,356	(858)	90,498
Other comprehensive income for the period:									
Exchange differences on translation of foreign operations	—	—	—	—	(414)	—	(414)	—	(414)
Total comprehensive income for the period	—	—	—	—	(414)	91,356	90,942	(858)	90,084
Equity-settled share-based compensation expenses	—	—	5,539	—	—	—	5,539	—	5,539
Exercise of share options	161	—	2,774	—	—	—	2,935	—	2,935
Dividend	—	—	—	—	—	(25,802)	(25,802)	—	(25,802)
Shares repurchased	—	(27,285)	—	—	—	—	(27,285)	—	(27,285)
Contributions from non-controlling interests	—	—	—	—	—	—	—	245	245
At 30 September 2024 (unaudited).	<u>261,802</u>	<u>(69,284)</u>	<u>792,157</u>	<u>22,546</u>	<u>1,117</u>	<u>518,851</u>	<u>1,527,189</u>	<u>(1,680)</u>	<u>1,525,509</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS

Notes	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax	149,585	63,127	124,141	94,539	122,140
Adjustments for:					
Finance costs	7	13,886	8,644	6,297	5,051
Interest income	5	(1,076)	(4,276)	(2,497)	(1,928)
Share of profits and losses of joint ventures and associates		5,897	6,081	12,846	8,944
Gain on disposal of a subsidiary	5, 32	—	—	(4,906)	—
Impairment/(reversal of impairment) of trade and bills receivables	20	5,361	13,594	(7,638)	(12,056)
Impairment of prepayments, other receivables and other assets	22	1,957	637	1,082	856
Write-down of inventories to net realisable value	19	6,362	15,216	16,342	9,986
Depreciation of property, plant and equipment	13	6,670	6,198	6,137	4,920
Depreciation of right-of-use assets	15(a)	19,040	16,934	14,647	12,004
Amortisation of other intangible assets	14	15,652	30,748	38,287	29,072
Losses/(gains) on disposal of items of property, plant and equipment	6	26	84	13	8
Loss/(gain) on early termination of a lease	6	—	105	(78)	(78)
Gain on sublease of right-of-use assets	6	—	—	—	(989)
Fair value (gains)/losses on financial assets measured at FVPL	5/6	(43,875)	(25,371)	(1,725)	—
Government grants		(1,571)	—	—	—
Equity-settled share-based payment expense	33	8,455	2,777	11,118	5,537
Foreign exchange difference		(3,974)	(5,018)	(9,612)	(7,390)
		182,395	129,480	204,454	149,465
(Increase)/decrease in inventories		(100,886)	(51,130)	(145,808)	45,402
(Increase)/decrease in trade and bills receivables		(97,948)	(259,630)	(358,800)	(246,527)
Decrease/(increase) in debt investments at fair value through other comprehensive income		13,302	(33,305)	28,435	20,803
Decrease/(increase) in prepayments, other receivables and other assets		9,763	24,381	(24,694)	(92,286)
Increase/(decrease) in trade and bills payables		62,620	159,514	114,889	56,738
(Decrease)/increase in other payables and accruals		(36,934)	17,717	13,833	(7,783)
(Decrease)/increase in contract liabilities		(6,327)	(15,123)	57,997	40,120
Increase in deferred income		—	2,925	—	—
Decrease/(increase) in restricted cash		8,017	—	—	—
Cash generated from/(used in) operation		34,002	(25,171)	(109,694)	(34,068)
Interest received		1,076	4,276	2,497	1,928
Income tax paid		(3,254)	(10,418)	(22,693)	(9,524)
Net cash flows from/(used in) operating activities		31,824	(31,313)	(129,890)	(41,664)
					44,460

Notes	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from disposal of items of property, plant and equipment	—	26	20	20	1
Proceeds from disposals of equity investments at fair value through profit or loss	—	—	12,000	12,000	10,000
Investment income from equity investments at fair value through profit or loss	—	—	34,000	34,000	2,669
Purchases of items of property, plant and equipment, other intangible assets, and other assets	(56,126)	(80,883)	(14,049)	(5,585)	(21,966)
Capitalized development costs	(5,386)	(7,536)	(13,469)	(3,264)	(8,420)
Proceed from sublease of right-of-use assets . .	—	—	—	—	4,142
Net cash outflows in respect of the deemed disposal of a subsidiary	—	—	(1,294)	—	—
Purchase of a shareholding in joint ventures . .	(900)	—	(450)	(450)	(1,350)
Purchase of a shareholding in associates . . .	(36,000)	—	—	—	(14,309)
Purchases of equity investments at fair value through profit or loss	(55,000)	(10,000)	—	—	—
Net cash flows (used in)/from investing activities	(153,412)	(98,393)	16,758	36,721	(29,233)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of ordinary shares . . .	4,838	607,310	3,810	3,810	10,158
Proceeds from subscription of restricted shares	—	—	37,031	37,031	11,103
New bank borrowings	513,326	74,900	729,500	507,000	860,000
Repayment of bank borrowings	(437,072)	(439,900)	(382,000)	(382,000)	(865,000)
Cash received from the release of restricted cash for issuance of bank acceptance notes .	60,042	48,227	36,568	36,568	7,945
Restricted cash paid for issuance of bank acceptance notes	(62,735)	(44,983)	(34,980)	(26,982)	(5,288)
Payment of listing expense	—	—	—	—	(11,536)
Payment of expense for issuance of ordinary shares	(2,700)	(625)	—	—	—
Principal portion of lease payments	(21,157)	(21,339)	(15,001)	(13,757)	(8,586)
Interest paid	(12,922)	(6,373)	(5,366)	(4,345)	(6,401)
Payment for repurchase of own shares	—	—	(37,287)	(27,285)	(7,947)
Dividends paid	(24,811)	(25,890)	(25,802)	(25,802)	(33,929)
Net cash flows from/(used in) financing activities	16,809	191,327	306,473	104,238	(49,481)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(104,779)	61,621	193,341	99,295	(34,254)
Cash and cash equivalents at beginning of year/period	173,092	72,287	138,926	138,926	341,879
Effect of foreign exchange rate changes, net . .	3,974	5,018	9,612	7,390	8,229
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	<u>72,287</u>	<u>138,926</u>	<u>341,879</u>	<u>245,611</u>	<u>315,854</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS					
Cash and bank balances	23	85,115	148,510	349,877	245,611
Less: restricted cash	23	12,828	9,584	7,998	—
Cash and bank balances as stated in the consolidated statements of financial position and statements of cash flows		<u>72,287</u>	<u>138,926</u>	<u>341,879</u>	<u>245,611</u>
		<u>315,854</u>	<u>315,854</u>	<u>315,854</u>	<u>315,854</u>

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December			As at
		2022	2023	2024	30 September
		RMB'000	RMB'000	RMB'000	2025
				RMB'000	
NON-CURRENT ASSETS					
Property, plant and equipment	13	6,912	4,260	3,897	5,499
Other intangible assets	14	44,397	64,789	38,494	27,710
Right-of-use assets	15	21,908	12,624	4,662	—
Investment in subsidiaries		175,782	178,279	190,416	209,383
Investments in a joint venture	16	748	156	257	1,451
Investments in associates	17	63,739	58,168	46,181	40,348
Prepayment, other receivables and other assets .	22	3,857	8,268	8,831	13,071
Deferred tax assets	29	18,604	19,589	35,140	45,149
Total non-current assets		<u>335,947</u>	<u>346,133</u>	<u>327,878</u>	<u>342,611</u>
CURRENT ASSETS					
Inventories	19	454,376	487,213	536,969	688,971
Trade and bills receivables	20	575,587	825,322	1,104,824	710,092
Prepayment, other receivables and other assets .	22	161,110	151,277	189,152	512,615
Debt investments at FVOCI	21	2,965	34,136	8,012	14,538
Restricted cash	23	12,828	9,584	7,998	5,340
Cash and cash equivalents	23	34,893	58,723	241,722	166,532
Total current assets		<u>1,241,759</u>	<u>1,566,255</u>	<u>2,088,677</u>	<u>2,098,088</u>
CURRENT LIABILITIES					
Trade and bills payables	24	627,207	733,475	834,702	879,937
Other payables and accruals	25	52,255	21,779	69,207	63,110
Interest-bearing bank borrowings	27	260,672	—	352,606	348,181
Lease liabilities	15	10,036	9,068	4,826	2,052
Contract liabilities	26	45,877	34,583	79,756	100,037
Tax payable		—	—	2,984	—
Total current liabilities		<u>996,047</u>	<u>798,905</u>	<u>1,344,081</u>	<u>1,393,317</u>
NET CURRENT ASSETS		<u>245,712</u>	<u>767,350</u>	<u>744,596</u>	<u>704,771</u>
TOTAL ASSETS LESS CURRENT					
LIABILITIES		<u>581,659</u>	<u>1,113,483</u>	<u>1,072,474</u>	<u>1,047,382</u>

	Notes	As at 31 December			As at
		2022	2023	2024	30 September
		RMB'000	RMB'000	RMB'000	2025
NON-CURRENT LIABILITIES					
Interest-bearing bank borrowings	27	60,000	—	—	—
Deferred income	28	—	2,925	2,925	2,925
Lease liabilities	15	15,124	6,056	825	—
Total non-current liabilities		75,124	8,981	3,750	2,925
Net assets		506,535	1,104,502	1,068,724	1,044,457
EQUITY					
Share capital	30	239,667	261,641	261,802	262,629
Treasury shares	30	(56,605)	(41,999)	(79,286)	(67,044)
Reserves	31	323,473	884,860	886,208	848,872
Total equity		506,535	1,104,502	1,068,724	1,044,457

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

MeiG Smart Technology Co., Ltd. (the “**Company**”) is a company established under the laws of the People’s Republic of China (the “**PRC**”) with limited liability on 5 April 2007 and converted into a joint stock company with limited liability on 14 May 2015. With the approval of the China Securities Regulatory Commission, the Company’s A shares was listed on the Shenzhen Stock Exchange (stock code: 002881.SZ) on 22 June 2017. The registered office address of the Company is 2/F, No.5 Lingxia Road, Fenghuang Community, Fuyong Street, Bao’an District, Shenzhen, Guangdong, PRC.

During the Relevant Periods, the Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the design, research and development (“**R&D**”), and sale of wireless communication modules and solutions.

As at 30 September 2025, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary share/registered capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shenzhen Meige Zhilian Information Technology Co., Ltd. (深圳市美格智聯信息技術有限公司)* (“ MeiG Zhilian ”) (note (d))	PRC/Chinese Mainland, 15 October 2018	RMB80,000,000	100%	—	R&D and design
Zhongge Intelligent Technology (Shanghai) Co., Ltd. (眾格智能科技有限公司(上海)有限公司)* (“ ZhongGe Shanghai ”) (note (d))	PRC/Chinese Mainland, 23 March 2018	RMB10,000,000	100%	—	R&D and design
MeiG Smart Technology (Europe) GmbH (note(c))	Germany, 28 June 2022	EUR200,000	100%	—	Sales and supply chain

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary share/registered capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Forge International Co., Ltd. ("Forge International") (note (b))	Hong Kong, 16 December 2014	HKD100,000	100%	—	Sales and supply chain
MeiG Smart Technology France .	France, 15 April 2025	EUR40,000	—	100%	Sales and supply chain
Xi'an Zhaoge Electronic Information Technology Co., Ltd. (西安兆格電子信息技術有 限公司)* ("Xi'an ZhaoGe") (note (a))	PRC/Chinese Mainland, 23 October 2014	RMB2,000,000	100%	—	R&D and design
Shanghai Meixiao Intelligent Information Technology Co., Ltd. (上海美驍智能信息技術有 限公司)* ("MeiXiao Shanghai") (note (d)).	PRC/Chinese Mainland, 15 August 2023	RMB200,000,000	100%	—	R&D and design
Zhongge Intelligent Technology (Nantong) Co., Ltd. (眾格智能 技術(南通)有限公司)* ("ZhongGe Nantong") (note (d))	PRC/Chinese Mainland, 18 June 2024	RMB10,000,000	100%	—	R&D and design
Shenzhen Meige Smart Investment and Entrepreneurship Investment Co., Ltd. (深圳市美格智投創業 投資有限公司)* ("MeiG Investment") (note (d)).	PRC/Chinese Mainland, 12 December 2019	RMB50,000,000	100%	—	Investment

* The English names of all group companies registered in the PRC represent the best efforts made by the directors of the Company to translate the Chinese names of these companies as they do not have official English names.

Notes:

- (a) The statutory financial statements of this entity for the years ended 31 December 2022, 2023 and 2024 prepared under China Accounting Standards of Business Enterprises were audited by Shan'Xi Tangdu Certified Public Accountants Co., Ltd. (陝西唐都會計師事務所有限責任公司), Beijing Zhiqin Certified Public Accountants LLP (北京志勤會計師事務所(普通合夥)) and Beijing Hexin Certified Public Accountants LLP (北京荷信會計師事務所(普通合夥)), respectively, certified public accountants registered in the PRC.
- (b) The statutory financial statements of this entity for the years ended 31 December 2022, 2023 and 2024 prepared under Hong Kong Small and Medium-sized Entity Financial Reporting Standard were audited by RICHFUL CPA Limited, certified public accountants registered in Hong Kong.
- (c) The statutory financial statement of this entity for the year ended 31 December 2023 prepared under the Dutch Generally Accepted Accounting Principles were audited by PKF Fasselt Partnerschaft mbB, certified public accountants registered in Germany.
- (d) As at the date of this report, no audited financial statements have been prepared for these entities for the years ended 31 December 2022, 2023 and 2024.
- (e) In 2024, one investor increased its shareholding interest in Pinsu Zhilian Information Technology Co., Ltd. (深圳市品速智聯信息技術有限公司) (“Pinsu Zhilian”), the then subsidiary of the Company, by making addition capital injection to Pinsu Zhilian. Upon the completion of the capital injection, the Company lost its control over Pinsu Zhilian. Further details of this deemed disposal are included in note 32 to the Historical Financial Information.

The carrying amounts of the Company's investments in subsidiaries is as below:

	Year ended 31 December			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	RMB'000
Investments, at cost	143,500	143,500	146,000	150,500
Share based payment	32,282	34,779	44,416	58,883
Total	<u>175,782</u>	<u>178,279</u>	<u>190,416</u>	<u>209,383</u>

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (“IASB”). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

The Historical Financial Information has been prepared under the historical cost convention except for certain equity investments at FVTPL and debt investments at FVOCI which have been measured at fair value at the end of each of the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

Basis of consolidation

The Historical Financial Information includes the financial information of the Group for the Relevant Periods and in the period covered by the Interim Comparative Financial Information. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

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

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

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

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

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

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

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

¹ No mandatory effective date yet determined but available for adoption

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

³ Effective for annual/reporting periods beginning on or after 1 January 2027

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

accounting policies but are likely to have a significant impact on the Group's financial performance and financial position in the period of initial application. The application of IFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statements of profit or loss and other comprehensive income and consolidated statements of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group's financial information.

2.3 MATERIAL ACCOUNTING POLICIES

Investments in subsidiaries

In the Company's statements of financial position, an investment in a subsidiary is stated at cost less any impairment losses unless the investment is classified as held for sale (or included in a disposal group) and accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Dividends from a subsidiary are recognised in the Company's profit or loss when the Company's right to receive the dividends is established.

Investments in associates and joint ventures

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except

where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities

assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its equity investments at FVTPL at fair value at the end of each of the Relevant Periods. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- | | | |
|---------|---|---|
| Level 1 | — | based on quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the Relevant Periods.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the Relevant Periods as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);

- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	4.50%
Machinery and equipment	9.00% to 18.00%
Motor vehicles	9.00% to 18.00%
Electronic equipment and others	18.00%
Leasehold improvements	Over the shorter of lease terms and estimated useful lives

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets are stated at cost less any impairment losses and are amortised on the straight-line basis over the following estimated useful lives:

Software	3 to 5 years
License rights	5 years

Research and development costs

Research and development cost are expensed and capitalized simultaneously during the reporting period.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five years, commencing from the date when the products are put into commercial production. At the end of each of the Relevant Periods, the Group conducts an impairment test on development expenditure items.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings and premises	2 to 9 years
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If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value

guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of premises and employee dormitory (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

When the Group is an intermediate lessor, a sublease is classified as a finance lease or operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the on-balance sheet recognition exemption, the Group classifies the sublease as an operating lease.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in profit or loss when the right of payment has been established.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

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

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each of the Relevant Periods, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at

the end of each of the Relevant Periods with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

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

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

- | | |
|---------|--|
| Stage 1 | Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs |
| Stage 2 | Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs |
| Stage 3 | Financial assets that are credit-impaired at the Relevant Periods (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs |

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each of the Relevant Periods. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, financial liabilities included in other payables and accruals, and interest-bearing bank borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, loans and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Treasury shares

Own equity instruments which are reacquired and held by the Company (treasury shares) are recognised directly in equity at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the capital reserve.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on weighted average method and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statements of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

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

The Group provides for warranties in relation to the sale of products for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate. The warranty-related cost is revised annually. The provision for these assurance-type warranties is assessed to be immaterial as at the end of each of the Relevant Periods based on historical data, current conditions, and all relevant factors and market changes.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Relevant Periods, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the Relevant Periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each of the Relevant Periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Relevant Periods.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is credited to a deferred income account and is released to the profit or loss over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the grant are recorded at nominal amounts and released to profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Revenue recognition***Revenue from contracts with customers***

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Sale of products

For domestic sales in Chinese Mainland, revenue is recognised at the point in time when control of the products is transferred to customers in accordance with the contract term, generally upon customers' acceptance when the products are shipped to customers' or their designated locations, or upon the withdrawn of the products and confirm the usage by customers when the products are shipped to customers' manufacturing warehouses.

For cross-border sales, revenue is recognised at the point in time when control of the products is transferred to the customer in accordance with the mutually agreed international commerce term in the contract with customers, generally upon customers' confirm on the acceptance in bill of lading.

(i) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

The Group generally does not accept sales returns except for limited reasons such as product design defects or quality issues. The refund liabilities and right-of-return assets are assessed to be immaterial at the end of each of the Relevant Periods based on historical data, current conditions, and all relevant factors.

(b) *Provision of technical services*

Revenue from the provision of technical services is recognized at the point in time when the technical services are rendered and accepted by the customers.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Group operates restricted share incentive plans and share option incentive plans for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value of restricted share granted is determined by referring to the fair value of the Company's ordinary shares on the respective dates of grant. The fair value of share option granted is determined by using a Black-Scholes model. Further details are included in note 33 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each Relevant Periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled share-based award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled share-based award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

The dilutive effect of outstanding options and restricted shares is reflected as additional share dilution in the computation of earnings per share. More details are disclosed in note 12 to the Historical Financial Information.

Other employee benefits

Pension scheme

The employees of the Company and the Group's subsidiaries which mainly operate in Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund and other social insurances — Chinese Mainland

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The Group's liability in respect of these funds is limited to the contributions payable in each of the Relevant Periods.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

The Company's dividends are recognised as liabilities upon approval by the shareholders' general meeting. Final dividends are disclosed in note 11 to the Historical Financial Information.

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each of the Relevant Periods. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

Events after the Relevant Periods

If the Group receives information after the Relevant Periods, but prior to the date of authorisation for issue, about conditions that existed at the end of each of the Relevant Periods, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its Historical Financial Information to reflect any adjusting events after the Relevant Periods and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the Relevant Periods, the Group will not change the amounts recognised in its Historical Financial Information, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information:

Business models

The classification of financial assets at initial recognition depends on the Group's business model for managing financial assets. When determining the business model, the Group considers the methods used to evaluate and report financial asset performance to key management, the risks affecting the performance of financial assets and the risk management, and the manner in which the relevant management receives remuneration. When assessing whether the objective is to collect contractual cash flows, the Group needs to analyse and judge the reason, timing, frequency and value of the sale before the maturity date of the financial assets.

Development expenses

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred. Determining the amounts of development costs to be capitalised requires the use of judgements and estimation.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised as well as the tax rate that is expected to apply to the period when the liability is settled, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are given in note 29 to the Historical Financial Information.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Share-based payment

The Group makes the best estimate of the number of exercisable equity instruments at the end of each of the Relevant Periods during the vesting period based on the fair value on the grant date and the latest subsequent information obtained, and includes the services obtained in the current period in relevant costs or expenses. The fair value of the share option awards to employees is determined by Black-Scholes Model at the date they are granted. Significant estimates on assumptions, including the expected volatility, risk-free interest rate and expected life of options, are made by the management of the Group. Further details are included in note 33 to the Historical Financial Information.

Provision for expected credit losses on trade and other receivables

The Group makes allowances on trade and other receivables based on assumptions about risk of default and expected loss rates. The Group uses estimations in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and other receivables are disclosed in notes 20 and 22 to the Historical Financial Information.

Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories and makes a provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at the end of each of the Relevant Periods and makes a provision against obsolete and slow-moving items. Management reassesses the estimation at the end of each of the Relevant Periods. The provision against obsolete and slow-moving inventories requires the use of estimates. Where the expectation is different from the original estimate, such difference will have an impact on the carrying value of inventories and the write-down of inventory amount in the year in which such estimates have been changed. Details of the Group's inventory provision during the Relevant Periods is disclosed in note 19 to the Historical Financial Information.

Fair value of unlisted equity investments

The unlisted equity investments have been valued based on a market-based valuation technique as detailed in note 39 to the Historical Financial Information. The valuation requires the Group to determine the comparable public companies (peers) and select the price multiple. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair value of these investments as Level 2 and Level 3 during the Relevant Periods. Further details are included in notes 18 and 39 to the Historical Financial Information.

Impairment of investment in associates and joint ventures

The Group determined whether there are indicators of impairment for investments in associates and joint ventures at the end of each of the Relevant Periods. Indicators of impairment included but not limited to serious deterioration of financial condition of the associate, adverse changes in the industry market environment and other circumstances indicated that the associate are unable to generate economic benefits for the Group. When such an indicator exists, the Group tested its investments in associates and joint ventures for impairment by comparing the estimated recoverable amounts with the carrying amounts. An impairment exists when the carrying value of investments in associates and joint ventures exceeds their respective recoverable amount.

Useful lives of intangible assets

Amortisation is calculated on the straight-line basis to write off the cost of each item of intangible asset to its residual value over its estimated useful life. The estimated useful lives reflect the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's intangible assets.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“**IBR**”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's standalone credit rating).

4. OPERATING SEGMENT INFORMATION

Management has determined the operating segment based on the information reviewed by the Company's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segment.

Management monitors the results of the Company's operating segment separately for the purpose of making decisions about resource allocation and performance assessment, focuses on the operating results of the Company as a whole as the Company's resources are integrated and no discrete operating segment information is available. Accordingly, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

Revenues are attributed to geographical areas based on locations of the customers. Revenues by geographical segment based on locations of the customers for the Relevant Period and nine months ended 30 September 2024 are presented as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(unaudited)	
Geographical markets					
Chinese Mainland	1,760,368	1,482,375	2,138,448	1,613,043	1,858,424
East Asia (<i>note</i>).	272,068	305,953	285,931	205,064	507,267
United States	106,344	72,428	222,264	122,886	240,235
Europe	96,037	164,417	107,625	86,878	88,188
Others	71,115	122,163	187,106	154,157	127,174
Total	<u>2,305,932</u>	<u>2,147,336</u>	<u>2,941,374</u>	<u>2,182,028</u>	<u>2,821,288</u>

Note: not including Chinese Mainland.

(b) Non-current assets

Almost all the non-current assets of the Group are physically located in Chinese Mainland. The non-current asset information is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

Information about external customers from which the revenue amounted to over 10% of the total revenue of the Group during the Relevant Periods and nine months ended 30 September 2024 is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Customer A	*	521,769	955,098	600,018	796,093

* Less than 10% of the Group's revenue

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(unaudited)					
<i>Revenue from contracts with customers</i>					
Wireless communication modules and solutions	2,227,999	2,048,987	2,808,563	2,085,672	2,738,538
Sales of electronic components	64,075	87,379	123,279	88,072	82,750
Subtotal	2,292,074	2,136,366	2,931,842	2,173,744	2,821,288
<i>Revenue from other sources</i>					
Gross rental income:					
Other lease payments, including fixed payments	13,858	10,970	9,532	8,284	—
Total	2,305,932	2,147,336	2,941,374	2,182,028	2,821,288

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Types of goods or services					
Wireless communication modules and solutions.					
	2,227,999	2,048,987	2,808,563	2,085,672	2,738,538
Sales of electronic components					
	64,075	87,379	123,279	88,072	82,750
Total					
	<u>2,292,074</u>	<u>2,136,366</u>	<u>2,931,842</u>	<u>2,173,744</u>	<u>2,821,288</u>
Geographical markets					
Chinese Mainland					
	1,746,510	1,471,405	2,128,916	1,604,759	1,858,225
East Asia (<i>note</i>).					
	272,068	305,953	285,931	205,064	507,267
United States					
	106,344	72,428	222,264	122,886	240,235
Europe					
	96,037	164,417	107,625	86,878	88,188
Others					
	71,115	122,163	187,106	154,157	127,373
Total					
	<u>2,292,074</u>	<u>2,136,366</u>	<u>2,931,842</u>	<u>2,173,744</u>	<u>2,821,288</u>
Timing of revenue recognition					
Goods and services transferred at a point in time.					
	2,292,074	2,136,366	2,931,842	2,173,744	2,821,288
Total					
	<u>2,292,074</u>	<u>2,136,366</u>	<u>2,931,842</u>	<u>2,173,744</u>	<u>2,821,288</u>

Note: not including Chinese Mainland.

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

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:					
Wireless communication modules and solutions	73,778	67,451	52,328	52,328	109,344

(unaudited)

(b) Performance obligations

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

Sale of products

For domestic sales in Chinese Mainland, the performance obligation is normally satisfied upon the customers' acceptance. For certain manufacturing customers, the performance obligation is satisfied upon the withdrawn of the products and confirm the usage by customers. For cross-border sales, the performance obligation is normally satisfied upon customers' confirm on the acceptance in bill of lading.

The payment is generally due within 30 to 90 days from the date of delivery, whereby payment is extended to 120 days for certain major customers. Advanced payment is required for new customers.

Provision of technical services

Revenue from the provision of technical services is recognized when the Group has satisfied the corresponding performance obligation and the services are accepted by the customers. The payment is generally due within 30 days upon customers' acceptance.

All amounts of transaction prices allocated to the performance obligations for sale of wireless communication modules and solutions are expected to be recognised as revenue within one year. The Group has no significant unsatisfied performance obligations arising from revenue contracts that have an original expected duration of more than one year. Thus, management applied the practical expedient under IFRS 15 and is not disclosing the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied or partially satisfied at the end of each of the Relevant Periods.

Other income and gains

An analysis of other income and gains is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Other income					
Interest income	1,076	4,276	2,497	1,928	2,169
Government grants*	24,782	17,477	10,696	8,829	16,272
Total other income	25,858	21,753	13,193	10,757	18,441
Gains					
Gain on early termination of a lease	—	—	78	78	—
Gain on sublease of right-of-use assets (note 15)	—	—	—	—	989
Gains on equity investments at FVTPL	43,875	25,371	1,725	—	—
Gain on deemed disposal of a subsidiary (note 32)	—	—	4,906	—	—
Foreign exchange gains, net	—	—	—	—	8,518
Others	—	14	113	1,094	—
Total gains	43,875	25,385	6,822	1,172	9,507
	69,733	47,138	20,015	11,929	27,948

* The government grants mainly represent subsidies received from the government that are relating to both income and assets.

These government grants related to income were awarded for the Group's contribution to the local economic growth and reimbursed for the Group's R&D expenditures. These grants related to income are recognised in profit or loss upon receipt and there are no unfulfilled conditions or contingencies relating to these grants.

The Group has also received certain government grants related to assets, which were recognised as deferred income upon receipt and released to profit or loss over the expected useful life of the relevant asset, when all attaching conditions and requirements are compliant with.

6. PROFIT BEFORE TAX

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

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
						(unaudited)
Cost of sales*		1,900,557	1,751,198	2,456,712	1,837,399	2,464,709
Research and development costs:						
— Deferred expenditure amortised*		3,740	9,296	14,690	10,785	11,519
— Current year expenditures.		185,909	213,877	208,136	148,287	153,125
Depreciation of property, plant and equipment**.	13	6,670	6,198	6,137	4,920	4,079
Depreciation of right-of-use assets**	15	19,040	16,934	14,647	12,004	5,594
Amortisation of other intangible assets**	14	15,652	30,748	38,287	29,072	28,361
Loss on disposal of items of property, plant and equipment***		26	84	13	8	9
Loss/(gain) on early termination of a lease***		—	105	(78)	(78)	—
Gain on sublease of right-of-use assets ***	15	—	—	—	—	(989)
Gain on deemed disposal of a subsidiary***	32	—	—	(4,906)	—	—
Foreign exchange losses/(gains), net***		6,756	6,115	28,472	16,727	(8,518)
Expenses relating to short-term leases	15	1,714	1,967	1,970	1,050	55
Impairment/(reversal of impairment) of trade and bills receivables.	20	5,361	13,594	(7,638)	(12,056)	(5,040)
Impairment of other receivables	22	1,957	637	1,082	856	(1,256)
(Gains)/losses on equity investments at FVTPL***		(43,875)	(25,371)	(1,725)	—	1,165
Share of profits and losses of joint ventures.	16	618	511	860	580	568
Share of profits and losses of an associate.	17	5,279	5,570	11,986	8,364	5,927
Auditor's remuneration.		700	600	600	—	—
Listing expenses.		—	—	—	—	767
Write-down of inventories to net realisable value*	19	6,362	15,216	16,342	9,986	13,984

Notes	Year ended 31 December			Nine months ended	
				30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Employee benefit expenses (excluding directors', supervisors' and chief executive's remuneration (note 8)):					
— Wages and salaries	214,642	226,363	215,761	151,986	153,421
— Pension scheme contributions	17,343	19,196	18,704	13,467	14,135
— Share-based payments expenses	7,345	2,386	11,118	5,537	16,535
Total employee benefit expenses	<u>239,330</u>	<u>247,945</u>	<u>245,583</u>	<u>170,990</u>	<u>184,091</u>

* Write-down of inventories to net realisable value and deferred expenditure amortised are included in “Cost of sales” in the consolidated statement of profit or loss and other comprehensive income.

** The depreciation of property, plant and equipment, amortisation of other intangible assets, and depreciation of right-of-use assets during the Relevant Periods are included in “Cost of sales”, “Selling and marketing expenses”, “Administrative expenses” and “Research and development expenses” in the consolidated statement of profit or loss and other comprehensive income, respectively.

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

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December			Nine months ended	
				30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Interest on bank loans and other borrowings	12,128	6,968	5,456	4,350	6,976
Interest on lease liabilities	1,758	1,676	841	701	372
Total	<u>13,886</u>	<u>8,644</u>	<u>6,297</u>	<u>5,051</u>	<u>7,348</u>

8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors', supervisors' and chief executive's remuneration during the Relevant Periods and nine months ended 30 September 2024, is set out as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Fees	200	200	250	176	226
Other emoluments:					
Salaries, bonuses, allowances and benefits					
in kind	4,884	5,152	5,439	3,507	2,424
Pension scheme contributions	128	129	131	96	91
Share-based payment expenses	1,110	391	—	—	—
Subtotal	6,122	5,672	5,570	3,603	2,515
Total	6,322	5,872	5,820	3,779	2,741

During the Relevant Periods, certain directors were granted share options and share awards, in respect of their services to the Group, under the share option incentive plan and restricted share incentive plan of the Group, further details of which are included in the disclosures in note 33 to the Historical Financial Information. The fair value of such share options and restricted share awards, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for the Relevant Periods and nine months ended 30 September 2024 is included in the above remuneration disclosures.

(a) Independent non-executive directors

The independent non-executive directors' fees during the Relevant Periods and nine months ended 30 September 2024 were as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Mr. YANG Zheng	100	100	125	88	113
Dr. MA Lijun	100	100	125	88	113
Ms. LIU Jia (<i>note</i>)	—	—	—	—	—
Total	<u>200</u>	<u>200</u>	<u>250</u>	<u>176</u>	<u>226</u>

Note: Ms. LIU Jia was appointed as the Company's independent non-executive director on 5 June 2025.

There were no other emoluments payable to the independent non-executive directors during the Relevant Periods and nine months ended 30 September 2024.

(b) Executive directors, supervisors and the chief executive

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Year ended 31 December 2022					
Executive director and chief executive:					
Mr. WANG Ping	—	1,293	22	—	1,315
Mr. DU Guobin	—	1,295	28	757	2,080
Mr. XIA Youqing	—	824	17	202	1,043
Mr. HUANG Min	—	621	17	151	789
	—	4,033	84	1,110	5,227
Supervisor:					
Mr. NING Huan	—	507	19	—	526
Mr. NING Jian	—	220	15	—	235
Ms. FU Zhiyi	—	124	10	—	134
	—	851	44	—	895
	—	4,884	128	1,110	6,122

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Year ended 31 December 2023					
Executive director and chief executive:					
Mr. WANG Ping	—	1,733	21	—	1,754
Mr. DU Guobin	—	1,210	30	267	1,507
Mr. XIA Youqing	—	821	17	71	909
Mr. HUANG Min	—	648	17	53	718
	—	4,412	85	391	4,888
Supervisor:					
Mr. NING Huan	—	377	19	—	396
Mr. NING Jian	—	221	15	—	236
Ms. FU Zhiyi	—	142	10	—	152
	—	740	44	—	784
	—	5,152	129	391	5,672

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Year ended 31 December 2024					
Executive director and chief executive:					
Mr. WANG Ping	—	1,747	22	—	1,769
Mr. DU Guobin	—	1,360	31	—	1,391
Mr. XIA Youqing	—	912	17	—	929
Mr. HUANG Min	—	653	17	—	670
	—	4,672	87	—	4,759
Supervisor:					
Mr. NING Huan	—	373	19	—	392
Mr. NING Jian	—	236	11	—	247
Ms. FU Zhiyi	—	158	14	—	172
	—	767	44	—	811
	—	5,439	131	—	5,570

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Nine months ended					
30 September 2025					
Executive director and chief executive:					
Mr. WANG Ping	—	598	17	—	615
Mr. DU Guobin	—	601	24	—	625
Mr. XIA Youqing	—	461	13	—	474
Mr. HUANG Min	—	384	13	—	397
	—	2,044	67	—	2,111
Supervisor:*					
Mr. NING Huan	—	190	10	—	200
Mr. NING Jian	—	113	6	—	119
Ms. FU Zhiyi	—	77	8	—	85
	—	380	24	—	404
	—	2,424	91	—	2,515

* The Company had dissolved the supervisory committee from July 2025. Therefore, the supervisors' remuneration for the nine months ended 30 September 2025 presented above only include remuneration from January 2025 to June 2025.

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Nine months ended 30					
September 2024 (unaudited)					
Executive director and chief executive:					
Mr. WANG Ping	—	1,548	16	—	1,564
Mr. DU Guobin	—	600	23	—	623
Mr. XIA Youqing	—	460	12	—	472
Mr. HUANG Min	—	382	12	—	394
	—	2,990	63	—	3,053
Supervisor:					
Mr. NING Huan	—	248	15	—	263
Mr. NING Jian	—	162	8	—	170
Ms. FU Zhiyi	—	107	10	—	117
	—	517	33	—	550
	—	3,507	96	—	3,603

Note: There was no arrangement under which the executive directors, supervisors and the chief executive waived or agreed to waive any remuneration during the Relevant Periods.

included in the Historical Financial Information during the Relevant Periods and nine months ended 30 September 2024 is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10. INCOME TAX

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

Chinese Mainland

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% of the taxable profits determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008 except for those subject to preferential tax set out below.

The Company was qualified as a “High and New Technology Enterprise” (“HNTTE”) and entitled to a preferential income tax rate of 15% for the years ended 31 December 2022 and 2023 and nine months ended 30 September 2024. The Company does not entitled to the preferential tax rate of 15% in 2024 as the Company does not meet certain criteria of HNTTE, and the provision of the Company's corporate income tax is calculated based on the statutory rate of 25% during the year ended 31 December 2024 and nine months ended 30 September 2025.

Xi'an ZhaoGe, ZhongGe Shanghai and MeiG Zhilian were qualified as HNTTE and were entitled to a preferential income tax rate of 15% during the Relevant Periods and nine months ended 30 September 2024. This qualification is subject to review and approval by the relevant tax authority in the PRC for every three years.

ZhongGe Nantong, the Group's subsidiary established in June 2024, was qualified as a Small and Low-Profit Enterprises (SLPE) and was subject to a preferential income tax rate of 5% for the year ended 31 December 2024 and nine months ended 30 September 2024 and 2025.

Xi'an ZhaoGe and ZhongGe Shanghai are entitled to a three-year CIT exemption followed by a three-year 50% CIT reduction from the first profit-making year. Starting from the first income-generating year, the entities are entitled to a two-year of CIT exemption followed by a three-year 50% CIT reduction during the Relevant Periods.

Hong Kong

During the Relevant Periods and nine months ended 30 September 2024, the first HK\$2,000,000 of assessable profits of the Group's Hong Kong subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Germany

The Company's subsidiary incorporated in Germany is subject to Germany profits tax at the statutory rate of 15% on any estimated assessable profits arising in Germany during the Relevant Periods and nine months ended 30 September 2024.

France

The Company's subsidiary incorporated in France is subject to France profits tax at the statutory rate of 15% on any estimated assessable profits arising in France during the Relevant Periods and nine months ended 30 September 2024.

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

The income tax charge/(credit) of the Group for the Relevant Periods and nine months ended 30 September 2024 is analysed as follows:

	Year ended 31 December			Nine months ended	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(unaudited)	
Current income tax	6,142	12,657	26,678	22,895	9,155
Deferred income tax (<i>note 29</i>)	16,828	(12,139)	(36,912)	(18,854)	(185)
Total tax charge/(credit)	<u>22,970</u>	<u>518</u>	<u>(10,234)</u>	<u>4,041</u>	<u>8,970</u>

A reconciliation of the income tax charge/(credit) applicable to profit before tax at the preferential tax rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Profit before tax	149,585	63,127	124,141	94,539	122,140
Tax charge at the preferential tax rate of 15%	22,438	9,469	18,621	14,181	18,321
Effect of different applicable tax rates for specific jurisdictions or enacted by local authority.	4,814	1,312	(718)	12	(4,314)
Adjustments in respect of current tax of previous periods	(160)	11,570	284	217	925
Expenses not deductible for tax	1,503	876	1,830	701	2,565
Profits and losses attributable to joint ventures and associates***.	885	912	3,161	1,342	1,559
Deductible temporary differences and tax losses not recognised	1,236	2,516	2,031	1,060	1,478
Additional deductible allowance for qualified research and development expenses*.	(22,466)	(25,640)	(22,012)	(13,472)	(11,564)
Deductible temporary differences and/or tax losses utilised from previous periods	—	(497)	—	—	—
Effect on opening deferred tax of increase in rates**.	14,564	—	(13,442)	—	—
Others	156	—	11	—	—
Income tax charge/(credit) at the Group's effective tax rate	22,970	518	(10,234)	4,041	8,970

* Based on Public Notice 2021 No. 13 issued by the State Tax Bureau of the PRC on 31 March 2021, the manufacturing enterprises were eligible for an additional 100% deduction of eligible R&D expenses starting from 1 January 2021. Furthermore, based on Public Notice 2023 No. 7 issued by the State Tax Bureau of the PRC on 26 March 2023, the enterprises were eligible for an additional 100% deduction of eligible R&D expenses from 1 January 2023. The Group has claimed such additional deduction during the Relevant Periods and nine months ended 30 September 2024.

** The Company and its subsidiary MeiG Zhilian obtained were accredited as HNTE and entitled to a preferential income tax rate of 15% for the years ended 31 December 2022, the PRC CIT tax rate applicable to the Company was reduced from 25% to 15% in 2022. The Company failed to enjoy the preferential tax rate of 15% in 2024 because of its business indicators not meeting the stipulation of HNTE, the PRC CIT tax rate applicable to the Company was increased from 15% to 25% in 2024.

*** The share of tax attributable to associates of RMB1,760,000, RMB1,857,000, RMB3,995,000, RMB1,976,000 and RMB2,788,000 during the Relevant Periods and nine months ended 30 September 2024, respectively, are included in "Share of profits and losses of associates" in the consolidated statement of profit or loss and other comprehensive income. The share of tax attributable to joint ventures of RMB191,000, RMB173,000, RMB271,000, RMB177,000 and RMB183,000 during the Relevant Periods and nine months ended 30 September 2024, respectively, are included in "Share of profits and losses of joint ventures" in the consolidated statement of profit or loss and other comprehensive income.

11. DIVIDENDS

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Cash dividends	24,811	25,890	25,802	25,802	33,929

The final dividends of RMB1.36, RMB1.0, RMB1.0 and RMB1.3 per 10 shares (tax inclusive) in respect of the years ended 31 December 2021, 2022, 2023 and 2024 were approved by the Annual General Meeting of the Company.

The final dividend distribution of RMB24,811,000 in respect of the year ended 31 December 2021 approved by the Company's Annual General Meeting on 19 May 2022 was subsequently paid in 2022.

The final dividend distribution of RMB25,890,000 in respect of the year ended 31 December 2022 approved by the Company's Annual General Meeting on 17 May 2023 was subsequently paid in 2023.

The final dividend distribution of RMB25,802,000 in respect of the year ended 31 December 2023 approved by the Company's Annual General Meeting on 16 May 2024 was subsequently paid in 2024.

The final dividend distribution of RMB33,929,000 in respect of the year ended 31 December 2024 approved by the Company's Annual General Meeting on 19 May 2025 was subsequently paid in 2025.

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

The calculation of the basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue (excluding treasury shares) during the Relevant Periods and nine months ended 30 September 2024.

The weighted average number of ordinary shares outstanding for the Relevant Periods and nine months ended 30 September 2024 presented has been retrospectively adjusted for the effect of the increase in paid-in capital as a result of the transfer from capital reserve to share capital in 2022.

The calculation of the diluted earnings per share amounts for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025 is based on the profit for the year/period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year/period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
				(unaudited)	
Earnings					
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation (RMB'000) .	<u>127,836</u>	<u>64,509</u>	<u>135,572</u>	<u>91,356</u>	<u>113,035</u>
Shares					
Weighted average number of ordinary shares in issue during the year, used in the basic earnings per share calculation	237,033,496	260,145,192	260,522,025	260,590,136	261,775,332
Effect of dilution — weighted average number of ordinary shares:					
Restricted share awards and share options. . .	<u>976,983</u>	<u>62,964</u>	<u>680,385</u>	<u>326,832</u>	<u>1,057,459</u>
Total	<u>238,010,479</u>	<u>260,208,156</u>	<u>261,202,410</u>	<u>260,916,968</u>	<u>262,832,791</u>

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Leasehold improvements	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2022						
At 1 January 2022:						
Cost	4,521	5,833	5,458	26,508	2,978	45,298
Accumulated depreciation	(1,374)	(3,563)	(3,651)	(7,939)	(1,903)	(18,430)
Net carrying amount . .	<u>3,147</u>	<u>2,270</u>	<u>1,807</u>	<u>18,569</u>	<u>1,075</u>	<u>26,868</u>
At 1 January 2022, net of accumulated depreciation						
	3,147	2,270	1,807	18,569	1,075	26,868
Additions	—	—	—	4,852	717	5,569
Depreciation provided during the year	(203)	(454)	(488)	(5,009)	(1,152)	(7,306)
Disposal	—	(21)	—	(5)	—	(26)
At 31 December 2022, net of accumulated depreciation						
	<u>2,944</u>	<u>1,795</u>	<u>1,319</u>	<u>18,407</u>	<u>640</u>	<u>25,105</u>
At 31 December 2022:						
Cost	4,521	5,689	5,458	31,311	3,695	50,674
Accumulated depreciation	(1,577)	(3,894)	(4,139)	(12,904)	(3,055)	(25,569)
Net carrying amount . .	<u>2,944</u>	<u>1,795</u>	<u>1,319</u>	<u>18,407</u>	<u>640</u>	<u>25,105</u>

The Group

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Leasehold improvements	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023						
At 1 January 2023:						
Cost	4,521	5,689	5,458	31,311	3,695	50,674
Accumulated depreciation	(1,577)	(3,894)	(4,139)	(12,904)	(3,055)	(25,569)
Net carrying amount ..	<u>2,944</u>	<u>1,795</u>	<u>1,319</u>	<u>18,407</u>	<u>640</u>	<u>25,105</u>
At 1 January 2023, net of accumulated depreciation						
	2,944	1,795	1,319	18,407	640	25,105
Additions	—	4	404	3,173	85	3,666
Depreciation provided during the year	(203)	(431)	(494)	(5,541)	(312)	(6,981)
Disposal	—	(36)	(35)	(37)	—	(108)
At 31 December 2023, net of accumulated depreciation	<u>2,741</u>	<u>1,332</u>	<u>1,194</u>	<u>16,002</u>	<u>413</u>	<u>21,682</u>
At 31 December 2023:						
Cost	4,521	5,340	5,508	34,219	3,780	53,368
Accumulated depreciation	(1,780)	(4,008)	(4,314)	(18,217)	(3,367)	(31,686)
Net carrying amount ..	<u>2,741</u>	<u>1,332</u>	<u>1,194</u>	<u>16,002</u>	<u>413</u>	<u>21,682</u>

The Group

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Leasehold improvements	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2024						
At 1 January 2024:						
Cost	4,521	5,340	5,508	34,219	3,780	53,368
Accumulated depreciation	(1,780)	(4,008)	(4,314)	(18,217)	(3,367)	(31,686)
Net carrying amount . .	<u>2,741</u>	<u>1,332</u>	<u>1,194</u>	<u>16,002</u>	<u>413</u>	<u>21,682</u>
At 1 January 2024, net of accumulated						
depreciation	2,741	1,332	1,194	16,002	413	21,682
Additions	—	—	807	2,130	179	3,116
Depreciation provided during the year	(203)	(93)	(244)	(6,002)	(328)	(6,870)
Disposal	—	—	—	(18)	—	(18)
Other	—	—	—	(25)	—	(25)
At 31 December 2024, net of accumulated depreciation	<u>2,538</u>	<u>1,239</u>	<u>1,757</u>	<u>12,087</u>	<u>264</u>	<u>17,885</u>
At 31 December 2024:						
Cost	4,521	5,340	6,315	36,127	3,959	56,262
Accumulated depreciation	(1,983)	(4,101)	(4,558)	(24,040)	(3,695)	(38,377)
Net carrying amount . .	<u>2,538</u>	<u>1,239</u>	<u>1,757</u>	<u>12,087</u>	<u>264</u>	<u>17,885</u>

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Leasehold improvements	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025						
At 1 January 2025:						
Cost	4,521	5,340	6,315	36,127	3,959	56,262
Accumulated depreciation	(1,983)	(4,101)	(4,558)	(24,040)	(3,695)	(38,377)
Net carrying amount . .	<u>2,538</u>	<u>1,239</u>	<u>1,757</u>	<u>12,087</u>	<u>264</u>	<u>17,885</u>
At 1 January 2025, net of accumulated						
depreciation	2,538	1,239	1,757	12,087	264	17,885
Additions	—	—	—	3,197	—	3,197
Depreciation provided						
during the period	(153)	(50)	(150)	(3,805)	(146)	(4,304)
Disposal	—	—	—	(10)	—	(10)
At 30 September 2025, net of accumulated						
depreciation	<u>2,385</u>	<u>1,189</u>	<u>1,607</u>	<u>11,469</u>	<u>118</u>	<u>16,768</u>
At 30 September 2025:						
Cost	4,521	5,340	6,315	39,236	3,959	59,371
Accumulated depreciation	(2,136)	(4,151)	(4,708)	(27,767)	(3,841)	(42,603)
Net carrying amount . .	<u>2,385</u>	<u>1,189</u>	<u>1,607</u>	<u>11,469</u>	<u>118</u>	<u>16,768</u>

Notes:

- (a) As at 31 December 2022, 2023 and 2024 and 30 September 2025, the Group had not obtained building ownership certificates for all buildings with a net book value of approximately RMB2,944,000, RMB2,741,000, RMB2,538,000 and RMB2,385,000, respectively.
- (b) During the year ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, depreciation of property, plant and equipment of RMB6,670,000, RMB6,198,000, RMB6,137,000 and RMB4,079,000 were included in the consolidated statements of profit or loss and other comprehensive income, and the remaining amount of RMB636,000, RMB783,000, RMB733,000 and RMB225,000 were capitalised in other intangible assets, respectively.
- (c) As at 31 December 2022, 2023 and 2024 and 30 September 2025, there were no items of the Group's property, plant and equipment that were pledged, and no impairment was provided on the Group's property, plant and equipment.

The Company

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2022					
At 1 January 2022:					
Cost	4,521	5,594	4,971	3,307	18,393
Accumulated depreciation.	(1,374)	(3,549)	(3,629)	(1,550)	(10,102)
Net carrying amount .	<u>3,147</u>	<u>2,045</u>	<u>1,342</u>	<u>1,757</u>	<u>8,291</u>
At 1 January 2022, net of accumulated depreciation					
	3,147	2,045	1,342	1,757	8,291
Additions	—	—	—	104	104
Depreciation provided during the year	(203)	(411)	(400)	(444)	(1,458)
Disposal	—	(21)	—	(4)	(25)
At 31 December 2022, net of accumulated depreciation					
	<u>2,944</u>	<u>1,613</u>	<u>942</u>	<u>1,413</u>	<u>6,912</u>
At 31 December 2022:					
Cost	4,521	5,450	4,971	3,366	18,308
Accumulated depreciation.	(1,577)	(3,837)	(4,029)	(1,953)	(11,396)
Net carrying amount .	<u>2,944</u>	<u>1,613</u>	<u>942</u>	<u>1,413</u>	<u>6,912</u>

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023					
At 1 January 2023:					
Cost	4,521	5,450	4,971	3,366	18,308
Accumulated depreciation.	(1,577)	(3,837)	(4,029)	(1,953)	(11,396)
Net carrying amount .	<u>2,944</u>	<u>1,613</u>	<u>942</u>	<u>1,413</u>	<u>6,912</u>
At 1 January 2023, net of accumulated depreciation					
	2,944	1,613	942	1,413	6,912
Additions	—	—	404	2	406
Depreciation provided during the year					
	(203)	(387)	(407)	(430)	(1,427)
Disposal	—	(940)	(36)	(655)	(1,631)
At 31 December 2023, net of accumulated depreciation					
	<u>2,741</u>	<u>286</u>	<u>903</u>	<u>330</u>	<u>4,260</u>
At 31 December 2023:					
Cost	4,521	1,436	5,021	1,538	12,516
Accumulated depreciation.	(1,780)	(1,150)	(4,118)	(1,208)	(8,256)
Net carrying amount .	<u>2,741</u>	<u>286</u>	<u>903</u>	<u>330</u>	<u>4,260</u>

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2024					
At 1 January 2024:					
Cost	4,521	1,436	5,021	1,538	12,516
Accumulated depreciation.	(1,780)	(1,150)	(4,118)	(1,208)	(8,256)
Net carrying amount .	<u>2,741</u>	<u>286</u>	<u>903</u>	<u>330</u>	<u>4,260</u>
At 1 January 2024, net of accumulated depreciation					
	2,741	286	903	330	4,260
Additions	—	—	—	93	93
Depreciation provided during the year					
	(203)	(53)	(101)	(94)	(451)
Disposal	—	—	—	(5)	(5)
At 31 December 2024, net of accumulated depreciation					
	<u>2,538</u>	<u>233</u>	<u>802</u>	<u>324</u>	<u>3,897</u>
At 31 December 2024:					
Cost	4,521	1,436	5,021	1,582	12,560
Accumulated depreciation.	(1,983)	(1,203)	(4,219)	(1,258)	(8,663)
Net carrying amount .	<u>2,538</u>	<u>233</u>	<u>802</u>	<u>324</u>	<u>3,897</u>

	Buildings	Machinery and equipment	Motor vehicles	Electronic equipment and others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025					
At 1 January 2025:					
Cost	4,521	1,436	5,021	1,582	12,560
Accumulated depreciation.	(1,983)	(1,203)	(4,219)	(1,258)	(8,663)
Net carrying amount .	<u>2,538</u>	<u>233</u>	<u>802</u>	<u>324</u>	<u>3,897</u>
At 1 January 2025, net of accumulated depreciation					
	2,538	233	802	324	3,897
Additions	—	—	—	1,920	1,920
Depreciation provided during the period . . .					
	(153)	(34)	(27)	(99)	(313)
Disposal	—	—	—	(5)	(5)
At 30 September 2025, net of accumulated depreciation					
	<u>2,385</u>	<u>199</u>	<u>775</u>	<u>2,140</u>	<u>5,499</u>
At 30 September 2025:					
Cost	4,521	1,436	5,021	3,457	14,435
Accumulated depreciation.	(2,136)	(1,237)	(4,246)	(1,317)	(8,936)
Net carrying amount .	<u>2,385</u>	<u>199</u>	<u>775</u>	<u>2,140</u>	<u>5,499</u>

Notes:

- (a) As at 31 December 2022, 2023 and 2024 and 30 September 2025, the Company had not obtained building ownership certificates for buildings with a net book value of approximately RMB2,944,000, RMB2,741,000, RMB2,538,000 and RMB2,385,000, respectively.
- (b) As at 31 December 2022, 2023 and 2024 and 30 September 2025, there were no items of the Company's property, plant and equipment that were pledged, and no impairment was provided on the Company's property, plant and equipment.

14. OTHER INTANGIBLE ASSETS

The Group

	<u>Software</u>	<u>License rights</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2022			
At 1 January 2022			
Cost	19,208	57,724	76,932
Accumulated amortisation	(6,879)	(21,453)	(28,332)
Net carrying amount	<u>12,329</u>	<u>36,271</u>	<u>48,600</u>
At 1 January 2022, net of accumulated			
amortisation	12,329	36,271	48,600
Additions, including internal development . .	23,219	19,279	42,498
Amortisation provided during the year	(4,144)	(11,508)	(15,652)
At 31 December 2022, net of accumulated			
amortisation	<u>31,404</u>	<u>44,042</u>	<u>75,446</u>
At 31 December 2022			
Cost	42,427	77,003	119,430
Accumulated amortisation	(11,023)	(32,961)	(43,984)
Net carrying amount	<u>31,404</u>	<u>44,042</u>	<u>75,446</u>

	Software	License rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023			
At 1 January 2023			
Cost.	42,427	77,003	119,430
Accumulated amortisation	(11,023)	(32,961)	(43,984)
Net carrying amount	<u>31,404</u>	<u>44,042</u>	<u>75,446</u>
At 1 January 2023, net of accumulated			
amortisation.	31,404	44,042	75,446
Additions, including internal development.	21,779	52,190	73,969
Amortisation provided during the year	(9,487)	(21,261)	(30,748)
At 31 December 2023, net of accumulated			
amortisation.	<u>43,696</u>	<u>74,971</u>	<u>118,667</u>
At 31 December 2023			
Cost.	64,206	129,193	193,399
Accumulated amortisation	(20,510)	(54,222)	(74,732)
Net carrying amount	<u>43,696</u>	<u>74,971</u>	<u>118,667</u>
	Software	License rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2024			
At 1 January 2024			
Cost.	64,206	129,193	193,399
Accumulated amortisation	(20,510)	(54,222)	(74,732)
Net carrying amount	<u>43,696</u>	<u>74,971</u>	<u>118,667</u>
At 1 January 2024, net of accumulated			
amortisation.	43,696	74,971	118,667
Additions, including internal development.	19,676	9,022	28,698
Amortisation provided during the year	(14,812)	(23,475)	(38,287)
At 31 December 2024 , net of accumulated			
amortisation.	<u>48,560</u>	<u>60,518</u>	<u>109,078</u>
At 31 December 2024			
Cost.	83,882	138,215	222,097
Accumulated amortisation	(35,322)	(77,697)	(113,019)
Net carrying amount	<u>48,560</u>	<u>60,518</u>	<u>109,078</u>

	<u>Software</u>	<u>License rights</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025			
At 1 January 2025			
Cost	83,882	138,215	222,097
Accumulated amortisation	(35,322)	(77,697)	(113,019)
Net carrying amount	<u>48,560</u>	<u>60,518</u>	<u>109,078</u>
At 1 January 2025, net of accumulated			
amortisation	48,560	60,518	109,078
Additions, including internal development .	7,945	16,804	24,749
Amortisation provided during the period . . .	(11,611)	(17,488)	(29,099)
At 30 September 2025 , net of accumulated			
amortisation	<u>44,894</u>	<u>59,834</u>	<u>104,728</u>
At 30 September 2025			
Cost	91,827	155,019	246,846
Accumulated amortisation	(46,933)	(95,185)	(142,118)
Net carrying amount	<u>44,894</u>	<u>59,834</u>	<u>104,728</u>

Note:

- (a) During the year ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, amortization of other intangible assets of RMB15,652,000, RMB30,748,000, RMB38,287,000 and RMB28,361,000 were included in the consolidated statements of profit or loss and other comprehensive income, and the remaining amount of nil, nil, nil and RMB738,000 were capitalised, respectively.

The Company

	<u>Software</u>	<u>License rights</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2022			
At 1 January 2022			
Cost	3,865	57,724	61,589
Accumulated amortisation	<u>(3,325)</u>	<u>(21,453)</u>	<u>(24,778)</u>
Net carrying amount	<u>540</u>	<u>36,271</u>	<u>36,811</u>
At 1 January 2022, net of accumulated			
amortisation	540	36,271	36,811
Additions	219	19,279	19,498
Amortisation provided during the year	<u>(404)</u>	<u>(11,508)</u>	<u>(11,912)</u>
At 31 December 2022 , net of accumulated			
amortisation	<u>355</u>	<u>44,042</u>	<u>44,397</u>
At 31 December 2022			
Cost	4,084	77,003	81,087
Accumulated amortisation	<u>(3,729)</u>	<u>(32,961)</u>	<u>(36,690)</u>
Net carrying amount	<u>355</u>	<u>44,042</u>	<u>44,397</u>

	Software	License rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023			
At 1 January 2023			
Cost	4,084	77,003	81,087
Accumulated amortisation	(3,729)	(32,961)	(36,690)
Net carrying amount	<u>355</u>	<u>44,042</u>	<u>44,397</u>
At 1 January 2023, net of accumulated			
amortisation	355	44,042	44,397
Additions	—	52,190	52,190
Amortisation provided during the year	(191)	(20,928)	(21,119)
Transfer to subsidiaries	—	(10,679)	(10,679)
At 31 December 2023, net of accumulated			
amortisation	<u>164</u>	<u>64,625</u>	<u>64,789</u>
At 31 December 2023			
Cost	4,084	109,269	113,353
Accumulated amortisation	(3,920)	(44,644)	(48,564)
Net carrying amount	<u>164</u>	<u>64,625</u>	<u>64,789</u>
	Software	License rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2024			
At 1 January 2024			
Cost	4,084	109,269	113,353
Accumulated amortisation	(3,920)	(44,644)	(48,564)
Net carrying amount	<u>164</u>	<u>64,625</u>	<u>64,789</u>
At 1 January 2024, net of accumulated			
amortisation	164	64,625	64,789
Additions	—	4,094	4,094
Amortisation provided during the year	(122)	(17,156)	(17,278)
Transfer to subsidiaries	—	(13,111)	(13,111)
At 31 December 2024, net of accumulated			
amortisation	<u>42</u>	<u>38,452</u>	<u>38,494</u>
At 31 December 2024			
Cost	4,084	100,030	104,114
Accumulated amortisation	(4,042)	(61,578)	(65,620)
Net carrying amount	<u>42</u>	<u>38,452</u>	<u>38,494</u>

	Software	License rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025			
At 1 January 2025			
Cost	4,084	100,030	104,114
Accumulated amortisation	(4,042)	(61,578)	(65,620)
Net carrying amount	<u>42</u>	<u>38,452</u>	<u>38,494</u>
At 1 January 2025, net of accumulated			
amortisation	42	38,452	38,494
Amortisation provided during the period . . .	(42)	(10,742)	(10,784)
At 30 September 2025, net of accumulated			
amortisation	<u>—</u>	<u>27,710</u>	<u>27,710</u>
At 30 September 2025			
Cost	4,084	100,030	104,114
Accumulated amortisation	(4,084)	(72,320)	(76,404)
Net carrying amount	<u>—</u>	<u>27,710</u>	<u>27,710</u>

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings and premises used in operations. Leases of buildings and premises generally have lease terms between 2 and 9 years.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Relevant Periods are as follows:

	Buildings and premises
	<i>RMB'000</i>
At 1 January 2022.....	38,218
Additions	21,722
Depreciation charge.....	(19,040)
At 31 December 2022.....	<u>40,900</u>
At 1 January 2023.....	40,900
Additions	1,217
Depreciation charge.....	(16,934)
Early termination of a lease	(1,146)
At 31 December 2023.....	<u>24,037</u>
At 1 January 2024.....	24,037
Additions	946
Depreciation charge.....	(14,647)
Early termination of a lease	(931)
At 31 December 2024.....	<u>9,405</u>
At 1 January 2025.....	9,405
Additions	7,826
Depreciation charge.....	(5,594)
Sublease of right-of-use assets*	(4,662)
At 30 September 2025.....	<u>6,975</u>

* The Group subleased certain of its right-of-use assets to third parties. As the lease period is approximately the same as the lease period of the head lease, the sublease was classified as a finance lease under IFRS 16. The Group derecognised the right-of-use assets relating to the head lease that it transfers to the sublease and recognised the receivables from sublease of the right-of-use assets that constituted finance lease (note 22), resulting a gain from the sublease transaction amounted to RMB989,000 for the nine months ended 30 September 2025, which is included in the consolidated financial statement of profit or loss.

(b) Lease liabilities

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

	As at 31 December			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
Carrying amount at the beginning of the year/period	40,630	43,886	25,770	10,009
New leases	21,722	1,217	946	7,826
Accretion of interest recognised during the year/period	1,758	1,676	841	372
Early termination of a lease	—	(1,041)	(1,009)	—
Lease payments	(20,224)	(19,968)	(16,539)	(8,049)
Carrying amount at the end of the year/period	<u>43,886</u>	<u>25,770</u>	<u>10,009</u>	<u>10,158</u>
Analysed into:				
Current portion	16,808	16,470	8,592	6,288
Non-current portion	27,078	9,300	1,417	3,870
Total	<u>43,886</u>	<u>25,770</u>	<u>10,009</u>	<u>10,158</u>

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

(c) *The amounts recognised in profit or loss in relation to leases are as follows:*

	Year ended 31 December			Nine months ended
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Expenses relating to short-term leases.	1,714	1,967	1,970	55
Interest on lease liabilities.	1,758	1,676	841	372
Depreciation charge of right-of-use assets.	19,040	16,934	14,647	5,594
Losses/(gains) on early termination of a lease.	—	105	(78)	—
Gains on sublease of right-of-use assets.	—	—	—	(989)
Total amount recognised in profit or loss	<u>22,512</u>	<u>20,682</u>	<u>17,380</u>	<u>5,032</u>

(d) *The total cash outflow for leases are disclosed in notes 34(c) to the Historical Financial Information.*

The Company as a lessee

The Company has lease contracts for various items of buildings and premises used in operations. Leases of buildings and premises generally have lease terms between 2 and 9 years.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Relevant Periods are as follows:

	Buildings and premises
	<i>RMB'000</i>
At 1 January 2022.	34,147
Depreciation charge.	(12,239)
At 31 December 2022.	<u>21,908</u>
At 1 January 2023.	21,908
Depreciation charge.	(9,284)
At 31 December 2023.	<u>12,624</u>
At 1 January 2024.	12,624
Depreciation charge.	(7,962)
At 31 December 2024.	<u>4,662</u>
At 1 January 2025.	4,662
Sublease of right-of-use assets*	(4,662)
At 30 September 2025.	<u>—</u>

* The Company subleased certain of its right-of-use assets to third parties. As the lease period is approximately the same as the lease period of the head lease, the sublease was classified as a finance lease under IFRS 16. The Company derecognised the right-of-use assets relating to the head lease that it transfers to the sublease and recognised the receivables from sublease of the right-of-use assets that constituted finance lease (note 22), resulting a gain from the sublease transaction amounted to RMB989,000 for the nine months ended 30 September 2025, which is included in the consolidated financial statement of profit or loss.

(b) Lease liabilities

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

	Year ended 31 December			Nine months ended
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
Carrying amount at the beginning of the year/period.	36,853	25,160	15,124	5,651
Accretion of interest recognised during the year/period	1,425	921	451	136
Lease payments.	(13,118)	(10,957)	(9,924)	(3,735)
Carrying amount at the end of the year/period.	<u>25,160</u>	<u>15,124</u>	<u>5,651</u>	<u>2,052</u>
Analysed into:				
Current portion	10,036	9,068	4,826	2,052
Non-current portion	15,124	6,056	825	—
Total	<u>25,160</u>	<u>15,124</u>	<u>5,651</u>	<u>2,052</u>

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	As at 31 December			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
Interest on lease liabilities.	1,425	921	451	136
Gains on sublease of right-of-use assets	—	—	—	(989)
Depreciation charge of right-of-use assets.	12,239	9,284	7,962	—
Total amount recognised in profit or loss	<u>13,664</u>	<u>10,205</u>	<u>8,413</u>	<u>(853)</u>

16. INVESTMENT IN JOINT VENTURES

The Group

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Share of net assets	2,399	1,888	1,479	2,260

The Group's trade receivable and payable balances with joint ventures are disclosed in notes 37 to the Historical Financial Information.

At 31 December 2022, 2023 and 2024 and 30 September 2025, particulars of the Group's joint ventures are as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of			Principal activity
			Ownership interest	Voting power	Profit sharing	
MeiLink Co., Ltd (株式會社MeiLink)	Registered capital of JPY1 each	Japan	50%	50%	50%	Sales and supply chain
Guangzhou Liandong Gezhi Technology Co., Ltd. (廣州聯懂格智技術有限公司) ("Liandong Gezhi")	Registered capital of RMB1 each	PRC/Chinese Mainland	45%	45%	45%	Manufacture

In the opinion of the directors, no investments in joint ventures are material to the Group and the Company.

The following table illustrates the aggregate financial information of the Group's joint ventures which are not individually material:

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	2025
Share of the joint ventures' losses for the year/period.	(618)	(511)	(860)	(568)
Share of the joint ventures' total comprehensive losses.	(618)	(511)	(860)	(568)
Aggregate carrying amount of the Group's investments in the joint ventures at the end of the year/period.	<u>2,399</u>	<u>1,888</u>	<u>1,479</u>	<u>2,260</u>

The above investments are held by the Company or held through consolidated entities of the Company. They are joint ventures of the Group as the decisions about the relevant activities of the entities require the unanimous consent of the shareholders.

The Company

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	2025
Share of net assets	<u>748</u>	<u>156</u>	<u>257</u>	<u>1,451</u>

At 31 December 2022, 2023 and 2024 and 30 September 2025, particulars of the Company's joint venture is as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of			Principal activity
			Ownership interest	Voting power	Profit sharing	
LianDong Gezhi.	Registered capital of RMB1 each	PRC/Chinese Mainland	45%	45%	45%	Manufacture

The above investment is held by the Company. It is a joint venture of the Company as the decisions about the relevant activities of the entities require the unanimous consent of the shareholders.

The following table illustrates the financial information of the Company's joint venture:

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	2025
Share of the joint venture's loss for the year/period	(152)	(592)	(349)	(155)
Share of the joint venture's total comprehensive loss	(152)	(592)	(349)	(155)
Carrying amount of the Company's investments in the joint venture at the end of the year/period	<u>748</u>	<u>156</u>	<u>257</u>	<u>1,451</u>

17. INVESTMENT IN ASSOCIATES

The Group

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	2025
Share of net assets	<u>63,663</u>	<u>58,168</u>	<u>46,181</u>	<u>54,583</u>

The Group's trade receivable and payable balances with associates are disclosed in notes 37 to the Historical Financial Information.

At 31 December 2022, 2023 and 2024 and 30 September 2025, particulars of the Group's associates are as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group	Principal activity
ShuoGe Intelligent Technology Co., Ltd. (碩格智能技術有限公司) (“ShuoGe Intelligent”) . . .	Registered capital of RMB1 each	PRC/Chinese Mainland	36.0%	Manufacture and sales
Pinsu Zhilian*	Registered capital of RMB1 each	PRC/Chinese Mainland	37.5%	Manufacture and sales
Sigbeat Inc	Registered capital of USD0.001 each	USA	40.0%	Sales

* In 2024, one investor increased its shareholding interest in Pinsu Zhilian, the then subsidiary of the Company, by making addition capital injection to Pinsu Zhilian. Upon the completion of the capital injection, the Company lose control over Pinsu Zhilian, the Group's investment in Pinsu Zhilian was subsequently accounted as the Group's associate since the Group is assessed to have significant influence on the operations and finance of Pinsu Zhilian. More details are given in note 32 to the Historical Financial Information.

In the opinion of the directors, no investments in associates are material to the Group and the Company.

The following table illustrates the aggregate financial information of the Group's associates that is not individually material:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Share of the associate' loss for the year/period.	(5,279)	(5,570)	(11,986)	(5,927)
Share of the associate' total comprehensive loss	(5,279)	(5,570)	(11,986)	(5,927)
Aggregate carrying amount of the Group's investments in the associate at the end of the year/period	63,663	58,168	46,181	54,583

17. INVESTMENT IN ASSOCIATES

The Company

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Share of net assets	63,739	58,168	46,181	40,348

At 31 December 2022, 2023 and 2024 and 30 September 2025, particulars of the Company's associates are as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group	Principal activity
ShuoGe Intelligent	Registered capital of RMB1 each	PRC/Chinese Mainland	36%	Manufacture and sales

18. EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

The Group

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Unlisted equity investments, at fair value	198,875	234,246	189,971	176,137

The above equity investments were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

19. INVENTORIES

The Group

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	2025
Raw materials	366,710	387,637	387,127	574,480
Finished goods	49,361	50,131	70,616	99,004
Goods in transit.	23,590	37,152	113,192	49,987
Work in process	24,485	22,087	29,608	52,967
Contract performance cost.	26,240	29,312	50,009	35,718
Total	<u>490,386</u>	<u>526,319</u>	<u>650,552</u>	<u>812,156</u>

As at 31 December 2022, 2023, 2024 and 30 September 2025, the Group's inventories were stated at the lower of cost and net realisable value, and the movement in the provision was as follows:

	Year ended 31 December			Nine months
	2022	2023	2024	ended
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	30 September
Carrying amount at the beginning of the year/period.	15,143	16,219	26,266	33,807
Impairment losses recognised, net	6,362	15,216	16,342	13,984
Write-off.	(5,286)	(5,169)	(8,801)	(8,331)
Carrying amount at the end of the year/period.	<u>16,219</u>	<u>26,266</u>	<u>33,807</u>	<u>39,460</u>

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Raw materials	363,775	387,466	373,466	511,295
Finished goods	43,371	45,268	72,004	94,608
Goods in transit.	22,745	33,595	63,609	38,822
Work in process	24,485	20,884	27,890	44,246
Total	<u>454,376</u>	<u>487,213</u>	<u>536,969</u>	<u>688,971</u>

As at 31 December 2022, 2023, 2024 and 30 September 2025, the Company's inventories were stated at the lower of cost and net realisable value, and the movement in the provision was as follows:

	Year ended 31 December			Nine months ended 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount at the beginning of the year/period.	15,123	15,683	24,499	33,648
Impairment losses recognised, net	5,846	13,739	16,094	13,934
Write-off.	<u>(5,286)</u>	<u>(4,923)</u>	<u>(6,945)</u>	<u>(8,305)</u>
Carrying amount at the end of the year/period.	<u>15,683</u>	<u>24,499</u>	<u>33,648</u>	<u>39,277</u>

20. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bills receivables*				
Bank acceptance bills:				
Third parties	3,444	3,446	2,283	20,292
Commercial acceptance bills:				
Third parties	39	—	5,833	—
Less: impairment of bills receivables .	2	—	117	—
Bills receivables, net	<u>3,481</u>	<u>3,446</u>	<u>7,999</u>	<u>20,292</u>
Trade receivables:				
Third parties	514,671	759,120	1,101,709	810,620
Due from related parties	—	8,307	10,053	29,279
Less: impairment of trade receivables .	97,851	111,447	103,692	98,769
Trade receivables, net	<u>416,820</u>	<u>655,980</u>	<u>1,008,070</u>	<u>741,130</u>
Total trade and bills receivables	<u>420,301</u>	<u>659,426</u>	<u>1,016,069</u>	<u>761,422</u>

The Company

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Bills receivables*				
Bank acceptance bills:				
Third parties	3,151	3,374	2,081	20,292
Commercial acceptance bills:				
Due from subsidiaries	—	—	230,000	—
Third parties	—	—	5,833	—
Less: impairment of bills receivables .	—	—	117	—
Bills receivables, net	<u>3,151</u>	<u>3,374</u>	<u>237,797</u>	<u>20,292</u>
Trade receivables:				
Third parties	322,694	265,931	303,309	346,128
Due from related parties	—	—	10,053	10,379
Due from subsidiaries	336,022	639,751	636,217	418,167
Less: impairment of trade receivables .	86,280	83,734	82,552	84,874
Trade receivables, net	<u>572,436</u>	<u>821,948</u>	<u>867,027</u>	<u>689,800</u>
Total trade and bills receivables	<u>575,587</u>	<u>825,322</u>	<u>1,104,824</u>	<u>710,092</u>

* Bills receivables are with a maturity period of within six months.

The Group's trade terms with the majority of customers are on credit, except for certain new and oversea customers where payment in advance is normally required. The credit period is generally within 30 to 180 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

As at the end of each of the Relevant Periods, the Group had certain concentrations of credit risk. As at 31 December 2022, 2023 and 2024 and 30 September 2025, 17.7%, 43.3%, 60.0% and 24.2%, respectively, of the Group's trade receivables were due from the Group's largest debtor, and 49.6%, 57.8%, 69.0% and 47.4%, respectively, of the Group's trade receivables were due from the Group's five largest debtors.

Included in the Group's trade receivables are amounts due from the Group's joint ventures and associates of nil, RMB7,891,000, RMB9,736,000 and RMB28,524,000 as at 31 December 2022, 2023 and 2024 and 30 September 2025, respectively, which are repayable on credit terms similar to those offered to the major customers of the Group (note 37).

An ageing analysis of the trade and bills receivables as at the end of each of the Relevant Periods, based on the invoice date and net of loss allowance, is as follows:

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 6 months	370,182	599,801	964,576	671,783
7 months to 1 year	4,896	12,200	6,662	43,447
1 year to 2 years	943	2,482	2,465	4,976
2 years to 3 years	1,440	742	1,375	444
3 years to 4 years	42,840	1,361	538	538
4 years to 5 years	—	42,840	1,249	1,249
Over 5 years	—	—	39,204	38,985
Total	<u>420,301</u>	<u>659,426</u>	<u>1,016,069</u>	<u>761,422</u>

The Company

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 6 months	542,523	787,857	1,070,965	640,705
7 months to 1 year	4,696	8,666	6,657	39,843
1 year to 2 years	95	552	1,229	3,964
2 years to 3 years	1,440	53	302	428
3 years to 4 years	26,833	1,361	—	—
4 years to 5 years	—	26,833	1,249	1,249
Over 5 years	—	—	24,422	23,903
Total	<u>575,587</u>	<u>825,322</u>	<u>1,104,824</u>	<u>710,092</u>

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

The Group

	31 December			30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of year/period	92,492	97,853	111,447	103,809
Impairment losses, net.	5,361	13,594	(7,638)	(5,040)
At end of year/period	<u>97,853</u>	<u>111,447</u>	<u>103,809</u>	<u>98,769</u>

The Company

	31 December			30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of year/period	88,598	86,280	83,734	82,669
Impairment losses, net.	(2,318)	(2,546)	(1,065)	2,205
At end of year/period	<u>86,280</u>	<u>83,734</u>	<u>82,669</u>	<u>84,874</u>

The Group applies the simplified approach in calculating ECLs for trade and bills receivables. Trade receivables relating to customers with known financial difficulties or significant doubt on collection are assessed individually for impairment allowance. The remaining trade receivables are grouped and collectively assessed for impairment allowance. Under the simplified approach, an impairment analysis is performed at the end of each of Relevant Periods using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the Relevant Periods about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables:

The Group

At 31 December 2022

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	117,633	59%	69,309
On a collective basis:			
Within 6 months	386,317	5%	19,315
7 months to 1 year	4,876	5%	244
1 year to 2 years	294	10%	29
2 years to 3 years	157	50%	79
3 years to 4 years	3,257	100%	3,257
4 years to 5 years	5,326	100%	5,326
Over 5 years	293	100%	293
	<u>518,153</u>	<u>19%</u>	<u>97,852</u>

At 31 December 2023

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	131,876	54%	70,754
On a collective basis:			
Within 6 months	617,295	5%	30,865
7 months to 1 year	9,888	5%	494
1 year to 2 years	2,694	10%	269
2 years to 3 years	109	50%	54
3 years to 4 years	143	100%	143
4 years to 5 years	153	100%	153
Over 5 years	8,714	100%	8,714
	<u>770,872</u>	<u>14%</u>	<u>111,446</u>

At 31 December 2024

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	117,136	63%	73,307
On a collective basis:			
Within 6 months	981,694	2%	19,634
7 months to 1 year	7,002	5%	350
1 year to 2 years	2,450	10%	245
2 years to 3 years	2,646	50%	1,323
3 years to 4 years	76	100%	76
4 years to 5 years	45	100%	45
Over 5 years	8,828	100%	8,828
	<u>1,119,877</u>	<u>9%</u>	<u>103,808</u>

At 30 September 2025

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	114,148	64%	73,308
On a collective basis:			
Within 6 months	685,081	2%	13,296
7 months to 1 year	45,733	5%	2,287
1 year to 2 years	5,529	10%	553
2 years to 3 years	751	50%	376
3 years to 4 years	76	100%	76
4 years to 5 years	45	100%	45
Over 5 years	8,828	100%	8,828
	<u>860,191</u>	<u>11%</u>	<u>98,769</u>

The Company

At 31 December 2022

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	97,710	68%	66,364
(ii) Due from subsidiaries	336,022	0%	—
On a collective basis:			
Within 6 months	214,120	5%	10,706
7 months to 1 year	4,876	5%	244
1 year to 2 years	106	10%	11
2 years to 3 years	157	50%	79
3 years to 4 years	3,257	100%	3,257
4 years to 5 years	5,326	100%	5,326
Over 5 years	293	100%	293
	<u>661,867</u>	<u>13%</u>	<u>86,280</u>

At 31 December 2023

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	101,171	68%	66,692
(ii) Due from subsidiaries	639,751	0%	—
On a collective basis:			
Within 6 months	152,298	5%	7,615
7 months to 1 year	6,169	5%	308
1 year to 2 years	550	10%	55
2 years to 3 years	106	50%	53
3 years to 4 years	143	100%	143
4 years to 5 years	153	100%	153
Over 5 years	8,714	100%	8,714
	<u>909,055</u>	<u>9%</u>	<u>83,733</u>

At 31 December 2024

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	96,674	73%	68,967
(ii) Due from subsidiaries	866,217	0%	—
On a collective basis:			
Within 6 months	206,801	2%	4,019
7 months to 1 year	6,998	5%	350
1 year to 2 years	1,354	10%	135
2 years to 3 years	501	50%	250
3 years to 4 years	74	100%	74
4 years to 5 years	45	100%	45
Over 5 years	8,828	100%	8,828
	<u>1,187,492</u>	<u>7%</u>	<u>82,668</u>

At 30 September 2025

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	<i>RMB'000</i>		<i>RMB'000</i>
On an individual basis:			
(i) Individual assessed	94,122	73%	68,902
(ii) Due from subsidiaries	438,459	0%	—
On a collective basis:			
Within 6 months	206,374	2%	4,128
7 months to 1 year	41,940	5%	2,097
1 year to 2 years	4,405	10%	440
2 years to 3 years	719	50%	360
3 years to 4 years	74	100%	74
4 years to 5 years	45	100%	45
Over 5 years	8,828	100%	8,828
	<u>794,966</u>	<u>11%</u>	<u>84,874</u>

21. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bank acceptance bills	5,122	38,427	9,992	26,739

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bank acceptance bills	2,965	34,136	8,012	14,538

The above bank acceptance bills are issued by reputable banks in Chinese Mainland. They are classified and measured at fair value through other comprehensive income as they are held within a business model with the objective of both collecting contractual cashflows and selling. The fair value as at the end of each of the Relevant Periods approximates to the carrying value due to the short maturity. Bank acceptance bills is subject to impairment under the general approach and the impairment is considered to be minimal.

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Value-added tax recoverable	21,923	58,732	75,170	114,018
Prepaid income tax	1,211	1,712	1	1,052
Rebate receivable from a supplier . . .	175,239	147,068	154,232	246,710
Other assets	1,456	—	—	—
Deferred listing expenses	—	—	—	13,046
Deferred mould cost	1,202	186	—	—
Prepayments	52,371	15,909	16,780	64,700
Other receivables	35,620	30,038	30,426	33,123
Impairment of other receivables	(21,973)	(21,915)	(22,806)	(21,546)
Other receivables, net	13,647	8,123	7,620	11,577
Due from related parties	1,738	1,737	1,059	1,602
Impairment of related parties	(174)	(869)	(740)	(743)
Due from related parties, net (<i>note 37</i>)	1,564	868	319	859
Current portion of receivables from sublease of right-of-use assets (<i>note 15</i>)	—	—	—	2,055
	<u>268,613</u>	<u>232,598</u>	<u>254,122</u>	<u>454,017</u>
Non-current				
Prepayments for property, plant and equipment	450	—	—	—
Prepayments for other intangible assets	—	1,002	849	1,584
Prepayments for other non-current assets	—	2,092	2,025	2,025
Non-current portion of other receivables	—	—	—	1,590
Development expenditure	5,386	12,922	7,705	9,321
Deferred expenses	899	3,354	4,598	7,770
Deferred mould cost	2,958	1,820	1,359	1,692
	<u>9,693</u>	<u>21,190</u>	<u>16,536</u>	<u>23,982</u>

The Company

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Value-added tax recoverable	14,189	46,400	64,725	109,695
Prepaid income tax	1,211	473	—	382
Rebate receivable from a supplier	40,294	—	64,029	246,710
Other assets	2,591	186	—	—
Deferred listing expenses	—	—	—	13,046
Prepayments	24,959	21,722	14,838	101,539
Other receivables	30,753	25,462	26,586	30,774
Impairment of other receivables	(19,501)	(18,884)	(19,395)	(19,495)
Other receivables, net	11,252	6,578	7,191	11,279
Due from related parties	1,738	1,737	1,059	1,602
Impairment of related parties	(174)	(869)	(740)	(743)
Due from related parties, net (note 37)	1,564	868	319	859
Due from subsidiaries	65,050	75,050	38,050	27,050
Current portion of sublease of right-of-use assets	—	—	—	2,055
	<u>161,110</u>	<u>151,277</u>	<u>189,152</u>	<u>512,615</u>
Non-current				
Prepayments for other intangible assets	—	1,002	849	1,584
Prepayments for other non-current assets	—	2,092	2,025	2,025
Deferred expenses	899	3,354	4,598	7,770
Deferred mould cost	2,958	1,820	1,359	1,692
	<u>3,857</u>	<u>8,268</u>	<u>8,831</u>	<u>13,071</u>

Other receivables are unsecured and non-interest-bearing.

As of 31 December 2022, 2023, 2024 and 30 September 2025, the impairment of the other receivables is estimated by applying the general approach under IFRS9. The Group consider the historical loss rate and adjusted it to reflect the current situations and forecasts of future economic conditions, as appropriate, in calculating the expected credit loss rate. Other receivables relating to counterparties with significant doubt on collection are assessed individually for impairment allowance. As of 31 December 2022, 2023, 2024 and 30 September 2025, amounts of RMB773,000, RMB773,000, RMB1,134,000 and RMB1,134,000 were provided for the default other receivables for which the counterparty has individually credit risk, amounts of RMB17,558,000, RMB17,558,000, RMB17,558,000 and RMB17,558,000 were provided for the default other receivables for which the counterparties failed to make the demanded payments.

The movements in the loss allowance for impairment of other receivables are as follows:

The Group

	31 December			30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of the year/period.	20,190	22,147	22,784	23,545
Impairment losses, net.	1,957	637	1,082	(1,256)
Disposal of a subsidiary	—	—	(321)	—
At the end of the year/period	<u>22,147</u>	<u>22,784</u>	<u>23,545</u>	<u>22,289</u>

The Company

	31 December			30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of the year/period.	18,948	19,675	19,753	20,134
Impairment losses, net.	727	78	381	104
At the end of the year/period	<u>19,675</u>	<u>19,753</u>	<u>20,134</u>	<u>20,238</u>

23. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and bank balances	85,115	148,510	349,877	321,194
Less: restricted cash	12,828	9,584	7,998	5,340
Cash and cash equivalents.	<u>72,287</u>	<u>138,926</u>	<u>341,879</u>	<u>315,854</u>
Denominated in				
RMB.	26,802	96,025	187,141	148,234
USD	43,820	30,434	122,415	157,036
EUR	1,484	12,280	32,292	10,570
GBP	134	145	—	—
HKD.	47	42	31	14
	<u>72,287</u>	<u>138,926</u>	<u>341,879</u>	<u>315,854</u>

The Company

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and bank balances	47,721	68,307	249,720	171,872
Less: restricted cash	12,828	9,584	7,998	5,340
Cash and cash equivalents.	<u>34,893</u>	<u>58,723</u>	<u>241,722</u>	<u>166,532</u>
Denominated in				
RMB.	12,770	42,978	128,095	44,660
USD	22,123	15,745	113,627	121,872
	<u>34,893</u>	<u>58,723</u>	<u>241,722</u>	<u>166,532</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default. As at 31 December 2022, 2023 and 2024 and 30 September 2025, the Group and the Company have assessed the credit risk of cash and cash equivalents, restricted cash to be minimal as they were placed in reputable financial institutions.

As at 30 September 2025, the restricted cash represented the balances restricted for the use of share repurchase and cash guaranteed for the use of issuing bank notes. As at 31 December 2024, the restricted cash represented the balances restricted for the use of share repurchase. As at 31 December 2023 and 2022, the restricted cash represented cash guaranteed for the use of issuing bank notes.

The RMB is not freely convertible into other currencies, however, under Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

24. TRADE AND BILLS PAYABLES

The Group

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bills payables				
Due to third parties	42,207	36,631	—	17,621
Trade payables				
Due to third parties	277,768	442,205	574,033	547,938
Due to related parties (<i>note 37</i>)	11,409	7,044	5,883	5,547
Total	<u>331,384</u>	<u>485,880</u>	<u>579,916</u>	<u>571,106</u>

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

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	328,133	482,003	554,495	560,168
Over 1 year	3,251	3,877	25,421	10,938
Total	<u>331,384</u>	<u>485,880</u>	<u>579,916</u>	<u>571,106</u>

The trade payables are non-interest-bearing and are normally settled within 180 days upon receipt of the invoices. The fair value of trade and bills payables as at the end of each of the Relevant Periods approximated to their carrying amount due to their relatively short maturity terms.

The Company

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bills payables				
Due to third parties	42,207	36,631	—	17,621
Trade payables				
Due to related parties	11,409	3,933	—	—
Due to subsidiaries	302,251	207,773	311,723	430,129
Due to third parties	271,340	485,138	522,979	432,187
Total	<u>627,207</u>	<u>733,475</u>	<u>834,702</u>	<u>879,937</u>

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

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	623,956	729,822	816,848	876,565
Over 1 year	3,251	3,653	17,854	3,372
Total	<u>627,207</u>	<u>733,475</u>	<u>834,702</u>	<u>879,937</u>

The trade payables are non-interest-bearing and are normally settled within 180 days upon receipt of the invoices. The fair value of trade and bills payables as at the end of each of the Relevant Periods approximated to their carrying amount due to their relatively short maturity terms.

25. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Payroll payable	17,363	16,721	16,193	16,232
Other tax payables	2,293	2,838	3,559	3,967
Value-added tax payable	28,109	31,064	27,213	21,630
Other payables	5,327	6,072	22,903	8,486
Due to related parties (<i>note 37</i>)	—	—	11	—
Accruals	507	3,342	2,230	3,231
Restricted shares repurchase obligation*	14,605	—	37,031	33,177
	<u>68,204</u>	<u>60,037</u>	<u>109,140</u>	<u>86,723</u>

The Company

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Payroll payable	1,112	1,039	1,087	1,098
Other tax payables	365	578	794	725
Value-added tax payable	13,280	13,466	7,652	12,121
Other payables	2,893	3,935	20,420	4,880
Due to related parties	—	—	11	—
Due to subsidiaries	20,000	—	—	7,878
Accruals	—	2,761	2,212	3,231
Restricted shares repurchase obligation*	14,605	—	37,031	33,177
	<u>52,255</u>	<u>21,779</u>	<u>69,207</u>	<u>63,110</u>

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

* Restricted shares repurchase obligation relates to the repurchase obligation subject by the Group to redeem the amounts received from employees participate in the restricted share incentive plan for the subscription of the restricted shares awarded to them at an approved subscription price. If the participated employees fail to meet the vesting condition and are not eligible to vest, the Group will repurchase the restricted shares from the incentive employees at an amounts equivalent to the amount received from the employees' subscription for the restricted shares granted, with an adjustment on the accumulated dividend paid between the grant date and the repurchased date.

26. CONTRACT LIABILITIES

The Group

	As at 31 December		As at 30 September	
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Advances received from customers for wireless communication modules and solutions:				
From related parties (<i>note 37</i>)	6,449	244	799	244
From others	61,002	52,084	108,545	124,842
	<u>67,451</u>	<u>52,328</u>	<u>109,344</u>	<u>125,086</u>
Analysed into:				
Current portion	67,451	52,328	109,344	125,086
Total	<u>67,451</u>	<u>52,328</u>	<u>109,344</u>	<u>125,086</u>

The Company

	As at 31 December			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
Advances received from customers for wireless communication modules and solutions:				
From a subsidiary	—	—	—	11,190
From related parties	490	244	247	244
From others	45,387	34,339	79,509	88,603
	<u>45,877</u>	<u>34,583</u>	<u>79,756</u>	<u>100,037</u>
Analysed into:				
Current portion	45,877	34,583	79,756	100,037
Total	<u>45,877</u>	<u>34,583</u>	<u>79,756</u>	<u>100,037</u>

Contract liabilities mainly include advances received to deliver products. The changes in contract liabilities in the Relevant Periods were mainly due to the changes in advances received from customers.

27. INTEREST-BEARING BANK BORROWINGS

The Group

	31 December 2022			31 December 2023			31 December 2024			30 September 2025		
	Effective Interest rate		Maturity	Effective Interest rate		Maturity	Effective Interest rate		Maturity	Effective Interest rate		Maturity
	(%)	RMB'000		(%)	RMB'000		(%)	RMB'000		(%)	RMB'000	
Current												
Bank loans — unsecured	3.10%–4.25%		2023			—	1.95%–3.20%	2025	122,606	1.95%–3.20%	2025-2026	348,181
Bank loans — secured	3.10%–3.95%		2023	3.80%	2024	5,016			—			—
Discounted bill receivables						—	1.30%–2.20%	2025	230,000			—
Subtotal						5,016			352,606			348,181
Non-current												
Bank loans — unsecured	3.59%–4.25%		2024			—			—			—
Subtotal						—			—			—
Total						5,016			352,606			348,181

	As at 31 December			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
				RMB'000

Analysed into:

Bank borrowings repayable:

Within one year or on demand	310,720	5,016	352,606	348,181
In the second year	60,000	—	—	—
Total	370,720	5,016	352,606	348,181

Notes:

- (i) All interest-bearing bank borrowings are denominated in RMB.
- (ii) As at 31 December 2022, the Group's interest-bearing bank borrowings with principal at RMB20,000,000 was guaranteed by trade receivables of subsidiaries due from the parent entity within the Group.
- (iii) As at 31 December 2022, the Group's interest-bearing bank borrowings with principal at RMB50,000,000 was guaranteed by letter of credit issued between the Company and its subsidiaries within the Group.
- (iv) As at 31 December 2023, the Group's interest-bearing bank borrowings with principal at RMB5,000,000 was guaranteed by a third party.

- (v) As at 31 December 2024, the Group discounted certain bills received by the Company from its subsidiaries to a bank in exchange for cash.

The Company

	31 December 2022			31 December 2023			31 December 2024			30 September 2025		
	Effective Interest rate		RMB'000	Effective Interest rate		RMB'000	Effective Interest rate		RMB'000	Effective Interest rate		RMB'000
	(%)	Maturity		(%)	Maturity		(%)	Maturity		(%)	Maturity	
Current												
Bank loans — unsecured	3.10%-3.70%	2023	190,672	—	—	—	1.95%-3.20%	2025	122,606	1.95%-3.20%	2025-2026	348,181
Bank loans — secured	3.10%-3.95%	2023	70,000	—	—	—	—	—	—	—	—	—
Discounted bill receivables			—	—	—	—	1.30%-2.20%	2025	230,000			—
Subtotal			260,672	—	—	—			352,606			348,181
Non-current												
Bank loans — unsecured	3.59%-4.25%	2024	60,000	—	—	—	—	—	—	—	—	—
Subtotal			60,000	—	—	—	—	—	—	—	—	—
Total			320,672	—	—	—			352,606			348,181

	As at 31 December			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
				RMB'000

Analysed into:

Bank borrowings repayable:

Within one year or on demand	260,672	—	352,606	348,181
In the second year	60,000	—	—	—
Total	320,672	—	352,606	348,181

Notes:

- (i) All interest-bearing bank borrowings are denominated in RMB.
- (ii) As at 31 December 2022, the Company's interest-bearing bank borrowings with principal at RMB20,000,000 was guaranteed by trade receivables of subsidiaries due from the parent entity within the group.
- (iii) As at 31 December 2022, the Company's interest-bearing bank borrowings with principal at RMB50,000,000 was guaranteed by letter of credit issued between the Company and its subsidiaries within the Group.
- (iv) As at 31 December 2024, the Company discounted certain bills received by the Company from its subsidiaries to a bank in exchange for cash. The Company has retained the substantial risks and rewards, which include default risks relating to such discounted bills, and accordingly, it continued to recognise the full carrying amounts of the bill receivables and the associated cash received as borrowings from the bank, the corresponding discount charges is recorded as interest expense.

28. DEFERRED INCOME

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Government grant*	950	3,875	3,875	3,875
At beginning of the year/period.	2,521	950	3,875	3,875
Grants received during the year/period.	—	2,925	—	—
Released to the profit or loss during the year/period.	(1,571)	—	—	—
At the end of the year/period	950	3,875	3,875	3,875

The Company

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Government grant*	—	2,925	2,925	2,925
At beginning of the year/period.	1,571	—	2,925	2,925
Grants received during the year/period.	—	2,925	—	—
Released to the profit or loss during the year/period.	(1,571)	—	—	—
At the end of the year/period	—	2,925	2,925	2,925

* The Group's deferred government grants represented government grants received for projects and are credited to consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the expected lives of the related assets or recognised as income on a systematic basis over the periods that the costs, which they are intended to compensate, are expensed.

As at 31 December 2022, 2023, 2024 and 30 September 2025, the government grant received are subject to the fulfilment of conditions relating to these grants.

29. DEFERRED TAX

The movements in deferred tax assets and liabilities during the Relevant Periods are as follows:

Deferred tax assets***The Group***

	Leases liabilities	Impairment of financial assets	Inventory provisions	Losses available for offsetting against future taxable profits	Share-based payment	Public welfare donations not deducted for tax purposes	Deferred income	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	9,147	27,778	3,784	13,741	959	250	393	56,052
Deferred tax credited/(charged) to profit or loss	(3,012)	(9,706)	(1,425)	6,555	(640)	(250)	(393)	(8,871)
Deferred tax credited to other reserve	—	—	—	—	39	—	—	39
Gross deferred tax assets at 31 December 2022.	<u>6,135</u>	<u>18,072</u>	<u>2,359</u>	<u>20,296</u>	<u>358</u>	<u>—</u>	<u>—</u>	<u>47,220</u>
At 1 January 2023	6,135	18,072	2,359	20,296	358	—	—	47,220
Deferred tax credited/(charged) to profit or loss	(2,269)	1,952	1,318	15,293	(344)	—	—	15,950
Deferred tax credited to other reserve	—	—	—	—	2	—	—	2
Gross deferred tax assets at 31 December 2023.	<u>3,866</u>	<u>20,024</u>	<u>3,677</u>	<u>35,589</u>	<u>16</u>	<u>—</u>	<u>—</u>	<u>63,172</u>
At 1 January 2024	3,866	20,024	3,677	35,589	16	—	—	63,172
Deferred tax credited/(charged) to profit or loss	(1,717)	9,444	4,759	13,943	767	—	—	27,196
Deferred tax credited to other reserve	—	—	—	—	(3)	—	—	(3)
Gross deferred tax assets at 31 December 2024.	<u>2,149</u>	<u>29,468</u>	<u>8,436</u>	<u>49,532</u>	<u>780</u>	<u>—</u>	<u>—</u>	<u>90,365</u>
At January 1, 2025	2,149	29,468	8,436	49,532	780	—	—	90,365
Deferred tax credited/(charged) to profit or loss	(355)	(683)	1,411	(198)	(1,288)	—	—	(1,113)
Deferred tax credited to other reserve	—	—	—	—	2,068	—	—	2,068
Gross deferred tax assets at 30 September 2025	<u>1,794</u>	<u>28,785</u>	<u>9,847</u>	<u>49,334</u>	<u>1,560</u>	<u>—</u>	<u>—</u>	<u>91,320</u>

The Company

	Leases liabilities	Impairment of financial assets	Inventory provisions	Losses available for offsetting against future taxable profits	Share-based payment	Public welfare donations not deducted for tax purposes	Deferred income	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	8,537	26,887	3,781	4,904	959	250	392	45,710
Deferred tax credited/(charged) to profit or loss.	(5,251)	(10,993)	(1,429)	(4,904)	(640)	(250)	(392)	(23,859)
Deferred tax credited to other reserve	—	—	—	—	39	—	—	39
Gross deferred tax assets at 31 December 2022	<u>3,286</u>	<u>15,894</u>	<u>2,352</u>	<u>—</u>	<u>358</u>	<u>—</u>	<u>—</u>	<u>21,890</u>
At 1 January 2023	3,286	15,894	2,352	—	358	—	—	21,890
Deferred tax credited/(charged) to profit or loss.	(1,017)	(371)	1,323	—	(344)	—	—	(409)
Deferred tax credited to other reserve	—	—	—	—	2	—	—	2
Gross deferred tax assets at 31 December 2023	<u>2,269</u>	<u>15,523</u>	<u>3,675</u>	<u>—</u>	<u>16</u>	<u>—</u>	<u>—</u>	<u>21,483</u>
At 1 January 2024	2,269	15,523	3,675	—	16	—	—	21,483
Deferred tax credited/(charged) to profit or loss.	(856)	10,178	4,737	—	767	—	—	14,826
Deferred tax credited to other reserve	—	—	—	—	(3)	—	—	(3)
Gross deferred tax assets at 31 December 2024	<u>1,413</u>	<u>25,701</u>	<u>8,412</u>	<u>—</u>	<u>780</u>	<u>—</u>	<u>—</u>	<u>36,306</u>
At January 1, 2025	1,413	25,701	8,412	—	780	—	—	36,306
Deferred tax credited/(charged) to profit or loss.	(900)	577	1,407	7,493	(1,288)	—	—	7,289
Deferred tax credited to other reserve	—	—	—	—	2,068	—	—	2,068
Gross deferred tax assets at 30 September 2025	<u>513</u>	<u>26,278</u>	<u>9,819</u>	<u>7,493</u>	<u>1,560</u>	<u>—</u>	<u>—</u>	<u>45,663</u>

Deferred tax liabilities

The Group

	Right-of-use assets	Fair value changes of equity investments at FVTPL	Finance lease receivables	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2022	9,147	10,000	—	19,147
Deferred tax charged/(credited) to profit or loss	(3,012)	10,969	—	7,957
Gross deferred tax liabilities as at 31 December 2022.	<u>6,135</u>	<u>20,969</u>	<u>—</u>	<u>27,104</u>
As at 1 January 2023	6,135	20,969	—	27,104
Deferred tax charged/(credited) to profit or loss	(2,529)	6,340	—	3,811
Gross deferred tax liabilities as at 31 December 2023.	<u>3,606</u>	<u>27,309</u>	<u>—</u>	<u>30,915</u>
As at 1 January 2024	3,606	27,309	—	30,915
Deferred tax charged/(credited) to profit or loss	(1,650)	(8,066)	—	(9,716)
Gross deferred tax liabilities as at 31 December 2024.	<u>1,956</u>	<u>19,243</u>	<u>—</u>	<u>21,199</u>
At 1 January 2025.	1,956	19,243	—	21,199
Deferred tax credited/(charged) to profit or loss	(854)	(958)	514	(1,298)
Gross deferred tax liabilities at 30 September 2025.	<u>1,102</u>	<u>18,285</u>	<u>514</u>	<u>19,901</u>

The Company

	Right-of-use assets	Finance lease receivables	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2022	8,537	—	8,537
Deferred tax credited to profit or loss	(5,251)	—	(5,251)
Gross deferred tax liabilities as at			
31 December 2022	<u>3,286</u>	<u>—</u>	<u>3,286</u>
As at 1 January 2023	3,286	—	3,286
Deferred tax credited to profit or loss	(1,392)	—	(1,392)
Gross deferred tax liabilities as at			
31 December 2023	<u>1,894</u>	<u>—</u>	<u>1,894</u>
As at 1 January 2024	1,894	—	1,894
Deferred tax credited to profit or loss	(729)	—	(729)
Gross deferred tax liabilities as at			
31 December 2024	<u>1,165</u>	<u>—</u>	<u>1,165</u>
At 1 January 2025	1,165	—	1,165
Deferred tax credited/(charged) to profit or loss	(1,165)	514	(651)
Gross deferred tax liabilities at			
30 September 2025	<u>—</u>	<u>514</u>	<u>514</u>

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position of the Group and statements of financial position of the Company. The following is an analysis of the deferred tax balances as at the end of each of the Relevant Periods for financial reporting purposes:

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Net deferred tax assets recognised in the consolidated statements of financial position	41,085	59,564	88,410	89,704
Net deferred tax liabilities recognised in the consolidated statements of financial position	20,969	27,309	19,243	18,284

The Company

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Net deferred tax assets recognised in the statements of financial position	18,604	19,589	35,140	45,149
Net deferred tax assets recognised in the statements of financial position	—	—	—	—

Deferred tax assets have not been recognised in respect of the following items:

The Group

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Tax losses	9,465	16,892	15,745	24,116
Deductible temporary differences	528	3,165	18	38
	9,993	20,057	15,763	24,154

30. SHARE CAPITAL AND TREASURY SHARES

The Group and the Company

A summary of movements in the Group and the Company's share capital and treasury shares are as follows:

	Number of shares in issue	Share capital	Treasury shares	Total
	<i>(in thousand)</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2022	184,729	184,729	(68,766)	115,963
Share options exercised	265	265	—	265
New issue of A shares	54,731	54,731	—	54,731
Exercise of restricted shares units	—	—	11,048	11,048
Others	(58)	(58)	1,113	1,055
At 31 December 2022	<u>239,667</u>	<u>239,667</u>	<u>(56,605)</u>	<u>183,062</u>
Share options exercised	793	793	—	793
New issue of A shares	21,209	21,209	—	21,209
Exercise of restricted shares units	—	—	14,321	14,321
Others	(28)	(28)	285	257
At 31 December 2023	<u>261,641</u>	<u>261,641</u>	<u>(41,999)</u>	<u>219,642</u>
Exercise of share options	161	161	—	161
Shares repurchased*	—	—	(37,287)	(37,287)
At 31 December 2024	<u>261,802</u>	<u>261,802</u>	<u>(79,286)</u>	<u>182,516</u>
Shares repurchased*	—	—	(7,947)	(7,947)
Exercise of share options	564	564	—	564
Shares issued and granted for restricted share incentive plan	263	263	(5,997)	(5,734)
Exercise of restricted shares	—	—	25,730	25,730
Dividends of lapsed restricted shares	—	—	456	456
At 30 September 2025	<u>262,629</u>	<u>262,629</u>	<u>(67,044)</u>	<u>195,585</u>
At 1 January 2024	261,641	261,641	(41,999)	219,642
Exercise of share options (unaudited)	161	161	—	161
Shares repurchased (unaudited)	—	—	(27,285)	(27,285)
At 30 September 2024 (unaudited)	<u>261,802</u>	<u>261,802</u>	<u>(69,284)</u>	<u>192,518</u>

* During the year ended 31 December 2024 and nine months ended 30 September 2025, the Company repurchased an aggregate of 1,822,850 shares and 492,356 shares at a consideration of RMB37,287,000 and RMB7,947,000, respectively. The aforesaid 1,746,706 repurchased shares will be used for restricted share incentive plan and the remaining 568,500 repurchased shares will be cancelled.

31. RESERVES**The Group**

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity of the Historical Financial Information.

Capital reserve

The capital reserve of the Group includes:

- (i) The share premium arising from the excess of the net proceeds from issuance of shares of the Company over its par value;
- (ii) The share premium arising from the exercise of share options under the share option incentive plan, which represents the net proceeds from issuance of the Company's shares to the incentive employees over its par value;
- (iii) The transfer from treasury shares to capital reserve upon the exercise of restricted shares under the Restricted Share Incentive Plan;
- (iv) The share option and restricted share award compensation reserve due to equity-settled share-based payment transactions, details of which were set out in note 33 to the Historical Financial Information;
- (v) The deferred tax asset arising from the amount of the estimated future tax deduction exceeds the amount of the share-based cumulative remuneration expense;

Statutory surplus reserve

In accordance with the Company Law of the PRC, companies incorporated in Chinese Mainland are required to allocate 10% of the statutory after-tax profits to the statutory surplus reserve until the cumulative total of the reserve reaches 50% of the companies' registered capital. The statutory surplus reserve can be used to offset accumulated losses or increase the registered capital of such companies subject to approval from the relevant PRC authorities. The statutory surplus reserve is not available for dividend distribution to shareholders of such companies.

Exchange fluctuation reserve

The exchange fluctuation reserve represents foreign exchange differences arising from the translation of the financial statements of foreign operations entities which functional currency are different from the Group's presentation currency.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods and nine months ended 30 September 2024 are presented as follows:

The Company**Year ended 31 December 2022**

	<u>Share reserve</u>	<u>Statutory surplus reserve</u>	<u>Retained profits</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2022	239,914	18,271	90,702	348,887
Total comprehensive income for the year	—	—	41,498	41,498
Dividends	—	—	(24,811)	(24,811)
Exercise of share options	4,772	—	—	4,772
Exercise of restricted share units	458	—	—	458
Transfer to share capital	(54,731)	—	—	(54,731)
Transfer to statutory surplus reserves	—	4,150	(4,150)	—
Share-based compensation expenses	8,455	—	—	8,455
Others	(1,055)	—	—	(1,055)
At 31 December 2022	<u>197,813</u>	<u>22,421</u>	<u>103,239</u>	<u>323,473</u>

Year ended 31 December 2023

	Share reserve	Statutory surplus reserve	Retained profits	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023.....	197,813	22,421	103,239	323,473
Total comprehensive income for the year.....	—	—	1,246	1,246
Dividends.....	—	—	(25,890)	(25,890)
Capital contribution by shareholders..	571,722	—	—	571,722
Exercise of share options.....	11,360	—	—	11,360
Exercise of restricted share units.....	429	—	—	429
Transfer to statutory surplus reserves..	—	125	(125)	—
Share-based compensation expenses..	2,777	—	—	2,777
Others.....	(257)	—	—	(257)
At 31 December 2023.....	<u>783,844</u>	<u>22,546</u>	<u>78,470</u>	<u>884,860</u>

Year ended 31 December 2024

	Share reserve	Statutory surplus reserve	Retained profits	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2024.....	783,844	22,546	78,470	884,860
Total comprehensive income for the year.....	—	—	12,868	12,868
Dividends.....	—	—	(25,802)	(25,802)
Exercise of share options.....	2,774	—	—	2,774
Exercise of restricted share units.....	390	—	—	390
Transfer to reserves.....	—	1,287	(1,287)	—
Share-based compensation expenses..	11,118	—	—	11,118
At 31 December 2024.....	<u>798,126</u>	<u>23,833</u>	<u>64,249</u>	<u>886,208</u>

Nine months ended 30 September 2025

	Share reserve	Statutory surplus reserve	Retained profits	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2025.	798,126	23,833	64,249	886,208
Total comprehensive loss for the period	—	—	(27,777)	(27,777)
Dividends	—	—	(33,929)	(33,929)
Share-based compensation expenses . .	18,599	—	—	18,599
Shares issued and granted for restricted share incentive plan	5,734	—	—	5,734
Exercise of restricted shares	(11,226)	—	—	(11,226)
Exercise of share options	11,263	—	—	11,263
At 30 September 2025.	<u>822,496</u>	<u>23,833</u>	<u>2,543</u>	<u>848,872</u>

Nine months ended 30 September 2024 (Unaudited)

	Share reserve	Statutory surplus reserve	Retained profits	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2024.	783,844	22,546	78,470	884,860
Total comprehensive income for the period	—	—	18,870	18,870
Dividends	—	—	(25,802)	(25,802)
Equity-settled share-based compensation expenses	5,539	—	—	5,539
Exercise of share options	2,774	—	—	2,774
At 30 September 2024.	<u>792,157</u>	<u>22,546</u>	<u>71,538</u>	<u>886,241</u>

32. DEEMED DISPOSAL OF A SUBSIDIARY

In 2024, one investor increased its shareholding interest in Pinsu Zhilian, the then subsidiary of the Company, by making addition capital injection to Pinsu Zhilian. Upon the completion of the capital injection, the Group's interests in Pinsu Zhilian was diluted from 51% to 37.5%. Pinsu Zhilian was deemed disposed and subsequently the Group accounted the investment in Pinsu as an associate using equity method as the Group is assessed to have significant influence on the operations and finance of Pinsu Zhilian.

Analysis of assets and liabilities over which control was lost:

	<i>RMB'000</i>
Current assets	7,855
Non-current assets	25
Current liabilities	(12,648)
Non-current liabilities	<u>—</u>
Net liabilities of Pinsu Zhilian	(4,768)
Less: non-controlling interests	<u>(2,264)</u>
Net liabilities of Pinsu Zhilian attributable to the Group	(2,504)
Fair value of the Group's 37.5% shareholding in Pinsu Zhilian	2,402
Less: net liabilities of Pinsu Zhilian attributable to the Group	<u>(2,504)</u>
Gain on deemed disposal of a subsidiary	<u><u>4,906</u></u>

An analysis of the net outflow of cash and cash equivalents in respect of the deemed disposal of a subsidiary is as follows:

	2024
	<i>RMB</i>
Cash consideration	—
Less: cash and bank balances disposed	<u>1,294</u>
Net outflow of cash and cash equivalents	
in respect of the deemed disposal of a subsidiary	<u><u>(1,294)</u></u>

33. SHARE-BASED PAYMENTS

The Group adopted and approved several equity-settled share-based plans, including 2020 stock option incentive plan and 2020 restricted share award plan on 3 July 2020, and 2024 stock option incentive plan and 2024 restricted share award plan on 17 July 2024, pursuant to which share award will be granted for eligible employees of the Group in order to recognise their contributions to the growth and development of the Group and incentivize them to further promote the development of the Group.

The 2020 stock option incentive plan and 2024 stock option incentive plan are collectively referred as “Share Option Incentive Plan”, and 2020 restricted share plan and 2024 restricted share plan are collectively referred as “Restricted Share Incentive Plan”.

Restricted Share Incentive Plan

On 20 July 2020, 1 July 2024 and 10 June 2025, the Group granted 3,200,000 restricted share units (“RSUs”), 3,510,000 RSUs and 500,000 RSUs of the Company, respectively, to eligible employees at a subscribed price of RMB12.09 per share, RMB10.55 per share and RMB22.84 per share, respectively.

The RSUs vest in several tranches commencing from the grant date. All granted RSUs shall be subject to both a performance-based condition and a service-based condition.

There are no cash settlement alternatives under the Restricted Share Incentive Plan. The Group accounts for the Restricted Share Incentive Plan as an equity-settled plan.

The granted shares of Restricted Share Incentive Plan are derived from the shares repurchased from the secondary market under the special securities account of the Company.

The fair value of the RSUs granted on 20 July 2020, 1 July 2024 and 10 June 2025 were valued at RMB11.43 per share, RMB8.93 per share and RMB22.06 per share, respectively, which was determined based on the difference between the closing price of the Company’s A share on the grant date and the agreed subscribed price.

Share-based payment expenses amounted to RMB7,712,000, RMB2,557,000, RMB10,132,000 and RMB14,499,000 under the Restricted Share Incentive Plan was recognized by the Group during the years ended 31 December 2022, 2023 and 2024 and nine months ended 30 September 2025, respectively.

The following table summarises the movement of the Group's Restricted Share Incentive Plan during the Relevant Periods:

	Weighted average exercise price per share*	Number of restricted shares
	<i>RMB per share</i>	
At 1 January 2022.	12.07	2,817,220
Granted during the year.	—	—
Vested during the year.	12.07	1,205,880
Forfeited during the year.	12.07	11,300
At 31 December 2022.	<u>11.93</u>	<u>1,600,040</u>
Granted during the year.	—	—
Vested during the year.	9.08	1,580,280
Forfeited during the year.	9.08	19,760
At 31 December 2023.	<u>—</u>	<u>—</u>
Granted during the year.	10.55	3,510,000
Vested during the year.	—	—
Forfeited during the year.	10.55	19,000
At 31 December 2024.	<u>10.55</u>	<u>3,491,000</u>
Granted during the period.	22.84	500,000
Vested during the period.	10.55	1,392,000
Forfeited during the period.	10.55	24,200
At 30 September 2025.	<u>12.97</u>	<u>2,574,800</u>

* The exercise price of the restricted shares is subject to adjustment in the case of rights or bonus share issues, or other similar changes in the Company's share capital.

The weighted average remaining contractual life for the outstanding RSUs granted as at 31 December 2022, 2023 and 2024 and 30 September 2025 was 0.67 year, nil, 1.40 years and 1.23 years, respectively.

Stock Option Incentive Plan

On 20 July 2020, 2 February 2021, 1 July 2024 and 10 June 2025, the Group granted 1,040,000 share options, 360,000 share options, 1,600,000 share options and 500,000 share options, respectively, to eligible employees at exercise price of RMB24.18 per share, RMB17.34 per share, RMB21.10 per share and RMB 45.67 per share, respectively.

These share options will be vested in several tranches commencing from the grant date and all share options granted under the Stock Option Incentive Plan shall be subject to both a performance-based condition and a service-based condition.

There are no cash settlement alternatives under the Stock Option Incentive Plan. The Group accounts for the Stock Option Incentive Plan as an equity-settled plan.

The fair value of the share options granted on 20 July 2020, 2 February 2021, 1 July 2024 and 10 June 2025 was estimated at RMB 3.37, RMB1.38, RMB2.10 and RMB6.96 per share, respectively. Fair value of the share options was determined under Black-Scholes Model.

Share-based payment expenses amounted to RMB743,000, RMB220,000, RMB986,000 and RMB2,036,000 was recognized by the Group during the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, respectively.

The following table summarises the movement of the Group's Stock Option Incentive Plan during the Relevant Periods:

	Weighted average exercise price per share*	Number of share options
	<i>RMB per share</i>	
At 1 January 2022.	22.36	990,400
Adjustment**	—	287,970
Vested during the year.	19.06	264,700
Forfeited during the year.	24.16	19,100
At 31 December 2022.	<u>16.21</u>	<u>994,570</u>
Granted during the year.	—	—
Vested during the year.	15.31	793,390
Forfeited during the year.	18.48	2,600
At 31 December 2023.	<u>18.38</u>	<u>198,580</u>
Granted during the year.	21.10	1,600,000
Vested during the year.	18.32	160,360
Forfeited during the year.	20.60	47,220
At 31 December 2024.	<u>21.10</u>	<u>1,591,000</u>
Granted during the period	45.67	500,000
Vested during the period	20.97	564,000
Forfeited during the period	21.10	19,000
At 30 September 2025.	<u>27.52</u>	<u>1,508,000</u>

* The exercise price of the share options is subject to adjustment in the case of rights or bonus share issues, or other similar changes in the Company's share capital.

** This adjustment was primarily attributable to the implementation of the Company's 2021 annual profit distribution in June 2022, which was effected through a capitalization of capital reserves. Pursuant to the Stock Option Incentive Plan, the Board of Directors approved a corresponding adjustment to the number of shares exercisable under the outstanding stock options.

The weighted average remaining contractual life for the outstanding share options granted as at 31 December 2022, 2023 and 2024 and 30 September 2025 was 0.67 year, 0.67 year, 1.33 years and 1.22 years, respectively.

The fair value of the share options at the grant date are estimated with the following key inputs:

	<u>20 July 2020</u>	<u>2 February 2021</u>	<u>1 July 2024</u>	<u>10 June 2025</u>
Fair value of the Company's A Shares (RMB per share)	23.52	15.73	19.58	44.90
Expected volatility (%)	22.28–23.94	21.47–25.39	20.78–23.18	30.54–34.11
Risk-free interest rate (%)	<u>1.46–1.75</u>	<u>2.60–2.75</u>	<u>1.50–2.75</u>	<u>1.40–1.43</u>

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, the Group had non-cash additions of right-of-use assets and lease liabilities of RMB21,722,000, RMB1,217,000, RMB946,000 and RMB7,826,000, respectively, in respect of the Group's lease arrangements for buildings and premises.

During the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, the Group had non-cash reductions of trade payables settled by endorsement of bills receivable of nil, RMB30,265,000, RMB75,876,000 and RMB145,319,000, respectively.

(b) Changes in liabilities arising from financing activities

	Interest bearing bank borrowings	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2022.....	290,523	40,630	331,153
Changes from financing cash flow	68,069	(20,224)	47,845
New lease	—	21,722	21,722
Interest accretion.....	12,128	1,758	13,886
At December 2022 and 1 January 2023.....	<u>370,720</u>	<u>43,886</u>	<u>414,606</u>
Changes from financing cash flow	(372,672)	(19,968)	(392,640)
New lease	—	1,217	1,217
Interest accretion.....	6,968	1,676	8,644
Early termination of a lease	—	(1,041)	(1,041)
At 31 December 2023 and 1 January 2024 .	<u>5,016</u>	<u>25,770</u>	<u>30,786</u>
Changes from financing cash flow	342,134	(16,539)	325,595
New lease	—	946	946
Interest accretion.....	5,456	841	6,297
Early termination of a lease	—	(1,009)	(1,009)
At 31 December 2024 and 1 January 2025 .	<u>352,606</u>	<u>10,009</u>	<u>362,615</u>
Changes from financing cash flow	(11,401)	(8,049)	(19,450)
New lease	—	7,826	7,826
Interest accretion.....	6,976	372	7,348
At 30 September 2025.....	<u>348,181</u>	<u>10,158</u>	<u>358,339</u>
At 1 January 2024.....	5,016	25,770	30,786
Changes from financing cash flow (unaudited)	120,655	(13,784)	106,871
Early termination of a lease (unaudited) ...	—	(1,009)	(1,009)
New lease	—	946	946
Interest accretion (unaudited)	4,350	701	5,051
At 30 September 2024 (unaudited)	<u>130,021</u>	<u>12,624</u>	<u>142,645</u>

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Within operating activities	1,714	1,967	1,970	1,050	55
Within financing activities	20,224	19,968	16,539	14,270	8,049
	21,938	21,935	18,509	15,320	8,104

35. PLEDGE OF ASSETS

At the end of each of the Relevant Periods, the Group's pledge of assets is included in notes 23 and 27 to the Historical Financial Information.

36. COMMITMENTS

The Group had no capital commitments at the end of each of the Relevant Periods.

37. RELATED PARTY TRANSACTIONS

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

(a) Name and relationships of the related parties

Name	Relationship
株式会社 MeiLink	Joint Venture
LianDong Gezhi	Joint Venture
ShuoGe Intelligent	Associate
Pinsu Zhilian *	Associate
Shenzhen Fenghuang Joint-Stock Cooperative Company (深圳市鳳 凰股份合作公司) (“ Fenghuang Joint-Stock ”).	Ultimate controlling shareholder of Fenghuangshan Investment
Shenzhen Mingcheng Property Service Co., Ltd. (深圳市明成物 業服務有限公司) (“ Mingcheng ”).	Company controlled by Fenghuan Joint-Stock

Name	Relationship
Shenzhen Chuyue Emotional Catering Management Co., Ltd. (深圳市楚粵情懷餐飲管理有限公司) (“Chuyue”)	Company controlled by Mr. WANG Cheng, shareholder of the Company

* Pinsu Zhilian was deconsolidated by the Group in 2024 and accounted for as an associate of the Group. The balance due from/to Pinsu Zhilian as at 31 December 2024 and 30 September 2025 was presented as related parties transactions and balances.

(b) The Group had the following transactions with related parties during the Relevant Periods and the nine months ended 30 September 2024:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(unaudited)	
Sales of products and services to:					
株式會社 MeiLink	2,838	30,146	7,389	2,903	34,747
ShuoGe Intelligent	797	870	484	440	47
LianDong Gezhi	—	2,709	792	779	3,333
Pinsu Zhilian	—	—	—	—	5,426
	<u>3,635</u>	<u>33,725</u>	<u>8,665</u>	<u>4,122</u>	<u>43,553</u>
Purchase of processing services from:					
ShuoGe Intelligent	29,714	22,063	25,398	17,504	22,610
Pinsu Zhilian	—	—	—	—	5
	<u>29,714</u>	<u>22,063</u>	<u>25,398</u>	<u>17,504</u>	<u>22,615</u>
Expenses relating to other services purchased from:					
Chuyue	108	353	227	171	100
	<u>108</u>	<u>353</u>	<u>227</u>	<u>171</u>	<u>100</u>

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Lease payments made to:					
Fenghuang Joint-Stock	1,534	1,638	1,521	1,135	1,082
Mingcheng	12,729	10,394	8,075	7,543	2,652
	<u>14,263</u>	<u>12,032</u>	<u>9,596</u>	<u>8,678</u>	<u>3,734</u>
Finance cost on lease liabilities from:					
Fenghuang Joint-Stock	218	163	105	85	39
Mingcheng	1,207	758	346	295	96
	<u>1,425</u>	<u>921</u>	<u>451</u>	<u>380</u>	<u>135</u>

(c) Outstanding balances with related parties:

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Amounts due from related parties:				
株式會社 MeiLink (a)	—	7,891	—	14,964
LianDong GeZhi (b)	—	—	19	3,557
Pinsu Zhilian (c)	—	—	9,717	10,003
Fenghuang Joint-Stock (d)	188	104	—	11
Mingcheng (e)	1,376	764	—	50
ShuoGe Intelligent (a)	—	—	48	—
ShuoGe Intelligent (f)	—	—	319	798
	<u>1,564</u>	<u>8,759</u>	<u>10,103</u>	<u>29,383</u>
Amounts due to related parties:				
ShuoGe Intelligent (f)	11,409	7,044	5,883	5,547
Chuyue (g)	—	—	11	—
株式會社 MeiLink (a)	6,449	244	799	244
Fenghuang Joint-Stock (d)	4,287	3,029	1,637	595
Mingcheng (e)	20,873	12,095	4,014	1,457
	<u>43,018</u>	<u>22,412</u>	<u>12,344</u>	<u>7,843</u>

- (a) Trade in nature, included in “Trade and bills receivables” and “Contract liabilities” in the consolidated statements of financial position.
- (b) Trade in nature, included in “Trade and bills receivables” and “Contract liabilities ” in the consolidated statements of financial position.
- (c) Trade in nature, included in “Trade and bills receivables” in the consolidated statements of financial position.
- (d) Trade in nature, included in “Prepayments, other receivables and other assets” and “Lease liabilities” in the consolidated statements of financial position.
- (e) Trade in nature, included in “Prepayments, other receivables and other assets” and “Lease liabilities” in the consolidated statements of financial position.
- (f) Trade in nature, included in “Prepayments, other receivables and other assets” and “Trade and bills payables” in the consolidated statements of financial position.
- (g) Trade in nature, included in “Other payables and accruals” in the consolidated statements of financial position.

(d) Compensation of key management personnel of the Group

	Year ended 31 December			Nine months ended
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
				RMB'000
Salaries, bonuses, allowances and benefits in kind	4,884	5,152	5,439	2,424
Pension scheme contributions	128	129	131	91
Equity-settled share-based payment expenses	1,110	391	—	—
	<u>6,122</u>	<u>5,672</u>	<u>5,570</u>	<u>2,515</u>

Further details of directors' and the chief executive's remuneration are included in note 8 to the Historical Financial Information.

38. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each Relevant Periods were as follows:

Financial assets

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at amortised cost:				
Trade and bills receivables	420,301	659,426	1,016,069	761,422
Financial assets included in prepayments, other receivables and other assets.	190,450	156,059	162,171	261,201
Restricted cash	12,828	9,584	7,998	5,340
Cash and cash equivalents	72,287	138,926	341,879	315,854
Financial assets at FVOCI:				
Debt investments	5,122	38,427	9,992	26,739
Financial assets at FVTPL:				
Equity investments	198,875	234,246	189,971	176,137
	<u>899,863</u>	<u>1,236,668</u>	<u>1,728,080</u>	<u>1,546,693</u>

Financial liabilities

	As at 31 December			As at
				30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Financial liabilities at amortised cost:				
Trade and bills payables	331,384	485,880	579,916	571,106
Financial liabilities included in other payables and accruals	20,439	9,414	62,175	44,894
Lease liabilities	43,886	25,770	10,009	10,158
Interest-bearing bank borrowings	370,720	5,016	352,606	348,181
	<u>766,429</u>	<u>526,080</u>	<u>1,004,706</u>	<u>974,339</u>

39. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

The Group's finance team headed by the chief finance controller or his/her designator is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the head of finance. At each reporting date, the finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the head of finance.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for non-current portion of interest-bearing bank as at 31 December 2022 were assessed to be insignificant. Hence, the fair value of the non-current portion of interest-bearing bank and other borrowings is approximate to its carrying amount as at 31 December 2022.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2022

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Equity investments at FVTPL	—	163,875	35,000	198,875
Debt investments at FVOCI	—	5,122	—	5,122
Total	—	168,997	35,000	203,997

As at 31 December 2023

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Equity investments at FVTPL	—	180,506	53,740	234,246
Debt investments at FVOCI	—	38,427	—	38,427
Total	—	218,933	53,740	272,673

As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Equity investments at FVTPL	—	108,579	81,392	189,971
Debt investments at FVOCI	—	9,992	—	9,992
Total	—	118,571	81,392	199,963

As at 30 September 2025

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Equity investments at FVTPL	—	94,745	81,392	176,137
Debt investments at FVOCI	—	26,739	—	26,739
Total	—	121,484	81,392	202,876

The fair values of the bank acceptance bills at fair value through other comprehensive income (Level 2) have been calculated by discounting the expected cash flows from the receivables based on the market interest rates of instruments with similar terms and risks.

The fair value of certain unlisted equity investments at fair value through profit or loss have been estimated with reference to the recent share transfer or capital injection transaction price of the underlying investments (Level 2). And for unlisted equity investments that do not have recent transaction price, the fair values have been estimated using asset-based and profit-based approaches (Level 3).

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at the end of each Relevant Periods:

As at 31 December 2022

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investments.	Valuation multiples	Average P/B	4.94	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB191,000
		multiple of peers		
		Average P/S	6.36	
		multiple of peers		5% increase/decrease in multiple would result in increase/decrease in fair value by RMB314,000
		Discount for lack of marketability	37%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB303,000

As at 31 December 2023

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investments	Valuation multiples	Average P/B multiple of peers	4.59	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB177,000
		Average P/S multiple of peers	6.74	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB488,000
		Average P/E multiple of peers	38.35	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB667,000
		Average P/RR multiple of peers	61.26	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB880,000
		Discount for lack of marketability	23% to 34%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB957,000

As at 31 December 2024

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investments.	Valuation multiples	Average P/B	6.39	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB574,000
		multiple of peers		
		Average P/E	35.75 to	
		multiple of peers	79.07	
		Average P/RR	42.24 to	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB1,474,000
	multiple of peers	79.45		
		Discount for lack of marketability	34% to 36%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB1,846,000

As at 30 September 2025

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investments	Valuation multiples	Average P/B	10.36	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB1,435,000
		multiple of peers		
		Average P/E	36.69	
		multiple of peers		
		Average P/RR	59.3 to 94.51	5% increase/decrease in multiple would result in increase/decrease in fair value by RMB2,820,000
	multiple of peers			
		Discount for lack of marketability	33% to 37%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB2,561,000

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank borrowings, and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables, trade and bills payables and etc., which arise directly from its operations.

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

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by the Company and the Group's subsidiaries in currencies other than their respective functional currencies.

The following table demonstrates the sensitivity at the end of each of the Relevant Periods to a reasonably possible change in the foreign exchange rates, with all other variables held constant, of the Group's profit after tax and equity.

	Increase/ (decrease) in foreign exchange rate	Decrease/ (increase) in profit after tax	(Increase)/ decrease in equity
	%	RMB'000	RMB'000
Year ended 31 December 2022			
If RMB weakens against the USD	5	(358)	(358)
If RMB strengthens against the USD	(5)	358	358
If RMB weakens against the EUR	5	12	12
If RMB strengthens against the EUR	(5)	(12)	(12)
If RMB weakens against the HKD	5	2	2
If RMB strengthens against the HKD	(5)	(2)	(2)
Year ended 31 December 2023			
If RMB weakens against the USD	5	(2,664)	(2,664)
If RMB strengthens against the USD	(5)	2,664	2,664
If RMB weakens against the EUR	5	1,756	1,756
If RMB strengthens against the EUR	(5)	(1,756)	(1,756)
If RMB weakens against the HKD	5	2	2
If RMB strengthens against the HKD	(5)	(2)	(2)

	Increase/ (decrease) in foreign exchange rate	Decrease/ (increase) in profit after tax	(Increase)/ decrease in equity
	%	RMB'000	RMB'000
If RMB weakens against the GBP	5	6	6
If RMB strengthens against the GBP	(5)	(6)	(6)
Year ended 31 December 2024			
If RMB weakens against the USD	5	14	14
If RMB strengthens against the USD	(5)	(14)	(14)
If RMB weakens against the EUR	5	1,394	1,394
If RMB strengthens against the EUR	(5)	(1,394)	(1,394)
If RMB weakens against the HKD	5	1	1
If RMB strengthens against the HKD	(5)	(1)	(1)
Nine months ended 30 September 2025			
If RMB weakens against the USD	5	8,047	8,047
If RMB strengthens against the USD	(5)	(8,047)	(8,047)
If RMB weakens against the EUR	5	563	563
If RMB strengthens against the EUR	(5)	(563)	(563)
If RMB weakens against the HKD	5	1	1
If RMB strengthens against the HKD	(5)	(1)	(1)

Credit risk

The Group trades only with recognised and creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, restricted cash, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, with a maximum exposure equal to the carrying amounts of these instruments.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Relevant Periods.

The amounts presented are gross carrying amounts for financial assets.

At 31 December 2022

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade and bills receivables*	—	—	—	518,154	518,154
Debt investments at FVOCI	5,122	—	—	—	5,122
Financial assets included in prepayments, other receivables and other assets					
— Normal**	189,882	—	—	—	189,882
— Doubtful**	—	—	22,715	—	22,715
Restricted cash	12,828	—	—	—	12,828
Cash and cash equivalents	72,287	—	—	—	72,287
	<u>280,119</u>	<u>—</u>	<u>22,715</u>	<u>518,154</u>	<u>820,988</u>

At 31 December 2023

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade and bills receivables*	—	—	—	770,873	770,873
Debt investments at FVOCI	38,427	—	—	—	38,427
Financial assets included in prepayments, other receivables and other assets					
— Normal**	156,128	—	—	—	156,128
— Doubtful**	—	—	22,715	—	22,715
Restricted cash	9,584	—	—	—	9,584
Cash and cash equivalents	138,926	—	—	—	138,926
	<u>343,065</u>	<u>—</u>	<u>22,715</u>	<u>770,873</u>	<u>1,136,653</u>

At 31 December 2024

	12-month	Lifetime ECLs			Total
	ECLs				
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	—	—	—	1,119,878	1,119,878
Debt investments at FVOCI	9,992	—	—	—	9,992
Financial assets included in prepayments, other receivables and other assets					
— Normal**	163,002	—	—	—	163,002
— Doubtful**	—	—	22,715	—	22,715
Restricted cash	7,998	—	—	—	7,998
Cash and cash equivalents	341,879	—	—	—	341,879
	<u>522,871</u>	<u>—</u>	<u>22,715</u>	<u>1,119,878</u>	<u>1,665,464</u>

At 30 September 2025

	12-month	Lifetime ECLs			Total
	ECLs				
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	—	—	—	860,191	860,191
Debt investments at FVOCI	26,739	—	—	—	26,739
Financial assets included in prepayments, other receivables and other assets					
— Normal**	259,513	—	—	—	259,513
— Doubtful**	—	—	22,715	—	22,715
Restricted cash	5,340	—	—	—	5,340
Cash and cash equivalents	315,854	—	—	—	315,854
	<u>607,446</u>	<u>—</u>	<u>22,715</u>	<u>860,191</u>	<u>1,490,352</u>

- * For trade and bills receivables at the end of each of the Relevant Periods, the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 20 to the Historical Financial Information.
- ** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade and bills receivables) and projected cash flows from operations.

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings and lease liabilities.

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

At 31 December 2022

	Less than 12 months or on demand	1 to 5 years	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade and bills payables	331,384	—	331,384
Financial liabilities included in other payables and accruals	20,439	—	20,439
Lease liabilities	18,443	28,149	46,592
Interest-bearing bank borrowings	317,570	61,900	379,470
	<u>687,836</u>	<u>90,049</u>	<u>777,885</u>

At 31 December 2023

	Less than 12 months or on demand	1 to 5 years	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade and bills payables	485,880	—	485,880
Financial liabilities included in other			
payables and accruals	9,414	—	9,414
Lease liabilities	17,310	9,522	26,832
Interest-bearing bank borrowings	5,141	—	5,141
	<u>517,746</u>	<u>9,522</u>	<u>527,268</u>

At 31 December 2024

	Less than 12 months or on demand	1 to 5 years	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade and bills payables	579,916	—	579,916
Financial liabilities included in other			
payables and accruals	62,175	—	62,175
Lease liabilities	8,840	1,442	10,282
Interest-bearing bank borrowings	353,373	—	353,373
	<u>1,004,304</u>	<u>1,442</u>	<u>1,005,746</u>

At 30 September 2025

	Less than 12 months or on demand	1 to 5 years	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade and bills payables	571,106	—	571,106
Financial liabilities included in other			
payables and accruals	44,893	—	44,893
Lease liabilities	6,508	3,943	10,451
Interest-bearing bank borrowings	353,451	—	353,451
	<u>975,958</u>	<u>3,943</u>	<u>979,901</u>

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit profile and healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Group monitors capital using the debt-to-asset ratio, which is total liabilities divided by total assets. The debt-to-asset ratios as at the end of each of the Relevant Periods were as follows:

	As at 31 December,			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	2025
				RMB'000
Total liabilities	906,452	664,929	1,192,444	1,169,340
Total assets	1,726,703	2,144,722	2,759,557	2,850,665
Debt-to-asset ratio	52%	31%	43%	41%

41. TRANSFERS OF FINANCIAL ASSETS**(a) Transferred financial assets that are not derecognised in their entirety**

At 31 December 2022, 2023 and 2024 and 30 September 2025, the Group endorsed certain bills receivables accepted by banks in Chinese Mainland (the "**Endorsed Bills**") with a carrying amount of nil, RMB543,000, RMB1,315,000 and RMB 621,000 to certain of its suppliers in order to settle the trade payables due to such suppliers (the "**Endorsement**"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties.

(b) Transferred financial assets that are derecognised in their entirety

As at 31 December 2022, 2023 and 2024 and 30 September 2025, the Group endorsed certain bills receivable accepted by banks in Chinese Mainland (the “**Derecognised Bills**”) to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of nil, RMB3,431,000, RMB49,380,000 and RMB54,673,000. The Derecognised Bills had a maturity of one to six months at the end of each of the Relevant Periods. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills may exercise the right of recourse against any, several or all of the persons liable for the Derecognised Bills, including the Group, in disregard of the order of precedence (the “**Continuing Involvement**”). In the opinion of the directors, the risk of the Group being claimed by the holders of the Derecognised Bills is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group’s Continuing Involvement in the Derecognised Bills are not significant.

During the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively.

42. EVENTS AFTER THE RELEVANT PERIOD

On 20 November 2025, the Company cancelled 844,400 shares that were repurchased for cancellation, representing 0.32% of the total share capital prior to the cancellation. Following this cancellation, the Company’s total share capital will decrease from 262,630,100 shares to 261,785,700 shares.

On 1 December 2025, the Company cancelled 30,000 shares that were repurchased for restricted share incentive plan, representing 0.01% of the total share capital prior to the cancellation. Following this cancellation, the Company’s total share capital will decrease from 261,785,700 shares to 261,755,700 shares.

Except above, there were no other significant events that required additional disclosure or adjustments occurred after the end of the Relevant Periods.

43. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 30 September 2025.