The following is the text of a report set out on pages I-1 to I-4 received from the Company's reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document. It is prepared and addressed to the directors of the Company and to China International Capital Corporation Hong Kong Securities Limited, CITIC Securities (Hong Kong) Limited and CMB International Capital Limited pursuant to the requirements of 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.

[Letterhead of BDO Limited]

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF NINGBO DEYE TECHNOLOGY CORPORATION, CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED, CITIC SECURITIES (HONG KONG) LIMITED AND CMB INTERNATIONAL CAPITAL LIMITED

Introduction

We report on the historical financial information of Ningbo Deye Technology Corporation (the "Company") and its subsidiaries (together, the "Group") set out on pages I-5 to I-112, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024, 2025 and 30 April 2026, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026 (the "Track Record Period") and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-5 to I-112 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated **[●]** (the "Document") in connection with the initial **[REDACTED]** of 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 Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information and for such internal control as the directors determine is necessary to enable the preparation of 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' judgment, 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 Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 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 Company's financial position as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 April 2026, the Group's financial position as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 April 2026 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

Review of Stub Period Comparative Historical Financial Information

We have reviewed the stub period comparative historical financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the four months ended 30 April 2025 and other explanatory information (together the "Stub Period Comparative Historical Financial Information"). The directors of the Company are responsible for the preparation of the Stub Period Comparative Historical Financial Information in accordance with the basis of preparation set out in Note [2] to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Historical 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 Stub Period Comparative Historical 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 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 and the Stub Period Comparative Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 12 to the Historical Financial Information which contains information about the dividends declared and paid by the Company in respect of the Track Record Period.

[BDO Limited]
Certified Public Accountants
[Director's name]
Practising Certificate no. [●]
Hong Kong
[Date]

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 consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by BDO Limited 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

		Year ended December 31,			Four months ended April 30,	
	Notes	**2023**	**2024**	**2025**	**2025**	**2026**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(Unaudited)	
REVENUE	7	7,479,706	11,206,468	12,223,743	3,531,395	6,180,411
Cost of sales		(4,550,692)	(6,877,711)	(7,574,913)	(2,253,025)	(3,762,967)
Gross profit		2,929,014	4,328,757	4,648,830	1,278,370	2,417,444
Other income	8 (a)	292,600	325,217	397,175	122,945	134,644
Other gains and other losses, net	8 (b)	(73,245)	92,132	9,855	106,910	(139,820)
Selling expenses		(234,626)	(287,729)	(343,847)	(112,884)	(154,190)
Research and development costs		(436,402)	(548,899)	(562,096)	(182,393)	(222,861)
Administrative expenses		(298,757)	(381,476)	(445,932)	(121,439)	(165,525)
Impairment loss on financial assets, net	10	(9,625)	(83,854)	(10,704)	(23,836)	(19,720)
Finance costs	9	(72,665)	(43,579)	(57,696)	(14,719)	(16,351)
PROFIT BEFORE TAX	10	2,096,294	3,400,569	3,635,585	1,052,954	1,833,621
Income tax expenses	11	(305,308)	(440,222)	(466,931)	(129,386)	(223,726)
PROFIT FOR THE YEAR/PERIOD		1,790,986	2,960,347	3,168,654	923,568	1,609,895
OTHER COMPREHENSIVE INCOME:						
Item that may be reclassified subsequently to profit or loss						
– Exchange differences on translation of foreign operations		(23)	(151)	6,916	429	6,471
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		1,790,963	2,960,196	3,175,570	923,997	1,616,366

		Year ended December 31,			Four months ended April 30,	
	Notes	2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(Unaudited)	
PROFIT/(LOSS) FOR THE YEAR/PERIOD ATTRIBUTABLE TO:						
– Owners of the Company		1,790,986	2,960,347	3,170,768	924,644	1,611,129
– Non-controlling interests		–	–	(2,114)	(1,076)	(1,234)
		1,790,986	2,960,347	3,168,654	923,568	1,609,895
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD ATTRIBUTABLE TO:						
– Owners of the Company		1,790,963	2,960,196	3,177,684	925,073	1,617,600
– Non-controlling interests		–	–	(2,114)	(1,076)	(1,234)
		1,790,963	2,960,196	3,175,570	923,997	1,616,366
EARNINGS PER SHARE (RMB) ATTRIBUTABLE TO OWNERS OF THE COMPANY						
– Basic and diluted	13	1.52	2.44	2.51	0.73	1.27

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As of December 31,			As of April 30,
	Notes	**2023**	**2024**	**2025**	**2026**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
ASSETS AND LIABILITIES					
Non-current assets					
Property, plant and equipment	15	2,068,637	2,413,247	3,123,989	3,300,980
Right-of-use assets	16	205,717	150,034	308,113	314,664
Intangible assets	18	4,774	3,627	10,221	12,332
Prepayments, deposits and other receivables	24	26,776	47,584	24,000	53,747
Notes receivable	27	–	–	–	380,913
Restricted bank deposits	26	101,447	–	202,353	203,602
Term deposits	26	406,668	1,551,363	1,250,590	1,048,266
Financial assets at fair value through profit or loss	25	–	–	–	50,000
Interests in associates	21	–	–	87,474	130,069
Deferred tax assets	19	71,358	133,789	150,932	273,430
Total non-current assets		2,885,377	4,299,644	5,157,672	5,768,003
Current assets					
Inventories	20	754,002	1,360,452	1,785,399	3,079,419
Trade and bills receivables	22	571,221	1,729,293	1,747,445	2,037,399
Debt investments at fair value through other comprehensive income	23	5,917	10,847	20,512	38,270
Financial assets at fair value through profit or loss	25	1,854,782	3,077,722	1,735,992	3,717,405
Prepayments, deposits and other receivables	24	129,601	345,603	570,404	651,347
Current tax assets		557	6,255	18,454	29,478
Restricted bank deposits	26	633,341	195,966	2,209,022	1,372,722
Term deposits	26	1,538,023	730,964	1,266,751	1,159,343
Cash and cash equivalents	26	2,444,564	3,357,675	5,395,121	5,615,115
Total current assets		7,932,008	10,814,777	14,749,100	17,700,498

	Notes	As of December 31, 2023	2024	2025	As of April 30, 2026
		RMB'000	RMB'000	RMB'000	RMB'000
Current liabilities					
Trade and bills payables	28	1,509,536	3,500,338	4,711,335	7,205,616
Other payables and accruals	28	407,557	530,854	515,755	2,075,227
Financial liabilities at fair value through profit or loss	25	55,993	21,562	74,908	65,470
Contract liabilities	29	190,934	264,486	479,850	614,090
Borrowings	30	2,913,533	1,010,483	3,304,459	2,591,144
Lease liabilities	32	5,232	2,979	13,915	19,360
Current tax liabilities		87,245	179,571	149,742	111,005
Total current liabilities		5,170,030	5,510,273	9,249,964	12,681,912
Net current assets		2,761,978	5,304,504	5,499,136	5,018,586
TOTAL ASSETS LESS CURRENT LIABILITIES		5,647,355	9,604,148	10,656,808	10,786,589
Non-current liabilities					
Borrowings	30	300,000	–	88,650	80,741
Deferred income	31	101,737	139,928	222,945	299,750
Lease liabilities	32	5,064	6,565	13,402	11,401
Provision		9,120	2,494	2,486	2,154
Deferred tax liabilities	19	–	445	–	–
Total non-current liabilities		415,921	149,432	327,483	394,046
Net assets		5,231,434	9,454,716	10,329,325	10,392,543
EQUITY					
Equity attributable to owners of the Company					
Share capital	33	430,081	645,291	908,684	909,352
Reserves	33	4,801,353	8,808,854	9,402,184	9,465,968
		5,231,434	9,454,145	10,310,868	10,375,320
Non-controlling interests		–	571	18,457	17,223
TOTAL EQUITY		5,231,434	9,454,716	10,329,325	10,392,543

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As of December 31, 2023	As of December 31, 2024	As of December 31, 2025	As of April 30, 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
ASSETS AND LIABILITIES					
Non-current assets					
Property, plant and equipment	15	79,382	66,189	36,027	34,347
Right-of-use assets	16	9,390	8,083	6,776	3,415
Investment properties	17	28,203	25,708	22,313	21,181
Intangible assets	18	1,432	1,792	3,181	4,648
Investment in subsidiaries	35	2,180,590	2,994,524	4,660,785	4,730,372
Prepayments, deposits and other receivables	24	279	1,750	–	248
Restricted bank deposits	26	101,447	–	–	–
Term deposits	26	101,763	342,795	132,294	133,277
Financial assets at fair value through profit or loss	25	–	–	–	50,000
Deferred tax assets	19	35,774	23,474	6,718	13,145
Total non-current assets		2,538,260	3,464,315	4,868,094	4,990,633
Current assets					
Trade receivables	22	78,317	161,534	169,520	131,749
Debt investments at fair value through other comprehensive income	23	–	–	192,424	–
Financial assets at fair value through profit or loss	25	553,344	1,651,814	696,433	847,934
Dividend receivables from subsidiaries	39	880,000	1,640,000	1,680,000	580,000
Amounts due from subsidiaries	39	51,300	36,034	122,853	9,000
Prepayments, deposits and other receivables	24	4,129	1,564	16,320	28,616
Current tax asset		–	392	1,958	8,723
Restricted bank deposits	26	125,074	14	14	14
Term deposits	26	145,648	100,552	400,414	301,115
Cash and cash equivalents	26	238,291	526,100	491,632	1,381,588
Total current assets		2,076,103	4,118,004	3,771,568	3,288,739

	Notes	As of December 31, 2023	As of December 31, 2024	As of December 31, 2025	As of April 30, 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current liabilities					
Trade and bills payables	28	187,222	334,584	3,860	102
Other payables and accruals	28	20,340	69,306	62,090	1,682,965
Amounts due to subsidiaries	39	–	49,480	150,000	3,857
Borrowings	30	1,390,999	400,195	1,193,402	1,002,010
Lease liabilities	32	1,091	1,143	1,174	–
Total current liabilities		1,599,652	854,708	1,410,526	2,688,934
Net current assets		476,451	3,263,296	2,361,042	599,805
TOTAL ASSETS LESS CURRENT LIABILITIES		3,014,711	6,727,611	7,229,136	5,590,438
Non-current liabilities					
Borrowings	30	–	–	88,650	34,081
Deferred income	31	15,974	13,313	10,232	9,485
Lease liabilities	32	4,966	3,816	2,641	–
Total non-current liabilities		20,940	17,129	101,523	43,566
Net assets		2,993,771	6,710,482	7,127,613	5,546,872
EQUITY					
Equity attributable to owners of the Company					
Share capital	33	430,081	645,291	908,684	909,352
Reserves	33	2,563,690	6,065,191	6,218,929	4,637,520
TOTAL EQUITY		2,993,771	6,710,482	7,127,613	5,546,872

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Equity attributable to owners of the Company								
	Share capital *RMB'000* *(Note 33(b))*	Treasury shares* *RMB'000* *(Note 33(c))*	Capital reserve* *RMB'000* *(Note 33(d)(i))*	Translation reserve* *RMB'000* *(Note 33(d)(ii))*	Statutory reserve* *RMB'000* *(Note 33(d)(iii))*	Retained earnings* *RMB'000*	Subtotal *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
Balance at January 1, 2023	238,934	–	1,412,489	–	119,471	2,291,575	4,062,469	27,324	4,089,793
Profit for the year	–	–	–	–	–	1,790,986	1,790,986	–	1,790,986
Other comprehensive income for the year:									
Exchange differences arising from translation of foreign operations	–	–	–	(23)	–	–	(23)	–	(23)
Total comprehensive income	–	–	–	(23)	–	1,790,986	1,790,963	–	1,790,963
Dividend declared *(Note 12)*	–	–	–	–	–	(538,215)	(538,215)	–	(538,215)
Share-based compensation *(Note 34)*	–	–	228,731	–	–	–	228,731	–	228,731
Deferred tax on share-based compensation *(Note 19)*	–	–	(2,817)	–	–	–	(2,817)	–	(2,817)
Conversion of capital reserves into share capital	191,147	–	(191,147)	–	–	–	–	–	–
Appropriations to statutory reserves	–	–	–	–	84,988	(84,988)	–	–	–
Repurchase of shares	–	(199,986)	–	–	–	–	(199,986)	–	(199,986)
Acquisition of non-controlling interest *(Note 43)*	–	–	(109,876)	–	–	–	(109,876)	(27,324)	(137,200)
Contribution from a former supervisor of the Company	–	–	165	–	–	–	165	–	165
Balance at December 31, 2023	430,081	(199,986)	1,337,545	(23)	204,459	3,459,358	5,231,434	–	5,231,434

	Equity attributable to owners of the Company								
	Share capital	**Treasury shares***	**Capital reserve***	**Translation reserve***	**Statutory reserve***	**Retained earnings***	**Subtotal**	**Non-controlling interests**	**Total equity**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 33(b))	*(Note 33(c))*	*(Note 33(d)(i))*	*(Note 33(d)(ii))*	*(Note 33(d)(iii))*				
Balance at January 1, 2024	430,081	(199,986)	1,337,545	(23)	204,459	3,459,358	5,231,434	–	5,231,434
Profit for the year	–	–	–	–	–	2,960,347	2,960,347	–	2,960,347
Other comprehensive income for the year:									
Exchange differences arising from translation of foreign operations	–	–	–	(151)	–	–	(151)	–	(151)
Total comprehensive income	–	–	–	(151)	–	2,960,347	2,960,196	–	2,960,196
Share allotment	35,997	–	1,955,754	–	–	–	1,991,751	–	1,991,751
Share issued upon exercise of share options	7,181	–	599,681	–	–	–	606,862	–	606,862
Acquisition of a subsidiary	–	–	–	–	–	–	–	571	571
Conversion of capital reserves into share capital	172,032	–	(172,032)	–	–	–	–	–	–
Subscription of share ownership plan by employees	–	199,986	(90,354)	–	–	–	109,632	–	109,632
Share-based compensation *(Note 34)*	–	–	220,475	–	–	–	220,475	–	220,475
Deferred tax on share-based compensation *(Note 19)*	–	–	11,296	–	–	–	11,296	–	11,296
Dividend declared *(Note 12)*	–	–	–	–	–	(1,677,501)	(1,677,501)	–	(1,677,501)
Appropriations to statutory reserves	–	–	–	–	118,186	(118,186)	–	–	–
Balance at December 31, 2024	645,291	–	3,862,365	(174)	322,645	4,624,018	9,454,145	571	9,454,716

	Equity attributable to owners of the Company								
	Share capital	**Treasury shares***	**Capital reserve***	**Translation reserve***	**Statutory reserve***	**Retained earnings***	**Subtotal**	**Non-controlling interests**	**Total equity**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 33(b))	*(Note 33(c))*	*(Note 33(d)(i))*	*(Note 33(d)(ii))*	*(Note 33(d)(iii))*				
Balance at January 1, 2025	645,291	–	3,862,365	(174)	322,645	4,624,018	9,454,145	571	9,454,716
Profit/(loss) for the year	–	–	–	–	–	3,170,768	3,170,768	(2,114)	3,168,654
Other comprehensive income for the year:									
Exchange differences arising from translation of foreign operations	-	–	–	6,916	–	–	6,916	–	6,916
Total comprehensive income/(loss)	-	–	–	6,916	–	3,170,768	3,177,684	(2,114)	3,175,570
Shares issued upon exercise of share options	4,983	–	300,076	–	–	–	305,059	–	305,059
Capital contribution from non-controlling interests for a subsidiary	–	–	–	–	–	–	–	20,000	20,000
Conversion of capital reserves into share capital	258,410	–	(258,410)	–	–	–	–	–	–
Share-based compensation *(Note 34)*	–	–	112,540	–	–	–	112,540	–	112,540
Deferred tax on share-based compensation *(Note 19)*	–	–	(10,655)	–	–	–	(10,655)	–	(10,655)
Dividend declared *(Note 12)*	–	–	–	–	–	(2,683,356)	(2,683,356)	–	(2,683,356)
Repurchase of shares	–	(100,018)	–	–	–	–	(100,018)	–	(100,018)
Subscription of share ownership plan by employees	–	100,018	(44,549)	–	–	–	55,469	–	55,469
Appropriations to statutory reserves	-	–	–	–	131,696	(131,696)	–	–	–
Balance at December 31, 2025	908,684	–	3,961,367	6,742	454,341	4,979,734	10,310,868	18,457	10,329,325

	Equity attributable to owners of the Company								
	Share capital	**Treasury shares***	**Capital reserve***	**Translation reserve***	**Statutory reserve***	**Retained earnings***	**Subtotal**	**Non-controlling interests**	**Total equity**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 33(b))	*(Note 33(c))*	*(Note 33(d)(i))*	*(Note 33(d)(ii))*	*(Note 33(d)(iii))*				
Balance at January 1, 2026	908,684	–	3,961,367	6,742	454,341	4,979,734	10,310,868	18,457	10,329,325
Profit/(loss) for the period	–	–	–	–	–	1,611,129	1,611,129	(1,234)	1,609,895
Other comprehensive income for the period:									
Exchange differences arising from translation of foreign operations	–	–	–	6,471	–	–	6,471	–	6,471
Total comprehensive income	–	–	–	6,471	–	1,611,129	1,617,600	(1,234)	1,616,366
Shares issued upon exercise of share options	668	–	37,115	–	–	–	37,783	–	37,783
Share-based compensation *(Note 34)*	–	–	26,290	–	–	–	26,290	–	26,290
Deferred tax on share-based compensation *(Note 19)*	–	–	19,625	–	–	–	19,625	–	19,625
Dividend declared *(Note 12)*	–	–	–	–	–	(1,636,846)	(1,636,846)	–	(1,636,846)
Balance at April 30, 2026	909,352	–	4,044,397	13,213	454,341	4,954,017	10,375,320	17,223	10,392,543

	Equity attributable to owners of the Company								
	Share capital *RMB'000* *(Note 33(b))*	Treasury shares *RMB'000* *(Note 33(c))*	Capital reserve *RMB'000* *(Note 33(d)(i))*	Translation reserve *RMB'000* *(Note 33(d)(ii))*	Statutory reserve *RMB'000* *(Note 33(d)(iii))*	Retained earnings *RMB'000*	Subtotal *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
Balance at January 1, 2025	645,291	–	3,862,365	(174)	322,645	4,624,018	9,454,145	571	9,454,716
Profit/(loss) for the period (unaudited)	–	–	–	–	–	924,644	924,644	(1,076)	923,568
Other comprehensive income for the period:									
Exchange differences arising from translation of foreign operations (unaudited)	–	–	–	429	–	–	429	–	429
Total comprehensive income (unaudited)	–	–	–	429	–	924,644	925,073	(1,076)	923,997
Shares issued upon exercise of share options (unaudited)	671	–	55,193	–	–	–	55,864	–	55,864
Share-based compensation (unaudited)	–	–	65,616	–	–	–	65,616	–	65,616
Deferred tax on share-based compensation (unaudited)	–	–	341	–	–	–	341	–	341
Balance at April 30, 2025	645,962	–	3,983,515	255	322,645	5,548,662	10,501,039	(505)	10,500,534

* These reserve accounts comprise the consolidated reserves as of December 31, 2023, 2024, 2025 and April 30, 2026 in the consolidated statements of financial position.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended December 31, 2023	2024	2025	Four months ended April 30, 2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Cash flows from operating activities						
Profit before tax		2,096,294	3,400,569	3,635,585	1,052,954	1,833,621
Adjustments for:						
Amortisation of intangible assets	10	1,503	2,732	2,377	220	1,736
Interest income from bank deposits	8(a)	(192,410)	(149,639)	(164,376)	(42,466)	(50,562)
Depreciation of property, plant and equipment	10	119,760	170,169	211,861	66,602	91,067
Depreciation of right-of-use assets	10	7,215	8,963	17,976	3,354	7,963
Equity-settled share-based payment expenses	10	228,731	220,475	112,540	65,616	26,290
Finance costs	9	72,665	43,579	57,696	14,719	16,351
Impairment loss/(reversal of impairment loss) of bills receivables, deposits and other receivables	10	4,113	17,402	3,272	(2,136)	12,168
Impairment loss of trade receivables	10	5,512	66,452	7,432	25,972	7,552
Interest income from wealth management products	8(a)	(49,405)	(72,845)	(111,187)	(22,106)	(28,516)
Loss on disposal of property, plant and equipment	8(b)	2,439	2,926	11,008	2,176	7,584
Net fair value change on financial assets/liabilities at fair value through profit or loss	8(b)	167,509	(68,926)	1,183	13,143	(42,221)
Net foreign exchange (gain)/loss	8(b)	(97,358)	(30,193)	(30,071)	(120,087)	171,913
Share of results of associates	8(b)	–	285	526	–	405
Write down of inventories	10	50,295	15,230	11,753	7,890	4,920

	Notes	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2025	Four months ended April 30, 2025	Four months ended April 30, 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Operating profit before working capital changes		2,416,863	3,627,179	3,767,575	1,065,851	2,060,271
Decrease/(increase) in inventories		61,158	(621,680)	(436,700)	(10,164)	(1,298,940)
Increase in trade and bills receivables		(11,188)	(1,207,300)	(33,891)	(398,435)	(297,506)
Decrease/(increase) in prepayments, deposits and other receivables		57,279	(269,233)	(171,128)	(32,112)	(184,615)
Increase in restricted bank deposit		–	–	(440,310)	–	(299,733)
Decrease/(increase) in debt investments at fair value through other comprehensive income		85,752	(4,930)	(9,665)	(3,139)	(17,758)
(Decrease)/increase in trade and bills payables		(428,878)	1,990,802	1,210,997	45,286	2,494,281
Increase in deferred income		70,671	38,191	83,017	41,980	76,805
Increase/(decrease) in other payables and accruals		82,760	39,237	227,944	(84,338)	(47,931)
Increase/(decrease) in provision		7,386	(6,626)	(8)	(8)	(332)
(Decrease)/increase in contract liabilities		(1,495)	73,552	215,364	65,618	134,240
Cash from operations		2,340,308	3,659,192	4,413,195	690,539	2,618,782
Interest received		100,971	111,751	110,275	36,758	24,624
Income tax paid		(360,309)	(404,284)	(537,202)	(232,889)	(376,360)
Net cash generated from operating activities		2,080,970	3,366,659	3,986,268	494,408	2,267,046

		Year ended December 31,			Four months ended April 30,	
	Notes	**2023**	**2024**	**2025**	**2025**	**2026**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(Unaudited)	
Cash flows from investing activities						
Purchases of financial assets/liabilities at fair value through profit or loss		(3,301,908)	(9,266,239)	(10,683,591)	(4,191,000)	(6,550,100)
Purchase of notes receivable		–	–	–	–	(380,913)
Purchase of property, plant and equipment		(691,046)	(460,830)	(1,133,498)	(294,735)	(333,265)
Purchase of land use right		(55,486)	–	(144,499)	–	–
Capital injection to an associate		–	(50,000)	(88,000)	(88,000)	(43,000)
Purchase of intangible assets		(2,269)	(1,585)	(8,971)	(858)	(3,847)
Proceeds from disposal of property, plant and equipment		868	3,240	2,747	536	6,323
Proceeds from disposal of land use right		–	48,150	–	–	–
Proceeds from disposal of financial assets/liabilities at fair value through profit or loss		2,579,971	8,116,633	12,040,975	3,233,909	4,583,459
Acquisition of a subsidiary	43(a)	–	39,426	–	–	–
Interest received from wealth management products		51,529	82,031	124,271	45,582	25,487
Bank interest received		57,298	45,147	7,656	4,234	30,897
Placement of term deposits		(3,931,511)	(2,085,670)	(872,683)	(690,000)	(348,246)
Release of term deposits		3,130,420	1,748,034	637,669	347,208	653,019
Placement of restricted bank deposits		(103,288)	(127,026)	(186,041)	(5,810)	–
Release of restricted bank deposits		541,208	103,288	127,026	52,789	95,680
Net cash used in investing activities		(1,724,214)	(1,805,401)	(176,939)	(1,586,145)	(2,264,506)

		Year ended December 31,			Four months ended April 30,	
	Notes	2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Cash flows from financing activities						
Dividend paid to owners of the Company	37	(538,215)	(1,677,501)	(2,683,356)	–	–
Proceeds from restricted incentive share award scheme		–	109,632	55,469	–	–
Proceeds from issue of shares upon exercise of share option		–	606,862	305,059	55,864	37,783
Interest paid	37	(71,425)	(44,357)	(56,543)	(14,244)	(13,554)
Capital contribution from non-controlling interest for a subsidiary		–	–	20,000	–	–
Payment for acquisition of non-controlling interests		(137,200)	–	–	–	–
Payment of **[REDACTED]**		–	–	(3,953)	–	(6,567)
Repurchase of shares		(199,986)	–	(100,018)	–	–
Proceeds from borrowings	37	3,672,000	4,412,290	5,773,224	2,430,020	1,425,027
Repayment of borrowings	37	(2,267,825)	(6,015,280)	(1,380,860)	(260,010)	(2,148,674)
Repayment of principal and interest amount of lease liabilities	37	(3,732)	(6,475)	(14,767)	(1,725)	(10,951)
Placement of restricted bank deposits	37	(631,500)	(70,000)	(4,026,104)	(1,295,074)	(200,000)
Release of restricted bank deposits	37	–	32,500	300,000	161,293	1,239,104
Payment of share issue expense		–	(7,751)	–	–	–
Proceeds from share allotment		–	2,000,000	–	–	–
Net cash (used in)/generated from financing activities		(177,883)	(660,080)	(1,811,849)	1,076,124	322,168
Net increase/(decrease) in cash and cash equivalents		178,873	901,178	1,997,480	(15,613)	324,708
Cash and cash equivalents at the beginning of the year/period		2,175,754	2,444,564	3,357,675	3,357,675	5,395,121
Exchange differences on translating cash and cash equivalents		89,937	11,933	39,966	100,780	(104,714)
Cash and cash equivalents at the end of the year/period		2,444,564	3,357,675	5,395,121	3,442,842	5,615,115

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "PRC") on 4 August, 2000 as a limited liability company under the Company Law of the PRC. On 29 December, 2017 the Company was converted from a limited liability company into a joint stock company. The respective addresses of the registered office and the principal place of business of the Company are stated in the section headed "Corporate Information" of the Document. Mr. Zhang Hejun is the ultimate controlling shareholder of the Company.

During the Track Record Period, the Company and its subsidiaries (together the "Group") are principally engaged in manufacturing and sale of new energy products and environment management appliances.

The statutory financial statements of the Company for the years ended December 31, 2023, 2024 and 2025 prepared in accordance with the PRC Generally Accepted Accounting Principles ("PRC GAAP") was audited by BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥), a certified public accounting firm registered in the PRC.

During the Track Record Period and as at the date of this report, the Company has direct and indirect interests in its principal subsidiaries as below:

Name of subsidiaries	*Notes*	Date and place of incorporation/ establishment	Place of operation	Issued and fully paid capital/registered capital	Percentage of equity attributable to the Company As at December 31, 2023 Direct	2023 Indirect	2024 Direct	2024 Indirect	2025 Direct	2025 Indirect	As of April 30, 2026 Direct	As of April 30, 2026 Indirect	At the date of this report Direct	At the date of this report Indirect	Principal activities	Name of auditor
Zhejiang Deye Environment Electronics Co., Ltd. 浙江德業環境電器有限公司*	1	December 29, 2003, Chinese Mainland	PRC	RMB100,000,000	100%	–	100%	–	100%	–	100%	–	100%	–	Design, development, sales and manufacture of household electronics	2023–2025: BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)
Ningbo Deye Frequency Conversion Technology Co., Ltd. 寧波德業變頻技術有限公司*	1	August 20, 2007, Chinese Mainland	PRC	RMB400,000,000	100%	–	100%	–	100%	–	100%	–	100%	–	Design, development, sales and manufacture of photovoltaic equipment and electronics	2023–2025: BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)
Ningbo Deye Environment Electronics Co., Ltd. 寧波德業環境電器有限公司*	2	April 17, 2019, Chinese Mainland	PRC	RMB170,000,000	100%	–	100%	–	100%	–	100%	–	100%	–	Sales and manufacture of household electronics	Not applicable
Cuiji Technology (Shanghai) Co., Ltd. 萃績科技(上海)有限公司*	1	April 27, 2021, Chinese Mainland	PRC	RMB100,000,000	100%	–	100%	–	100%	–	100%	–	100%	–	Technological support and research and development	2023–2025: Wuxi Hengyuan Certified Public Accountants (General Partnership) (無錫恒元會計師事務所(普通合夥))
Haiyan Deye New Energy Technology Co., Ltd. 海鹽德業新能源科技有限公司*	2	November 4, 2022, Chinese Mainland	PRC	RMB400,000,000	100%	–	100%	–	100%	–	100%	–	100%	–	Design, development, sales and manufacture of electronics, research and development	Not applicable

Name of subsidiaries	*Notes*	Date and place of incorporation/ establishment	Place of operation	Issued and fully paid capital/registered capital	Percentage of equity attributable to the Company As at December 31, 2023 Direct	2023 Indirect	2024 Direct	2024 Indirect	2025 Direct	2025 Indirect	As of April 30, 2026 Direct	As of April 30, 2026 Indirect	At the date of this report Direct	At the date of this report Indirect	Principal activities	Name of auditor
Ningbo Deye Frequency Conversion International Trade Co., Ltd. 寧波德業變頻國際貿易有限公司*	1	January 18, 2024, Chinese Mainland	PRC	RMB1,000,000,000	100%	–	100%	–	100%	–	100%	–	100%	–	International trade and sales	2024–2025: BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)
Ningbo Deye Energy Storage Technology Co., Ltd. 寧波德業儲能科技有限公司*	1	June 22, 2020, Chinese Mainland	PRC	RMB400,000,000	–	100%	–	100%	100%	–	100%	–	100%	–	Design, development, sales and manufacture of battery and electronics	2023: Ningbo Weiyuan Certified Public Accountants Co., Ltd. (寧波威遠會計師事務所有限公司) 2024–2025: BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)
DEYE INVERTER (SINGAPORE) PTE. LTD.	3	June 1, 2022, Singapore	Singapore	SGD12,000,000	–	100%	–	100%	–	100%	–	100%	–	100%	International trade and sales	2023: S.A. Assurance PAC Public Accountants and Chartered Accountants, Singapore 2024: Loke Lum PAC Public Accountants and Chartered Accountants, Singapore

Name of subsidiaries	Notes	Date and place of incorporation/ establishment	Place of operation	Issued and fully paid capital/registered capital	Percentage of equity attributable to the Company As at December 31, 2023 Direct	2023 Indirect	2024 Direct	2024 Indirect	2025 Direct	2025 Indirect	As of April 30, 2026 Direct	As of April 30, 2026 Indirect	At the date of this report Direct	At the date of this report Indirect	Principal activities	Name of auditor
Ningbo Deye International Trade Co., Ltd. 寧波德儲國際貿易有限公司*	1	May 26, 2022, Chinese Mainland	PRC	RMB100,000,000	–	100%	–	100%	–	100%	–	100%	–	100%	International trade and sales	2024–2025: BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥))
DEYE NEW ENERGY TECHNOLOGY (MALAYSIA) SDN BHD	4	January 3, 2025, Malaysia	Malaysia	MYR17,679,994	–	–	–	–	–	100%	–	100%	–	100%	Manufacturing	2025: SFAI Malaysia PLT

Notes:

(1) The financial statements of these subsidiaries for the respective year were prepared in accordance with the relevant accounting principles and financial regulations in PRC.

(2) "Not applicable" means no audited financial statements were prepared for this entity during the Track Record Period.

(3) The financial statements of this subsidiary for the years were prepared in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore.

(4) The financial statement of this subsidiary for the year was prepared in accordance with the provisions of the Companies Act 2016 and Financial Reporting Standards in Malaysia.

(5) None of the subsidiaries had issued any debt securities at the end of each of the reporting period.

* The English translation of terms or names in Chinese which are marked with "*" is for identification purposes only. In the event of any inconsistency, the Chinese terms or names shall prevail.

For the purpose of the Historical Financial Information of this report, the directors of the Company have prepared the Underlying Financial Statements in accordance with the basis of preparation set out in Note 2 below and accounting policies set out in Note 4 below which conform with IFRS Accounting Standards.

The Historical Financial Information has been prepared from the Underlying Financial Statements, with no adjustments made thereon.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards. For the purpose of preparing and presenting the Historical Financial Information, all IFRS Accounting Standards that are effective for the accounting period commencing on or after January 1, 2026 have been adopted by the Group consistently throughout the Track Record Period.

The preparation of the Historical Financial Information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 5 below.

2.2 Basis of measurement

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments which have been measured at fair value.

2.3 Functional and presentation currency

The Historical Financial Information is presented in RMB, which is the same as the functional currency of the Company.

3. NEW OR AMENDMENTS TO IFRS ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following new or amendments to IFRS Accounting Standards have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[2]

1 No mandatory effective date yet determined but available for adoption

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

The Group is in the process of making a detailed assessment of the impact of these new or amendments to IFRS Accounting Standards upon initial application. So far, the Group considers that these new or amendments to IFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies and no significant impact on the Group's financial performance and financial position is expected. The application of IFRS 18 is not expected to have a material impact on the consolidated financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows and additional disclosure will be included in the consolidated financial statements.

4. ACCOUNTING POLICIES

Basis of consolidation

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

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company 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.

Interests in an associate

An associate is an entity over which the Group 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.

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting, the financial statements of an associate used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statements of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

Fair value measurement

The Group measures certain financial instruments at fair value at the end of each reporting period. 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 Historical Financial Information 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 reporting period.

Revenue recognition and contract costs

Revenue from contracts with customers

The Group is primarily engaged in the development, manufacturing and sales of new energy products and environment management appliances. Revenue from sales of goods is recognised at the point in time when control of the goods is transferred to the customers. For most contracts, there is a fixed unit price for each product sold. Contracts with customers may include multiple performance obligations if there is a need to split one customer order into multiple deliveries. Under these circumstances, transaction prices will be allocated to different performance obligations based on relative standalone selling prices. Most of the products sold by the Group include warranties which require the Group to either replace or repair a defective product during the warranty period if the goods fail to comply with agreed-upon specifications. These warranties cannot be purchased separately and serve as an assurance that the goods sold comply with agreed-upon specifications. Such warranties are not accounted for as separate performance obligations and hence no consideration is allocated to them. Instead, a provision is made for the costs of satisfying the warranties. Further details of the recognition of revenue and contract costs by distribution channel is as follows:

Sales directly to consumers, manufacturers and distributors as customers

Majority of these sales are free carrier (FCA) for local sales and free on board (FOB) shipping point for export sales. Revenue is recognised upon collection by a carrier designated by the customer under FOB shipping point arrangement, or upon arrival at the customer's designated location under FCA arrangement; and the goods have either been accepted by the customers or there is objective evidence that the goods provided meet the required specification. At this point of time, the Group does not have physical possession of the asset but has a present right to payment; and the customer has legal title, and the significant risks and rewards of ownership of the asset and is able to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Shipping and handling activities performed prior to the customer obtaining control of the goods are accounted for as fulfilment activities and are not a promised good or service. Shipping and handling costs, associated with the distribution of the goods to the customers, are recognised in cost of sales when control of the goods is transferred to the customer.

For contract with some of the customers, the Group can require the return of the products or transfer it to another third party, and the customer does not have an unconditional obligation to pay for the products until the customer remove the products from their warehouse for production or other use. Revenue is recognised by the Group at that point of time, as that is when the transfer of control typically occurs.

Sales via third party's ecommerce platforms

The Group sets up online stores on third party's ecommerce platforms to sell the Group's products to end customers offline. The third party's ecommerce platforms provide services to the Group including processing of customer orders and delivery of goods to end customers through their own or third-party logistics after receiving payments from end customers. The third party's ecommerce platforms do not take control of the goods and have no discretion over the manner and the price to sell the products, and the Group is primarily responsible for fulfilling the obligations to provide the ordered products to the end customers. Therefore, the Group determines that the end customers are the Group's customers. The sales contracts with end customers usually include a customer's right to return products within 7 days after receipt of goods.

The Group recognises revenue from sales to end customers upon delivery of the product to end customers in an amount equal to the contract sales prices less any allowances for sales returns and any value added tax. At this point of time, the goods have either been accepted by the customers or there is objective evidence that the goods provided meet the required specification, the Group does not have physical possession of the asset but has a present right to payment; and the customer has legal title, and the significant risks and rewards of ownership of the asset and is able to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Allowance for sales return is estimated to be immaterial based on historical data on returns for specified products, using expected value approach. The platforms charge the Group service fees for processing the customer orders, which are considered as incremental costs of obtaining a contract, and are expensed as incurred because the amortisation period of the asset is less than one year. Service fees charged to the Group for goods delivery are considered as costs to fulfil a contract, and are recognised in cost of sales when control of the goods is transferred to the end customers.

Contract balance

Customers are either required to provide upfront payments to secure an order, or are required to pay when the control of the promised goods is transferred, usually payable within 60 to 90 days from the date of accepting a customer order or date of invoice. A contract liability is recognised when the Group receives consideration in advance of transferring control of the promised goods. A receivable is recognised when the control of the promised goods has been transferred to the customers but the Group has not received the consideration, as this represents the point of time at which the right to consideration becomes unconditional, and only the passage of time is required before payment is due.

Other income

Interest income is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset, when the asset is not credit-impaired. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, the calculation of interest income reverts to the gross basis.

Property, plant and equipment

Property, plant and equipment, other than freehold land and construction-in-progress, are stated at cost less accumulated depreciation and any accumulated 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.

Property, plant and equipment are depreciated so as to write off their costs net of estimated residual values over their estimated useful lives on straight-line method. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of reporting period. The useful lives are as follows:

Property and buildings	20 years
Machinery	10 years
Motor vehicles	5 years
Electronic equipment and others	3–5 years
Leasehold improvements	Shorter of remaining lease terms and estimated useful lives

Freehold land and construction-in-progress are stated at cost less any impairment losses and are not depreciated. Cost comprises direct costs of construction during the periods of construction and installation. The construction in progress is transferred to the appropriate classes of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of reporting period.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

Intangible assets

Intangible assets acquired are initially recognised at cost. Subsequently, intangible assets with definite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

The amortisation expense is recognised in profit or loss. The useful lives and amortisation method are reviewed, and adjusted if appropriate, at the end of each reporting period. Amortisation is provided on a straight-line basis over their useful lives. The estimated useful lives of software are 3 to 5 years.

Research and development costs

Costs associated with research activities are expensed in profit or loss as they occur. Costs that directly attributable to the development activities are recognised as intangible assets provided they meet the following recognition requirements:

(i) demonstration of technical feasibilities of the prospective product for internal use or sale;

(ii) sufficient technical, financial and other resources are available for completion;

(iii) there is intention to complete the intangible asset and use or sell it;

(iv) the Group's ability to use or sell the intangible asset is demonstrated;

(v) the intangible asset will generate probable economic benefits through internal use or sale; and

(vi) the expenditure attributable to the intangible asset can be reliably measured.

Capitalised development costs are amortised over the periods the Group expects to benefit from using or selling the products developed.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are expensed as incurred.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis 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 to make the sale.

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.

(a) 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.

(b) Right-of-use asset

Right-of-use assets are recognised at the commencement date of the lease (that is 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:

Other properties leased for own use	2–5 years
Land use right	32–50 years

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.

(c) Lease liability

Lease liabilities are recognised 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 recognised 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.

Investments and other financial assets

Initial recognition and measurement

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

In order for a financial asset to be classified and measured at amortised 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 consolidated statement of financial position at fair value with net changes in fair value recognised in profit or loss.

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 passthrough 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 each reporting date, 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 reporting date 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 considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group considers a financial asset in default when contractual payments are is more than 90 days past due, unless the Group has reasonable and supportable information demonstrating that a more lagging default criterion is more appropriate. However, in certain cases, the Group may also consider a financial asset 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 reporting date (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, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. 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, as subsequently measured at amortised cost or at fair value through profit and loss.

All financial liabilities are recognised initially at fair value and in the case of financial liabilities not at fair value through profit or loss, 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 borrowings.

Subsequent measurement

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

Financial liabilities at amortised cost

After initial recognition, trade and bills payables, financial liabilities included in other payables and accruals, and borrowings are subsequently measured at amortised cost, using the effective interest 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.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as foreign currency forward contracts to manage its currency risk exposure. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

Cash and cash equivalents

Cash and cash equivalents in the statement 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.

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 reporting period, 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 reporting period 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 and associates, 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 carryforward 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 carryforward of unused tax credits and unused tax losses can be utilised, except:

- where 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 and associates, 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 reporting period 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 reporting period.

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 at their fair value where there is reasonable assurance that the grant will be received and all attaching 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 costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Share-based payments

The Company operates three share incentive schemes. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange 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 at which they are granted.

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 of the reporting period 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 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 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.

Other employee benefits

Pension schemes

The Group contributes on a monthly basis to various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Foreign currencies

This 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 reporting period. 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.

5. 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.

Judgement

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

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are disclosed below.

Share-based payment expenses

The Group recognises share-based compensation expense for equity-settled employee awards based on the fair value of the Company's share options at the grant date, and adjusted for estimated forfeitures. The grant date fair value of the shares of the employee incentive schemes is determined by an external valuer using a Black-Scholes-Merton model, further details of which are given in Note 34 to the Historical Financial Information.

Since the awards are subject to service conditions (e.g., continued employment over a specified period) and performance conditions (e.g., achievement of Group's profit targets and individual performance metrics), significant judgment is required to estimate the number of awards expected to vest, particularly due to subjective factors such as:

- likelihood of meeting profit targets,
- individual performance evaluations, and
- expected staff turnover rates.

At each reporting date, the Group assesses the probability of meeting performance conditions by reviewing internal forecasts, macroeconomic factors, and grantees' performance. Forfeiture assumptions are also updated using historical staff turnover data, though these trends may change over time. These estimates are inherently uncertain, particularly for awards with longer vesting periods, and changes in assumptions could materially affect the Group's financial statements. Specifically, higher probability of meeting performance conditions and lower staff turnover would result in additional expenses being recognised as more awards are expected to vest and lower probability of meeting performance conditions and higher staff turnover would result in less expense being recognised as fewer awards are expected to vest.

Provision for expected credit losses on financial assets

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 is disclosed in Note 42 to the Historical Financial Information.

Inventory provision determined on net realisable value

According to the inventory accounting policy, the Group measures the inventory at the lower of cost and net realisable value, and makes inventory provision for the obsolete inventory, slow-moving inventory and the inventory of which the cost is higher than their net realisable value. At the end of each reporting period, the Group reviews whether individual inventory items are obsolete or stagnant and whether their net realisable value is lower than their cost. The write down of inventory is based on the assessment of the inventory's merchantability and its net realisable value. Identification of inventory impairment requires management to make judgements and estimates based on solid evidence and factors such as the purpose of holding the inventory and the impact of events after the end of each reporting period. The difference between the actual result and the original estimate will affect the carrying amount of inventories and the accrual or reversal of inventory provision during the period in which the estimate is changed.

6. SEGMENT INFORMATION

Operating segment information

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment focuses on revenue analysis by products. No other discrete financial information is provided to the CODM other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures, major customers and geographical information are presented.

Geographical information

The Group's revenue information is based on the registration region of the customers.

	Year ended December 31,			**Four months ended April 30,**	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(Unaudited)	
PRC	3,141,802	3,259,319	2,476,016	962,045	765,068
Outside PRC	4,337,904	7,947,149	9,747,727	2,569,350	5,415,343
Total revenue	7,479,706	11,206,468	12,223,743	3,531,395	6,180,411

During each of the reporting period, the Group's revenue from external customers was substantially attributable to the Group's entities registered in the PRC.

Information about the Group's non-current assets (other than financial assets and deferred tax assets) by geographical location of the assets are presented below:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
PRC	2,305,904	2,600,930	3,164,611	3,320,971
Malaysia	–	–	289,295	391,063
Others	–	13,562	99,891	99,758
Total	2,305,904	2,614,492	3,553,797	3,811,792

Non-current assets (other than financial assets and deferred tax assets) include property, plant and equipment, right-of-use assets, intangible assets, prepayments and interests in associates. The non-current assets information above is based on the physical locations of the assets or the locations of the operations.

Information about major customers

Revenue from major customers, each of them accounting for 10% or more of the Group's revenue for the corresponding period, is set out below:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Customer A	1,452,628	–*	–*	–*	–*
Customer B	1,346,006	1,954,825	–*	478,210	–*
Customer C	817,552	–*	–*	–*	–*
Customer D	–*	1,526,182	1,742,478	–*	618,123

* The corresponding revenue is not disclosed as it did not contribute over 10% of the total revenue of the Group during that year/period.

7. REVENUE

The Group principally engaged in sales of new energy products and environment management appliances. All the Group's revenue is derived from contracts with customers.

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(Unaudited)	
Revenue from sales of products at a point in time					
New energy business					
– Energy storage inverters	3,501,237	4,387,333	5,217,464	1,382,462	2,616,803
– Energy storage batteries	884,323	2,451,296	3,832,409	909,938	2,756,391
– PV inverters	908,052	1,135,481	1,053,556	349,328	329,700
– Inverter accessories and others	20,202	42,909	77,093	51,807	99,080
	5,313,814	8,017,019	10,180,522	2,693,535	5,801,974
Environment management appliances business					
– Dehumidifiers	703,877	969,174	805,298	241,103	193,318
– Solar air conditioners	66,390	208,508	240,967	96,748	130,974
– Heat exchangers	1,344,525	1,954,852	937,656	478,881	25,365
– Others	21,760	11,853	21,375	6,745	10,902
	2,136,552	3,144,387	2,005,296	823,477	360,559
Others	29,340	45,062	37,925	14,383	17,878
	7,479,706	11,206,468	12,223,743	3,531,395	6,180,411

The Group's customer contracts are for the delivery of goods within the next 12 months from the respective contract inception dates and the Group had applied the practical expedient in paragraph 121(a) of IFRS 15 for not disclosing amount of transaction price allocated to the remaining performance obligations under the contracts. The Group had also taken advantage of the practical expedient in paragraph 63 of IFRS 15 for not accounting for any significant financing component given the time difference between receiving consideration and transferring control of goods to its customers is one year or less.

8. OTHER INCOME, OTHER GAINS AND OTHER LOSSES, NET

(a) Other income

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Interest income from bank deposits	192,410	149,639	164,376	42,466	50,562
Interest income from wealth management products	49,405	72,845	111,187	22,106	28,516
Government grants *(Note)*					
– related to assets	8,637	13,039	22,783	5,830	10,353
– related to income	41,715	40,665	53,145	34,125	16,487
	50,352	53,704	75,928	39,955	26,840
Value-added tax input tax deduction	–	47,778	44,542	17,276	25,940
Others	433	1,251	1,142	1,142	2,786
	292,600	325,217	397,175	122,945	134,644

Note: Government grants mainly comprised of subsidies received/receivable for subsidising the Group's business. There was no unfulfilled condition to receive government grants at the end of each reporting period.

(b) Other gains and other losses, net

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Donation	(881)	(3,079)	(9,957)	(168)	–
Loss on disposal of property, plant and equipment	(2,439)	(2,926)	(11,008)	(2,176)	(7,584)
Net fair value change on financial assets/liabilities at fair value through profit or loss	(167,509)	68,926	(1,183)	(13,143)	42,221
Share of results of associates	–	(285)	(526)	–	(405)
Net foreign exchange gain/(loss)	97,358	30,193	30,071	120,087	(171,913)
Others	226	(697)	2,458	2,310	(2,139)
	(73,245)	92,132	9,855	106,910	(139,820)

9. FINANCE COSTS

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Interest on borrowings	72,460	43,296	56,825	14,585	15,977
Interest on lease liabilities *(Note 32)*	205	283	871	134	374
	72,665	43,579	57,696	14,719	16,351

10. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting) the following:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Cost of inventories recognised as expenses	4,406,677	6,676,695	7,376,416	1,957,835	3,252,655
Auditors' remuneration	1,179	1,179	1,415	279	1,415
Depreciation charge:					
– Owned property, plant and equipment *(Note 15)*	119,760	170,169	211,861	66,602	91,067
– Right-of-use assets *(Note 16)*	7,215	8,963	17,976	3,354	7,963
Amortisation of intangible assets *(Note 18)*	1,503	2,732	2,377	220	1,736
Short-term lease expenses	336	4,667	15,408	4,854	5,028
Write down of inventories *(Note)*	50,295	15,230	11,753	7,890	4,920
[REDACTED]	–	–	–	–	1,348
Employee benefit expenses (including directors' emoluments *(Note 14)*):					
– Salaries, bonuses, allowance and benefits in kind	596,384	848,919	975,639	302,005	428,055
– Retirement scheme contributions	30,361	48,847	60,531	18,186	29,868
– Equity-settled share-based payments *(Note 34)*	228,731	220,475	112,540	65,616	26,290
	855,476	1,118,241	1,148,710	385,807	484,213
Impairment loss/(reversal of impairment loss) on financial assets, net *(Note 42(b))*:					
– Trade receivables	5,512	66,452	7,432	25,972	7,552
– Bills receivables, deposits and other receivables	4,113	17,402	3,272	(2,136)	12,168
	9,625	83,854	10,704	23,836	19,720

Note: For the year ended December 31, 2023, write down of inventories of RMB50,295,000 were recognised as an expense, primarily due to product returns of certain micro inverters sold to Germany. For the years ended December 31, 2024 and 2025 and the four months ended April 30, 2025 and 2026, write down of inventories of RMB15,230,000, RMB11,753,000, RMB7,890,000 (unaudited) and RMB4,920,000, respectively were recognised as expenses mainly due to certain obsolete and slow-moving inventories.

11. INCOME TAX EXPENSES

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(Unaudited)	
Current tax					
PRC					
– Tax for the year/period	353,241	481,239	469,227	108,275	281,950
– (Over)/under provision in respect of prior years/periods	(186)	12	19,302	4,645	21,697
Elsewhere					
– Tax for the year/period	–	9,661	6,645	8,834	22,952
	353,055	490,912	495,174	121,754	326,599
Deferred tax					
– Origination and reversal of temporary differences *(Note 19)*	(47,747)	(50,690)	(28,243)	7,632	(102,873)
	305,308	440,222	466,931	129,386	223,726

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

Pursuant to the income tax rules and regulations of the PRC, the provision for PRC Enterprise Income Tax of the group entities is calculated based on the statutory tax rate of 25% during the Track Record Period, except for (a) Ningbo Deye Inverter Technology Co. Ltd. which is registered as a High and New-Tech enterprises pursuant to the PRC tax regulations and entitled to a preferential tax rate of 15% for the years ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026; (b) Zhejiang Deye Environmental Electric Co., Ltd which is registered as a High and New-Tech enterprises pursuant to the PRC tax regulations and entitled to a preferential tax rate of 15% for the year ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026; and (c) Ningbo Deye Ess Technology Co., Ltd. which is registered as a High and New-Tech enterprises pursuant to the PRC tax regulations and entitled to a preferential tax rate of 15% for the years ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026.

Certain PRC subsidiaries of the Group qualified as "Small Low-profit Enterprises" and were subject to a concessionary PRC Enterprise Income Tax rate of 20%. Throughout the Track Record Period, four subsidiaries consistently qualified for this preferential tax rate in all periods: Shanghai Cuiji Electric Power Engineering Co., Ltd., Jiaxing Deye International Trade Co., Ltd., Shanghai Cuiji International Trade Co., Ltd., and Cuiji New Energy (Taizhou) Co., Ltd. In addition, Zhejiang Deye HVAC Technology Co., Ltd., Ningbo Deye Electrical Supply Chain Co., Ltd., Zhejiang Deye New Energy Co., Ltd., and Cuiji Electrical (Haiyan) Co., Ltd. were newly added from 2024. For the year ended December 31, 2025, the list further expanded to include Zhejiang Deye Electrical Co., Ltd., Deye Colinbao (Baoding) Co., Ltd., Deye Colinbao Electrical (Chengdu) Co., Ltd., Nanjing Colinbao Electrical Co., Ltd., Deye Supply Chain (Changsha) Co., Ltd., Ningbo Colinbao Environmental Electrical Co., Ltd., Deye Colinbao Electrical (Wuhan) Co., Ltd., Deye Colinbao Electrical (Chongqing) Co., Ltd., Deye Colinbao Electrical (Shanghai) Co., Ltd., Deye Colinbao (Xi'an) Electrical Co., Ltd., Ningbo Colinbao Electrical Co., Ltd., Deye Electrical (Zhuhai) Co., Ltd., and Ningbo Dehui New Energy Development Co., Ltd.

The Company's other overseas subsidiaries are subject to income tax at rates ranging from 16.50% to 30.00%.

The income tax expense for each of the reporting periods can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Profit before tax	2,096,294	3,400,569	3,635,585	1,052,954	1,833,621
Tax calculated at applicable tax rate of 25%	524,074	850,142	908,876	263,239	458,405
Effect of different applicable tax rates for specific jurisdictions or enacted by local authority	(213,833)	(345,869)	(351,491)	(89,603)	(226,115)
(Over)/under provision in respect of prior years/periods	(186)	12	19,302	4,645	21,697
Tax effect of expenses not deductible for tax purpose	1,937	2,869	1,592	541	16
Utilisation of previously unrecognised tax loss	(19,215)	(12)	(2,601)	(1,698)	(1,357)
Tax effect of deductible temporary difference and tax losses not recognised	66,274	19,489	13,498	1,918	10,006
Tax incentive for research and development costs	(46,891)	(76,523)	(96,007)	(38,089)	(32,709)
Others	(6,852)	(9,886)	(26,258)	(11,567)	(6,217)
Income tax expense	305,308	440,222	466,931	129,386	223,726

12. DIVIDENDS

(i) Dividends payables to equity shareholders of the Company attributable to the year/period

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Interim dividend declared and paid during the year/period (tax inclusive)	–	774,331	1,003,692	–	–
Final dividends proposed after the end of reporting period (tax inclusive)	903,170	1,679,664	1,636,846	–	–

During the year ended December 31, 2023 and the four months ended April 30, 2025 and 2026, the Company did not declare or pay any interim dividend. The Company declared and paid interim dividend of RMB1.2 (tax inclusive) per share and RMB1.108 (tax inclusive) per share to equity shareholders during the years ended December 31, 2024 and 2025, respectively.

For the years ended December 31, 2023, 2024 and 2025, the Company proposed final dividend of RMB21 (inclusive of tax) per 10 shares, RMB2.6 (inclusive of tax) per share and RMB1.8 (inclusive of tax) per share, respectively. For the four months ended April 30, 2025 and 2026, the Company did not propose any final dividend.

The final dividend proposed after the end of each reporting period has not been recognised as a liability at the end of each reporting period.

(ii) Dividends payables to equity shareholders of the Company attributable to the previous financial year, approved during the year/period

	Year ended December 31,			**Four months ended April 30,**	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Final dividends approved during the year/period (tax inclusive)	538,215	903,170	1,679,664	–	1,636,846

13. EARNINGS PER SHARE

The calculation of the basic earnings per share amounts is based on the profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding during each of the reporting period, which has been adjusted retrospectively for the increase in number of ordinary shares from the conversion of capital reserves as disclosed in Note 33(b) and Note 45(ii).

No adjustment has been made to the basic earnings per share amounts presented for the years ended December 31, 2023, 2024 and 2025, and for the four months ended April 30, 2025 and 2026 in respect of a dilution as the impact of the share incentive schemes had no dilutive effect on the basic earnings per share amounts presented.

	Year ended December 31,			**Four months ended April 30,**	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Profit for the year/period attributable to owners of the Company *(RMB'000)*	1,790,986	2,960,347	3,170,768	924,644	1,611,129
Weighted average number of ordinary shares *(Number of shares in thousand)*	1,179,493	1,212,815	1,264,403	1,261,640	1,272,618
Basic and diluted earnings per share *(RMB)*	1.52	2.44	2.51	0.73	1.27

14. DIRECTORS' AND SUPERVISORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' and supervisors' emoluments

Details of directors' and supervisors' emoluments during each of the reporting period are as follows:

	Fees	Salaries, allowance and other benefits	Discretionary bonus	Retirement scheme contributions	Equity-settled share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2023						
Executive directors						
Mr. Zhang Hejun	–	1,200	7,600	–	–	8,800
Mr. Zhang Dongye	–	1,080	6,900	–	–	7,980
Mr. Zhang Dongbin	–	780	6,900	–	–	7,680
Mr. Tan Zui	–	720	2,100	16	1,863	4,699
	–	3,780	23,500	16	1,863	29,159
Independent non-executive directors						
Mr. Hu Liming *(Note (a))*	83	–	–	–	–	83
Mr. Zhu Weiyuan *(Note (b))*	83	–	–	–	–	83
Mr. Tao Hongzhi *(Note (c))*	83	–	–	–	–	83
Mr. Zhu Yihong *(Note (d))*	8	–	–	–	–	8
Mr. Zhu Chenggang *(Note (e))*	8	–	–	–	–	8
Mr. Sha Liangliang *(Note (f))*	8	–	–	–	–	8
	273	–	–	–	–	273
Supervisors						
Mr. Liu Yuanjin *(Note (g))*	–	276	–	15	–	291
Ms. Le Jingna *(Note (h))*	–	8	30	16	–	54
Mr. Le Feijun	–	90	–	–	–	90
Mr. Lai Erhang	–	241	260	16	–	517
	–	615	290	47	–	952

Notes:

(a) Mr. Hu Liming resigned as independent director with effective on 4 December 2023 due to expiration of his term as per PRC laws for A Share companies.

(b) Mr. Zhu Weiyuan resigned as independent director with effective on 4 December 2023 due to expiration of his term as per PRC laws for A Share companies.

(c) Mr. Tao Hongzhi resigned as independent director with effective on 4 December 2023 due to expiration of his term as per PRC laws for A Share companies.

(d) Mr. Zhu Yihong was appointed as independent director with effective on 4 December 2023.

(e) Mr. Zhu Chenggang was appointed as independent director with effective on 4 December 2023.

(f) Mr. Sha Liangliang was appointed as independent director with effective on 4 December 2023.

(g) Mr. Liu Yuanjin resigned as supervisor with effective on 4 December 2023.

(h) Ms. Le Jingna was appointed as supervisor with effective on 4 December 2023.

	Fees	Salaries, allowance and other benefits	Discretionary bonus	Retirement scheme contributions	Equity-settled share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2024						
Executive directors						
Mr. Zhang Hejun	–	1,200	7,600	–	–	8,800
Mr. Zhang Dongye	–	1,080	6,900	–	–	7,980
Mr. Zhang Dongbin	–	780	6,900	–	–	7,680
Mr. Tan Zui	–	720	1,300	519	1,665	4,204
	–	3,780	22,700	519	1,665	28,664
Independent non-executive directors						
Mr. Zhu Yihong	90	–	–	–	–	90
Mr. Zhu Chenggang	90	–	–	–	–	90
Mr. Sha Liangliang	90	–	–	–	–	90
	270	–	–	–	–	270
Supervisors						
Ms. Le Jingna	–	100	32	18	–	150
Mr. Le Feijun	–	90	–	–	–	90
Mr. Lai Erhang	–	240	260	18	–	518
	–	430	292	36	–	758

	Fees	Salaries, allowance and other benefits	Discretionary bonus	Retirement scheme contributions	Equity-settled share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2025						
Executive directors						
Mr. Zhang Hejun	–	1,202	7,000	–	–	8,202
Mr. Zhang Dongye	–	1,081	5,500	–	–	6,581
Mr. Zhang Dongbin	–	780	5,500	–	–	6,280
Mr. Tan Zui	–	720	1,700	21	671	3,112
	–	3,783	19,700	21	671	24,175
Independent non-executive directors						
Mr. Zhu Yihong	90	–	–	–	–	90
Mr. Zhu Chenggang	90	–	–	–	–	90
Mr. Sha Liangliang	90	–	–	–	–	90
	270	–	–	–	–	270
Supervisors						
Ms. Le Jingna *(Note (a))*	–	118	20	20	–	158
Mr. Le Feijun *(Note (b))*	–	79	–	–	–	79
Mr. Lai Erhang *(Note (c))*	–	220	167	19	9	415
	–	417	187	39	9	652

Notes:

(a) Ms. Le Jingna resigned as a supervisor and was appointed as a non-executive director with effective on 14 November 2025.

(b) Mr. Le Feijun resigned as a supervisor with effective on 14 November 2025.

(c) Mr. Lai Erhang resigned as a supervisor with effective on 14 November 2025.

	Fees	**Salaries, allowance and other benefits**	**Discretionary bonus**	**Retirement scheme contributions**	**Equity-settled share-based payments**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*
Four months ended April 30, 2025						
Executive directors						
Mr. Zhang Hejun	–	401	2,333	–	–	2,734
Mr. Zhang Dongye	–	361	1,833	–	–	2,194
Mr. Zhang Dongbin	–	260	1,833	–	–	2,093
Mr. Tan Zui	–	240	567	7	447	1,261
	–	1,262	6,566	7	447	8,282
Independent non-executive directors						
Mr. Zhu Yihong	30	–	–	–	–	30
Mr. Zhu Chenggang	30	–	–	–	–	30
Mr. Sha Liangliang	30	–	–	–	–	30
	90	–	–	–	–	90
Supervisors						
Ms. Le Jingna	–	35	7	7	–	49
Mr. Le Feijun	–	30	–	–	–	30
Mr. Lai Erhang	–	80	56	7	–	143
	–	145	63	14	–	222

	Fees	**Salaries, allowance and other benefits**	**Discretionary bonus**	**Retirement scheme contributions**	**Equity-settled share-based payments**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Four months ended April 30, 2026						
Executive directors						
Mr. Zhang Hejun	–	1,093	3,631	–	–	4,724
Mr. Zhang Dongye	–	877	2,914	–	–	3,791
Mr. Zhang Dongbin	–	837	2,780	–	–	3,617
Mr. Tan Zui	–	322	1,072	7	199	1,600
	–	3,129	10,397	7	199	13,732
Non-executive director						
Ms. Le Jingna *(Note (a))*	–	43	3	7	–	53

	Fees	Salaries, allowance and other benefits	Discretionary bonus	Retirement scheme contributions	Equity-settled share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Independent non-executive directors						
Mr. Zhu Yihong	30	–	–	–	–	30
Mr. Zhu Chenggang	30	–	–	–	–	30
Mr. Sha Liangliang	30	–	–	–	–	30
Mr. Lo Chi Chiu *(Note (b))*	–	–	–	–	–	–
	90	–	–	–	–	90

Notes:

(a) Ms. Le Jingna resigned as a supervisor and was appointed as a non-executive director with effective on 14 November 2025.

(b) Mr. Lo Chi Chiu was appointed as an independent non-executive director with effective on 15 January 2026.

There was no arrangement under which directors or the supervisors waived or agreed to waive any emoluments during the each of the reporting period.

(b) Five highest-paid individuals

Of the five individuals with the highest emoluments in the Group, included 4, 4, 4, 4 and 4 directors of the Company for each of the years ended December 31, 2023, 2024 and 2025 and the four months ended April, 30 2025 and 2026 respectively, whose emoluments are disclosed above. The emoluments of the individuals for each of the years ended December 31, 2023, 2024 and 2025 and the four months ended April, 30 2025 and 2026, respectively, whose emoluments are analysed below:

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Salaries, allowances and other benefits	4,622	4,620	4,634	1,503	3,804
Discretionary bonus	27,800	26,500	23,900	7,800	12,633
Retirement scheme contributions	32	1,037	41	52	14
Equity-settled share-based payments	5,588	5,009	2,028	2,093	598
	38,042	37,166	30,603	11,448	17,049

The number of the highest-paid individuals fell within the following emolument band:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
HK$1,000,001 to HK$1,500,000	–	–	–	1	–
HK$1,500,001 to HK$2,000,000	–	–	–	–	1
HK$2,000,001 to HK$2,500,000	–	–	–	2	–
HK$2,500,001 to HK$3,000,000	–	–	–	1	–
HK$3,000,001 to HK$3,500,000	–	–	1	1	–
HK$3,500,001 to HK$4,000,000	–	–	–	–	1
HK$4,000,001 to HK$4,500,000	–	–	–	–	2
HK$4,500,001 to HK$5,000,000	–	1	–	–	–
HK$5,000,001 to HK$5,500,000	1	–	–	–	1
HK$6,500,001 to HK$7,000,000	–	–	1	–	–
HK$7,000,001 to HK$7,500,000	–	–	2	–	–
HK$8,000,001 to HK$8,500,000	–	1	–	–	–
HK$8,500,001 to HK$9,000,000	2	1	–	–	–
HK$9,000,001 to HK$9,500,000	–	1	1	–	–
HK$9,500,001 to HK$10,000,000	2	1	–	–	–
	5	5	5	5	5

During each of the reporting period, no emoluments were paid by the Group to any director or any of the five highest-paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. There were no arrangements under which a director waived or agreed to waive any emolument during each of the reporting period.

15. PROPERTY, PLANT AND EQUIPMENT

The Group

	Freehold land	Property and buildings	Machinery	Motor vehicles	Electronic equipment and others	Leasehold improvement	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:								
At January 1, 2023	–	759,725	388,827	32,355	123,961	12,278	462,770	1,779,916
Additions	–	–	56,662	7,771	14,022	16,470	579,002	673,927
Transfer	–	493,778	180,148	1,306	54,913	23,812	(753,957)	–
Disposals/written off	–	–	(6,024)	(328)	–	–	–	(6,352)
At December 31, 2023 and January 1, 2024	–	1,253,503	619,613	41,104	192,896	52,560	287,815	2,447,491
Additions	–	–	65,323	7,823	38,691	3,086	389,422	504,345
Acquisition of a subsidiary *(Note 43(a))*	–	–	–	–	3,314	–	9,275	12,589
Transfer	–	7,468	30,629	88	5,305	–	(43,490)	–
Disposals/written off	–	–	(3,676)	(1,526)	(355)	–	–	(5,557)
At December 31, 2024 and January 1, 2025	–	1,260,971	711,889	47,489	239,851	55,646	643,022	2,958,868
Additions	219,286	149	62,853	9,831	48,136	14,827	575,833	930,915
Transfer	–	779,822	42,733	136	44,689	–	(867,380)	–
Disposals/written off	–	–	(21,726)	(3,101)	(3,832)	–	–	(28,659)
Exchange difference	5,337	–	–	(9)	1	–	–	5,329
At December 31, 2025 and January 1, 2026	224,623	2,040,942	795,749	54,346	328,845	70,473	351,475	3,866,453
Additions	–	–	18,708	454	21,088	13,024	231,937	285,211
Transfer	–	5,339	22,798	–	12,856	–	(40,993)	–
Disposals/written off	–	–	(17,633)	(252)	(4,831)	–	–	(22,716)
Exchange difference	–	–	104	(1)	(106)	–	–	(3)
At April 30, 2026	224,623	2,046,281	819,726	54,547	357,852	83,497	542,419	4,128,945
Accumulated depreciation:								
At January 1, 2023	–	99,227	100,138	23,327	39,215	168	–	262,075
Charge for the year	–	39,680	36,274	5,400	30,003	8,403	–	119,760
Disposals/written off	–	–	(2,867)	(114)	–	–	–	(2,981)
At December 31, 2023 and January 1, 2024	–	138,907	133,545	28,613	69,218	8,571	–	378,854
Charge for the year	–	59,221	54,984	7,202	37,098	11,664	–	170,169
Disposals/written off	–	–	(1,923)	(1,363)	(116)	–	–	(3,402)
At December 31, 2024 and January 1, 2025	–	198,128	186,606	34,452	106,200	20,235	–	545,621
Charge for the year	–	72,234	66,899	8,206	49,278	15,244	–	211,861
Disposals/written off	–	–	(10,118)	(2,395)	(2,504)	–	–	(15,017)
Exchange difference	–	–	–	(1)	–	–	–	(1)
At December 31, 2025 and January 1, 2026	–	270,362	243,387	40,262	152,974	35,479	–	742,464
Charge for the period	–	31,132	30,611	3,236	20,745	5,343	–	91,067
Disposals/written off	–	–	(2,463)	(221)	(2,877)	–	–	(5,561)
Exchange difference	–	–	–	(5)	–	–	–	(5)
At April 30, 2026	–	301,494	271,535	43,272	170,842	40,822	–	827,965
Net carrying amount:								
At December 31, 2023	–	1,114,596	486,068	12,491	123,678	43,989	287,815	2,068,637
At December 31, 2024	–	1,062,843	525,283	13,037	133,651	35,411	643,022	2,413,247
At December 31, 2025	224,623	1,770,580	552,362	14,084	175,871	34,994	351,475	3,123,989
At April 30, 2026	224,623	1,744,787	548,191	11,275	187,010	42,675	542,419	3,300,980

The Company

	Property and buildings *RMB'000*	Machinery *RMB'000*	Motor vehicles *RMB'000*	Electronic equipment and others *RMB'000*	Total *RMB'000*
Cost:					
At January 1, 2023	61,300	83,397	12,772	22,182	179,651
Additions	–	–	851	4,219	5,070
Transferred from investment properties *(Note 17)*	9,473	–	–	–	9,473
Transferred to investment properties *(Note 17)*	(15,918)	–	–	–	(15,918)
Disposals/written off	–	(8,908)	(328)	(1,209)	(10,445)
At December 31, 2023 and January 1, 2024	54,855	74,489	13,295	25,192	167,831
Additions	–	–	457	–	457
Disposals/written off	–	(1,150)	–	–	(1,150)
At December 31, 2024 and January 1, 2025	54,855	73,339	13,752	25,192	167,138
Disposals/written off	–	(61,125)	–	–	(61,125)
At December 31, 2025 and January 1, 2026	54,855	12,214	13,752	25,192	106,013
Additions	–	–	237	–	237
Disposals/written off	–	–	(188)	–	(188)
At April 30, 2026	54,855	12,214	13,801	25,192	106,062
Accumulated depreciation:					
At January 1, 2023	23,094	37,141	6,973	15,454	82,662
Charge for the year	3,274	6,197	1,728	1,614	12,813
Transferred from investment properties *(Note 17)*	2,698	–	–	–	2,698
Transferred to investment properties *(Note 17)*	(5,357)	–	–	–	(5,357)
Disposals/written off	–	(3,355)	(114)	(898)	(4,367)
At December 31, 2023 and January 1, 2024	23,709	39,983	8,587	16,170	88,449
Charge for the year	3,103	5,814	1,639	2,372	12,928
Disposals/written off	–	(428)	–	–	(428)
At December 31, 2024 and January 1, 2025	26,812	45,369	10,226	18,542	100,949
Charge for the year	2,606	4,505	1,272	1,512	9,895
Disposals/written off	–	(40,858)	–	–	(40,858)
At December 31, 2025 and January 1, 2026	29,418	9,016	11,498	20,054	69,986
Charge for the period	868	296	349	395	1,908
Disposals/written off	–	–	(179)	–	(179)
At April 30, 2026	30,286	9,312	11,668	20,449	71,715
Net carrying amount:					
At December 31, 2023	31,146	34,506	4,708	9,022	79,382
At December 31, 2024	28,043	27,970	3,526	6,650	66,189
At December 31, 2025	25,437	3,198	2,254	5,138	36,027
At April 30, 2026	24,569	2,902	2,133	4,743	34,347

16. RIGHT-OF-USE ASSETS

The Group

	Land use right	Other properties leased for own use	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1, 2023	150,412	6,244	156,656
Additions	55,486	9,943	65,429
Disposals	–	(1,237)	(1,237)
At December 31, 2023 and January 1, 2024	205,898	14,950	220,848
Additions	–	5,517	5,517
Disposals	(53,500)	(113)	(53,613)
At December 31, 2024 and January 1, 2025	152,398	20,354	172,752
Additions	144,499	36,262	180,761
Disposals	–	(6,229)	(6,229)
At December 31, 2025 and January 1, 2026	296,897	50,387	347,284
Additions	–	17,651	17,651
Disposals	–	(16,604)	(16,604)
At April 30, 2026	296,897	51,434	348,331
Accumulated depreciation:			
At January 1, 2023	7,232	1,589	8,821
Charge for the year	3,841	3,374	7,215
Disposals	–	(905)	(905)
At December 31, 2023 and January 1, 2024	11,073	4,058	15,131
Charge for the year	3,577	5,386	8,963
Disposals	(1,338)	(38)	(1,376)
At December 31, 2024 and January 1, 2025	13,312	9,406	22,718
Charge for the year	4,886	13,090	17,976
Disposals	–	(1,523)	(1,523)
At December 31, 2025 and January 1, 2026	18,198	20,973	39,171
Charge for the period	1,933	6,030	7,963
Disposals	–	(13,467)	(13,467)
At April 30, 2026	20,131	13,536	33,667
Net carrying amount:			
At December 31, 2023	194,825	10,892	205,717
At December 31, 2024	139,086	10,948	150,034
At December 31, 2025	278,699	29,414	308,113
At April 30, 2026	276,766	37,898	314,664

The Company

	Land use right	Other properties leased for own use	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1, 2023	6,043	727	6,770
Additions	437	5,837	6,274
Disposals	(437)	(624)	(1,061)
At December 31, 2023, January 1, 2024, December 31, 2024, January 1, 2025 and December 31, 2025 and January 1, 2026	6,043	5,940	11,983
Disposals	–	(5,940)	(5,940)
At April 30, 2026	6,043	–	6,043
Accumulated depreciation:			
At January 1, 2023	2,231	194	2,425
Charge for the year	280	340	620
Disposals	(161)	(291)	(452)
At December 31, 2023 and January 1, 2024	2,350	243	2,593
Charge for the year	119	1,188	1,307
At December 31, 2024 and January 1, 2025	2,469	1,431	3,900
Charge for the year	119	1,188	1,307
At December 31, 2025 and January 1, 2026	2,588	2,619	5,207
Charge for the period	40	297	337
Disposals	–	(2,916)	(2,916)
At April 30, 2026	2,628	–	2,628
Net carrying amount:			
At December 31, 2023	3,693	5,697	9,390
At December 31, 2024	3,574	4,509	8,083
At December 31, 2025	3,455	3,321	6,776
At April 30, 2026	3,415	–	3,415

The Group's land use rights on leasehold land are located in the PRC. Depreciation is recognised in profit or loss on a straight-line basis over the respective periods of the land use rights, which are 32 to 50 years, 32 to 50 years, 32 to 50 years and 32 to 50 years as at December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

The Group had total cash outflows for leases of RMB59,536,000, RMB10,942,000, RMB174,674,000 and RMB15,979,000 for the years ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026, respectively. The Group also had non-cash additions to right-of-use assets and lease liabilities of RMB9,943,000, RMB5,517,000, RMB36,265,000 and RMB17,651,000 for the years ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026, respectively.

17. INVESTMENT PROPERTIES

The Company

	Properties and buildings
	RMB'000
Cost:	
At January 1, 2023	64,945
Transferred from property, plant and equipment *(Note 15)*	15,918
Transferred to property, plant and equipment *(Note 15)*	(9,473)
At December 31, 2023, January 1, 2024, December 31, 2024, January 1, 2025 and December 31, 2025 and January 1, 2026 and April 30, 2026	71,390
Accumulated depreciation:	
At January 1, 2023	37,133
Charge for the year	3,395
Transferred from property, plant and equipment *(Note 15)*	5,357
Transferred to property, plant and equipment *(Note 15)*	(2,698)
At December 31, 2023 and January 1, 2024	43,187
Charge for the year	2,495
At December 31, 2024 and January 1, 2025	45,682
Charge for the year	3,395
At December 31, 2025 and January 1, 2026	49,077
Charge for the period	1,132
At April 30, 2026	50,209
Net carrying amount:	
At December 31, 2023	28,203
At December 31, 2024	25,708
At December 31, 2025	22,313
At April 30, 2026	21,181

18. INTANGIBLE ASSETS

The Group

	Software
	RMB'000
Cost:	
At January 1, 2023	10,516
Additions	2,269
At December 31, 2023 and January 1, 2024	12,785
Additions	1,585
At December 31, 2024 and January 1, 2025	14,370
Additions	8,971
At December 31, 2025 and January 1, 2026	23,341
Additions	3,847
At April 30, 2026	27,188
Accumulated amortisation:	
At January 1, 2023	6,508
Charge for the year	1,503
At December 31, 2023 and January 1, 2024	8,011
Charge for the year	2,732
At December 31, 2024 and January 1, 2025	10,743
Charge for the year	2,377
At December 31, 2025 and January 1, 2026	13,120
Charge for the period	1,736
At April 30, 2026	14,856
Net carrying amount:	
At December 31, 2023	4,774
At December 31, 2024	3,627
At December 31, 2025	10,221
At April 30, 2026	12,332

The Company

	Software
	RMB'000
Cost:	
At January 1, 2023	4,858
Additions	1,135
At December 31, 2023 and January 1, 2024	5,993
Additions	1,297
At December 31, 2024 and January 1, 2025	7,290
Additions	2,584
At December 31, 2025 and January 1, 2026	9,874
Additions	2,262
At April 30, 2026	12,136
Accumulated amortisation:	
At January 1, 2023	3,755
Charge for the year	806
At December 31, 2023 and January 1, 2024	4,561
Charge for the year	937
At December 31, 2024 and January 1, 2025	5,498
Charge for the year	1,195
At December 31, 2025 and January 1, 2026	6,693
Charge for the period	795
At April 30, 2026	7,488
Net carrying amount:	
At December 31, 2023	1,432
At December 31, 2024	1,792
At December 31, 2025	3,181
At April 30, 2026	4,648

19. DEFERRED TAX

Deferred tax recognised and movements and bills during each of the reporting period are as follows:

The Group

	Impairment losses on trade and other receivables	Write down of inventories	Fair value adjustments of financial assets	Fair value adjustments of financial liabilities	Deferred income	Provision	Lease liabilities	Right-of-use assets	Accelerated tax depreciation	Unrealised profits	Unused tax loss	Difference arising from intercompany transfer of assets	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023	7,623	1,960	(2,853)	4,046	4,386	260	641	(698)	(13,137)	1,495	–	3,829	18,876	26,428
Credited/(charged) to profit or loss	2,112	6,545	(4,119)	3,103	14,530	1,108	1,509	(1,505)	1,854	6,940	30,802	927	(16,059)	47,747
Charged to equity	–	–	–	–	–	–	–	–	–	–	–	–	(2,817)	(2,817)
At December 31, 2023 and January 1, 2024	9,735	8,505	(6,972)	7,149	18,916	1,368	2,150	(2,203)	(11,283)	8,435	30,802	4,756	–	71,358
Credited/(charged) to profit or loss	27,354	(8,505)	(6,175)	(3,692)	5,495	(994)	(103)	110	972	18,567	(16,562)	1,887	32,336	50,690
Credited to equity	–	–	–	–	–	–	–	–	–	–	–	–	11,296	11,296
At December 31, 2024, and January 1, 2025	37,089	–	(13,147)	3,457	24,411	374	2,047	(2,093)	(10,311)	27,002	14,240	6,643	43,632	133,344
(Charged)/credited to profit or loss	(5,623)	8,771	(4,259)	4,425	12,139	(1)	(1,589)	1,370	1,660	28,188	(12,593)	20,447	(24,692)	28,243
Charged to equity	–	–	–	–	–	–	–	–	–	–	–	–	(10,655)	(10,655)
At December 31, 2025 and January 1, 2026	31,466	8,771	(17,406)	7,882	36,550	373	458	(723)	(8,651)	55,190	1,647	27,090	8,285	150,932
Credited/(charged) to profit or loss	5,824	220	1,301	(3,968)	11,415	(50)	1,770	(2,714)	712	74,005	9,893	379	4,086	102,873
Credited to equity	–	–	–	–	–	–	–	–	–	–	–	–	19,625	19,625
At April 30, 2026	37,290	8,991	(16,105)	3,914	47,965	323	2,228	(3,437)	(7,939)	129,195	11,540	27,469	31,996	273,430

The Company

	Impairment losses on trade and other receivables	Fair value adjustments of financial assets	Fair value adjustments of financial liabilities	Deferred income	Lease liabilities	Right-of-use assets	Unused tax loss	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023	3,181	–	527	2,857	39	–	–	4,355	10,959
(Charged)/credited to profit or loss	(1,456)	(836)	(527)	1,136	1,475	(1,424)	30,802	(3,698)	25,472
Charged to equity	–	–	–	–	–	–	–	(657)	(657)
At December 31, 2023 and January 1, 2024	1,725	(836)	–	3,993	1,514	(1,424)	30,802	–	35,774
Credited/(charged) to profit or loss	585	(2,618)	–	(665)	(274)	297	(16,562)	4,888	(14,349)
Credited to equity	–	–	–	–	–	–	–	2,049	2,049
At December 31, 2024 and January 1, 2025	2,310	(3,454)	–	3,328	1,240	(1,127)	14,240	6,937	23,474
Credited/(charged) to profit or loss	1,596	3,454	(1,608)	(770)	(1,117)	1,127	(14,240)	4,927	(6,631)
Charged to equity	–	–	–	–	–	–	–	(10,125)	(10,125)
At December 31, 2025 and January 1, 2026	3,906	–	(1,608)	2,558	123	–	–	1,739	6,718
(Charged)/credited to profit or loss	(2,022)	(1,983)	1,608	(187)	(123)	–	6,761	(309)	3,745
Credited to equity	–	–	–	–	–	–	–	2,682	2,682
At April 30, 2026	1,884	(1,983)	–	2,371	–	–	6,761	4,112	13,145

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position. The following is the analysis of the deferred tax balances for the financial reporting purposes:

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax assets	71,358	133,789	150,932	273,430
Deferred tax liabilities	–	(445)	–	–
	71,358	133,344	150,932	273,430

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax assets	38,034	28,055	6,718	13,145
Deferred tax liabilities	(2,260)	(4,581)	–	–
	35,774	23,474	6,718	13,145

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. As at December 31, 2023, 2024 and 2025 and April 30, 2026, deferred tax assets have not been recognised in respect of tax losses of RMB50,933,000, RMB115,999,000, RMB168,796,000 and RMB221,008,000, respectively, which will expire in one to ten years for offsetting against future taxable profits as it is not probable that taxable profit will be available against which these tax losses can be utilised.

20. INVENTORIES

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	211,205	273,435	442,771	894,978
Work in progress	43,212	50,880	62,083	154,931
Finished goods	498,684	1,033,512	1,276,196	2,026,029
Others	901	2,625	4,349	3,481
	754,002	1,360,452	1,785,399	3,079,419

21. INTERESTS IN ASSOCIATES

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Share of net assets	–	–	87,474	130,069

As at the end of each reporting period, the Group had interests in the following associates:

Name	Place of incorporation, operation and principal activity	Particular of issued/paid-up capital	Percentage of ownership interests/profit share			
			As of December 31,			As of April 30,
			2023	2024	2025	2026
Ningbo Derun Taihe Venture Capital Partnership (Limited Partnership)* (寧波德潤泰和創業投資合夥企業(有限合夥)) ("Derun Taihe")	PRC, investing in unlisted companies in hard technology and intelligent sector	RMB100,000,000	–	–	88%	88%
Ningbo Detai Yexing Venture Capital Partnership (Limited Partnership)* (寧波德泰業興創業投資合夥(有限合夥)) ("Detai Yexing")	PRC, investing in unlisted companies in hard technology sector	RMB110,000,000	–	–	–	78.18%

* The official name of this entity is in Chinese. The English name is for identification purposes only.

In March 2025, the Group, as one of the limited partner of Derun Taihe, entered into a cooperation agreement with other limited partner and the general partner of Derun Taihe, in which the Group, other limited partner and the general partner agreed to contribute RMB88,000,000, RMB10,000,000 and RMB2,000,000 respectively as capital on or before 30 April 2025. The Group is entitled to appoint one out of five members of the investment committee of Derun Taihe, which enables the Group to significantly influence its investing decision. Accordingly, Derun Taihe is classified as interest in an associate and is accounted for using equity method in the consolidated financial statements. The arrangement provides opportunity for the Group to partner with others to indirectly invest in the hard technology and intelligent sector through Derun Taihe through leveraging the experience of the general partner.

In January 2026, the Group, as one of the limited partner of Detai Yexing, entered into a cooperation agreement with other limited partners and the general partner of Detai Yexing, in which the Group, other limited partners and the general partner agreed to contribute RMB86,000,000, RMB23,000,000 and RMB1,000,000 respectively as capital on or before 31 December 2028. The Group is entitled to appoint one out of five members of the investment committee of Detai Yexing, which enables the Group to significantly influence its investing decision. Accordingly, Detai Yexing is classified as interest in an associate and is accounted for using equity method in the consolidated financial statements. The arrangement provides opportunity for the Group to partner with others to indirectly invest in the hard technology sector through Detai Yexing through leveraging the experience of the general partner.

The summarised financial information of the Group's material associates extracted from its management accounts adjusted with the effect arising from intra-group transaction is as follows:

Derun Taihe

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current assets	–	–	99,402	99,149
Net assets	–	–	99,402	99,149
Reconciled to the Group's interest in Derun Taihe:				
Net assets of Derun Taihe	–	–	99,402	99,149
Group's effective interest	–	–	88%	88%
Group's share of net assets in Derun Taihe	–	–	87,474	87,251
Carrying amount in the consolidated financial statements	–	–	87,474	87,251

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(Unaudited)	
Revenue	–	–	–	–	–
Loss for the year/period	–	–	(598)	–	(253)
Total comprehensive income	–	–	(598)	–	(253)
Reconciled to the Group's share of results in Derun Taihe:					
Group's effective interest	–	–	88%	88%	88%
Group's share of results:					
Loss for the year/period	–	–	(526)	–	(223)
Total comprehensive income	–	–	(526)	–	(223)

Detai Yexing

	As of December 31, 2023	As of December 31, 2024	As of December 31, 2025	As of April 30, 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current assets	–	–	–	54,768
Net assets	–	–	–	54,768
Reconciled to the Group's interest in Detai Yexing:				
Net assets of Detai Yexing	–	–	–	54,768
Group's effective interest	–	–	–	78.18%
Group's share of net assets in Detai Yexing	–	–	–	42,818
Carrying amount in the consolidated financial statements	–	–	–	42,818

	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2025	Four months ended April 30, 2025	Four months ended April 30, 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Revenue	–	–	–	–	–
Loss for the year/period	–	–	–	–	(232)
Total comprehensive income	–	–	–	–	(232)
Reconciled to the Group's share of results in Detai Yexing:					
Group's effective interest	–	–	–	–	78.18%
Group's share of results:					
Loss for the year/period	–	–	–	–	(182)
Total comprehensive income	–	–	–	–	(182)

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

	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2025	Four months ended April 30, 2025	Four months ended April 30, 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Share of the associate's loss for the year/period	–	(285)	–	–	–
Share of the associate's total comprehensive income	–	(285)	–	–	–
Aggregate carrying amount of the Group's investments in the associates	–	–	–	–	–

In July 2024, the Group, together with certain investors, jointly invested in the establishment of Ningbo Yonghao New Energy Technology Development Co., Ltd. ("Ningbo Yonghao"). The Group made a capital contribution of RMB50 million to Ningbo Yonghao, of which RMB20 million was recognised as paid-in capital and RMB30 million as capital reserve, representing 40.00% of the registered share capital in Ningbo Yonghao. Following the amendment of its articles of association, pursuant to which each shareholder shall exercise voting rights based on its actual paid-in capital contribution, as approved by its shareholders on December 27, 2024, the Group's voting rights in Ningbo Yonghao became 95.24% in accordance with the paid-in capital contributed by the Group and Ningbo Yonghao became a subsidiary of the Group.

22. TRADE AND BILLS RECEIVABLES

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	613,130	1,820,849	1,823,849	2,009,188
Bills receivables	10,555	28,245	49,929	167,909
Less: impairment loss allowance	(52,464)	(119,801)	(126,333)	(139,698)
	571,221	1,729,293	1,747,445	2,037,399

An aging analysis of trade and bills receivables, net of impairment losses, as of the end of each reporting period, based on the invoice dates, is as follows:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	550,718	1,712,961	1,716,088	2,007,388
One year to two years	4,220	9,595	27,653	28,806
Two years to three years	278	1,668	3,168	806
Three years to four years	14,370	156	391	271
Four years to five years	1,635	4,913	145	128
	571,221	1,729,293	1,747,445	2,037,399

The Company

Trade receivables

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	82,440	170,038	178,445	138,686
Less: impairment loss allowance	(4,123)	(8,504)	(8,925)	(6,937)
	78,317	161,534	169,520	131,749

An aging analysis of trade receivables, net of impairment losses, as of the end of each reporting period, based on the invoice dates, is as follows:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	78,315	161,533	169,520	131,749
Over one year	2	1	–	–
	78,317	161,534	169,520	131,749

Further details on the Group's credit policy and credit risk analysis arising from trade and bills receivables are set out in Note 42(b).

23. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank acceptance notes	5,917	10,847	20,512	38,270

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank acceptance notes	–	–	192,424	–

These bank acceptance notes were classified as financial assets at fair value through other comprehensive income as they are held within a business model with the objective of both collecting contractual cashflows and selling.

Transferred financial assets that are derecognised in their entirety

As at December 31, 2023, 2024 and 2025 and April 30, 2026, the Group endorsed certain bills receivable accepted by banks in the PRC (the "Endorsed Bills") to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB745,460,000, RMB351,126,000, RMB255,467,000 and RMB603,062,000 respectively. The Endorsed Bills had a maturity of six months to less than 1 year as of December 31, 2023, 2024 and 2025 and April 30, 2026. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Endorsed Bills may exercise the right of recourse against any, several or all of the persons liable for the Endorsed 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 Endorsed 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 Endorsed Bills. Accordingly, it has derecognised the full carrying amounts of the Endorsed Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Endorsed Bills and the undiscounted cash flows to repurchase these Endorsed Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Endorsed Bills are not significant.

During the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, the Group did not recognise any gain or loss on the date of transfer of the Endorsed Bills. No gains or losses were recognised from the Continuing Involvement, both during the year/period or cumulatively. The endorsement has been made evenly throughout the year/period.

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current portion				
Prepayments for properties	641	12,776	–	–
Prepayments for machinery	835	17,942	24,000	53,747
Others	25,300	16,866	–	–
	26,776	47,584	24,000	53,747
Current portion				
Prepayments and prepaid expenses	17,847	17,811	71,699	42,876
Deferred share issue costs	–	–	13,908	26,088
Value-added tax recoverable and other tax credit	103,405	328,059	434,666	544,465
Deposits	9,585	6,922	54,167	51,898
Others	5,812	16,376	21,718	18,087
	136,649	369,168	596,158	683,414
Less: impairment loss allowance	(7,048)	(23,565)	(25,754)	(32,067)
	129,601	345,603	570,404	651,347

The Company

	As of December 31, 2023	As of December 31, 2024	As of December 31, 2025	As of April 30, 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current portion				
Prepayments for machinery	279	1,750	–	248
Current portion				
Prepayments and prepaid expenses	379	458	1,530	1,874
Deferred share issue costs	–	–	13,908	26,088
Value-added tax recoverable and other tax credit	3,034	–	–	–
Deposits	460	455	455	113
Others	332	787	663	665
	4,205	1,700	16,556	28,740
Less: impairment loss allowance	(76)	(136)	(236)	(124)
	4,129	1,564	16,320	28,616

25. FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

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

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss				
Non-current portion				
Unlisted equity investment *(Note (c))*	–	–	–	50,000
Current portion				
Wealth management products *(Note (a))*	553,344	1,651,814	696,433	847,934

Notes:

(a) Wealth management products

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

(b) Derivative financial instruments

The Group's derivative financial instruments represented foreign currency forward contracts denominated in RMB and the fair values are based on the quoted prices on similar instruments from the relevant financial institutions.

(c) Unlisted equity investment

During the four months ended April 30, 2026, the Group entered into an investment agreement with the investee in the PRC to acquire 11.11% equity interests of the investee at cash consideration of RMB50,000,000. The Group has neither control nor significant influence on the investee and it is treated as financial instruments at fair value through profit or loss.

26. CASH AND CASH EQUIVALENTS, RESTRICTED BANK DEPOSIT AND TERM DEPOSITS

The Group's cash and cash equivalents carrying interest at floating rates based on daily bank deposit rates. The restricted bank deposits carry interests at fixed rate ranging from 1.70% to 1.90%, 1.50% to 2.35%, 1.20% to 2.90% and 1.20% to 2.90% per annum at December 31, 2023, 2024 and 2025 and April 30, 2026, respectively. The term deposits comprise bank deposits with original maturity over three months carrying interest at fixed rate or floating rates at prevailing market interest rate. The directors of the Company consider that the carrying value of the deposits at the end of reporting period approximates to their fair values.

Restricted bank deposits of RMB734,788,000, RMB195,966,000, RMB2,411,375,000 and RMB1,576,324,000 of the Group were pledged as securities for the issuance of bills payable, the other borrowings and derivative financial instruments as at December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

As at December 31, 2023, 2024 and 2025 and April 30, 2026, the Group's cash and cash equivalents, restricted bank deposits and term deposits amounting to approximately RMB3,414,511,000, RMB2,783,366,000, RMB7,174,082,000 and RMB5,083,769,000 are denominated in RMB respectively, which were deposits with banks in the PRC or held in hand. RMB is not a freely convertible currency. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

The Company's cash and cash equivalents carrying interest at floating rates based on daily bank deposit rates. The restricted bank deposits carry interests at fixed rate ranging from 1.70% to 1.85%, nil, 1.50% to 2.90% and 1.50% to 2.90% per annum at December 31, 2023, 2024 and 2025 and April 30, 2026, respectively. The term deposits comprise bank deposits with original maturity over three months carrying interest at fixed rate or floating rates at prevailing market interest rate. The directors of the Company consider that the carrying value of the deposits at the end of reporting period approximates to their fair values.

Restricted bank deposits of RMB226,521,000, RMB14,000, RMB14,000 and RMB14,000 of the Company were pledged as securities for the other borrowings and derivative financial instruments as at December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

As at the end of the reporting period, all the Company's cash and cash equivalents, restricted bank deposits and term deposits are denominated in RMB, which were deposits with banks in the PRC or held in hand. RMB is not a freely convertible currency. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Company is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

27. NOTES RECEIVABLE

The Group

As at 30 April 2026, the Group held certain 3-years zero-coupon notes issued by a financial institution with principal amounts of USD55,000,000 (equivalent to approximately RMB380,913,000) in total and final redemption amounts ranging from 112.75% to 115.3% of respective principals on maturity date. The notes are callable at the option of the financial institution on the first and second anniversary date since the date of issuance at predetermined prices ranging from 104.25% to 105.1%, and 108.5% to 110.2% of respective principals respectively.

28. TRADE AND OTHER PAYABLES

(a) Trade and bills payables

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	655,769	1,481,515	2,096,400	3,861,269
Bills payables	853,767	2,018,823	2,614,935	3,344,347
	1,509,536	3,500,338	4,711,335	7,205,616

A credit period of up to three months, if applicable, from the date of billing is generally granted by the Group's trade suppliers. Based on the receipt of services and goods, which normally coincided with the invoice dates, the aging analysis of the Group's trade and bills payables as at the end of reporting period is as follows:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	1,486,176	3,473,810	4,696,140	7,170,685
One year to two years	13,939	10,994	1,242	20,968
Over two years	9,421	15,534	13,953	13,963
	1,509,536	3,500,338	4,711,335	7,205,616

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	62,222	53,319	3,860	102
Bills payables	125,000	281,265	–	–
	187,222	334,584	3,860	102

A credit period of up to three months, if applicable, from the date of billing is generally granted by the Company's trade suppliers. Based on the receipt of services and goods, which normally coincided with the invoice dates, the aging analysis of the Company's trade and bills payables as at the end of reporting period is as follows:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	187,201	334,468	3,785	70
One year to two years	12	103	26	10
Over two years	9	13	49	22
	187,222	334,584	3,860	102

(b) Other payables and accruals

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Dividend payables	–	–	–	1,636,846
Accrued share issue cost	–	–	9,955	5,613
Employee benefits payable	154,439	211,247	233,845	148,909
Payables for property, plant and equipment and construction in progress	181,107	204,401	141,242	165,531
Security deposits from suppliers	21,669	7,306	7,119	3,788
Other tax payables	38,432	101,979	119,817	110,073
Others	11,910	5,921	3,777	4,467
	407,557	530,854	515,755	2,075,227

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Dividend payables	–	–	–	1,636,846
Accrued share issue cost	–	–	9,955	5,613
Employee benefits payable	15,758	18,147	35,573	18,331
Payables for property, plant and equipment and construction in progress	1,138	594	432	674
Security deposits from suppliers	67	99	80	351
Other tax payables	3,215	49,944	15,817	21,150
Others	162	522	233	–
	20,340	69,306	62,090	1,682,965

Note: As of December 31, 2023, 2024 and 2025 and April 30, 2026, all other payables and accruals were non-interest bearing.

29. CONTRACT LIABILITIES

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Amounts received in advance for delivery of products	190,934	264,486	479,850	614,090

The contract liabilities represented the advance consideration received from customers. The addition of contract liabilities was mainly due to the increase in cash payments made upfront by the Group's customers under sales contracts. The Group receives payment from customers based on billing schedule as established in contracts.

Movements in contract liabilities

	Year ended December 31,			Four months ended April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance as at the beginning of the year/period	192,429	190,934	264,486	479,850
Decrease in contract liabilities as a result of recognising revenue during the year/period that was included in the contract liabilities at beginning of the year/period	(192,429)	(190,934)	(264,486)	(479,850)
Increase in contract liabilities as a result of billing in advance	190,934	264,486	479,850	614,090
Balance as at the end of the year/period	190,934	264,486	479,850	614,090

30. BORROWINGS

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current portion				
Bank loans-unsecured	300,000	–	88,650	80,741
Current portion				
Bank loans-unsecured	1,791,533	400,473	1,209,600	1,284,144
Other borrowing-secured	702,000	350,000	2,083,104	747,000
Other borrowing-unsecured	420,000	260,010	11,755	560,000
	2,913,533	1,010,483	3,304,459	2,591,144
Total	3,213,533	1,010,483	3,393,109	2,671,885

The Group's borrowings were repayable as follows:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	2,913,533	1,010,483	3,304,459	2,591,144
One to two years	110,000	–	900	341
Two to three years	190,000	–	87,750	80,400
	3,213,533	1,010,483	3,393,109	2,671,885

The bank loans and other borrowings of the Group are denominated in RMB and have fixed interest rates ranging from 2.45% to 2.58%, 2.1%, 1.95% to 2.11% and 1.95% to 2.34% as at December 31, 2023, 2024 and 2025 and April 30, 2026 respectively. The Group's secured borrowings are secured by margin deposits pledged to banks, with aggregate pledged amounts of RMB631,500,000, RMB70,000,000, RMB1,786,104,000 and RMB747,000,000 as at December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current portion				
Bank loans-unsecured	–	–	88,650	34,081
Current portion				
Bank loans-unsecured	1,390,999	400,195	1,000,184	1,002,010
Other borrowing-secured	–	–	193,218	–
	1,390,999	400,195	1,193,402	1,002,010
Total	1,390,999	400,195	1,282,052	1,036,091

The Company's borrowings were repayable as follows:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	1,390,999	400,195	1,193,402	1,002,010
One to two years	–	–	900	341
Two to three years	–	–	87,750	33,740
	1,390,999	400,195	1,282,052	1,036,091

The bank loans and other borrowings of the Company are denominated in RMB and have fixed interest rates ranging from 2.45% to 2.58%, 2.1%, 1.95% to 2.11% and 1.95% to 2.11% as at December 31, 2023, 2024 and 2025 and April 30, 2026 respectively. The Company's secured borrowings are secured by margin deposits pledged to banks, with aggregate pledged amounts of RMB Nil, RMB Nil, RMB192,270,000 and RMB Nil as at December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

31. DEFERRED INCOME

The Group

	Year ended December 31,			Four months ended April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grants				
Balance as at the beginning of the year/period	31,065	101,737	139,928	222,945
Grants received	79,309	51,230	105,800	87,158
Credited to profit or loss	(8,637)	(13,039)	(22,783)	(10,353)
Balance as at the end of the year/period	101,737	139,928	222,945	299,750

The Company

	Year ended December 31,			Four months ended April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grants				
Balance as at the beginning of the year/period	19,048	15,974	13,313	10,232
Grants received	–	400	–	280
Credited to profit or loss	(3,074)	(3,061)	(3,081)	(1,027)
Balance as at the end of the year/period	15,974	13,313	10,232	9,485

Deferred income represented unamortised government grants for construction of production facilities and encouragement of technology research and development and production. Government grants received relating to assets are recognised in deferred income and released to profit or loss over the expected or remaining useful lives of the relevant assets and periods of the respective research and development projects.

32. LEASE LIABILITIES

The Group lease properties to operate its business. These leases are typically made for fixed terms of 2 to 5 years. Lease terms are negotiated on an individual basis and contain different payments and conditions. These lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purpose.

The Group also lease properties with term of less than one year. These leases are short-term and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Present value of future lease payments of the leases is analysed as follows:

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current	5,232	2,979	13,915	19,360
Non-current	5,064	6,565	13,402	11,401
	10,296	9,544	27,317	30,761

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current	1,091	1,143	1,174	–
Non-current	4,966	3,816	2,641	–
	6,057	4,959	3,815	–

Movement of the lease liabilities is analysed as follows:

The Group

	Year ended December 31,			Four months ended April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	
Balance as at the beginning of the year/period	4,276	10,296	9,544	27,317
Addition of new leases	9,943	5,517	36,262	17,651
Lease modification	(396)	(77)	(4,593)	(3,630)
Interest expense *(Note 9)*	205	283	871	374
Repayment of lease liabilities	(3,732)	(6,475)	(14,767)	(10,951)
Balance as at the end of the year/period	10,296	9,544	27,317	30,761

The Company

	Year ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance as at the beginning of the year/period	794	6,057	4,959	3,815
Addition of new leases	5,837	–	–	–
Lease modification	(395)	–	–	(3,515)
Interest expense	64	227	185	38
Repayment of lease liabilities	(243)	(1,325)	(1,329)	(338)
Balance as at the end of the year/period	6,057	4,959	3,815	–

The future lease payments of the Group's and the Company's leases (excluding short-term leases) were scheduled to repay as follows:

The Group

	Future lease payments	Future interest expenses	Present value
	RMB'000	*RMB'000*	*RMB'000*
As of December 31, 2023			
– within 1 year	5,522	(290)	5,232
– 1 to 2 years, inclusive	1,564	(186)	1,378
– 2 to 3 years, inclusive	1,305	(131)	1,174
– 3 to 4 years, inclusive	1,305	(75)	1,230
– 4 to 5 years, inclusive	1,291	(9)	1,282
	10,987	(691)	10,296
As of December 31, 2024			
– within 1 year	3,309	(330)	2,979
– 1 to 2 years, inclusive	3,227	(212)	3,015
– 2 to 3 years, inclusive	2,230	(92)	2,138
– 3 to 4 years, inclusive	1,431	(19)	1,412
	10,197	(653)	9,544
As of December 31, 2025			
– within 1 year	14,653	(738)	13,915
– 1 to 2 years, inclusive	12,291	(300)	11,991
– 2 to 3 years, inclusive	1,430	(19)	1,411
	28,374	(1,057)	27,317

	Future lease payments *RMB'000*	Future interest expenses *RMB'000*	Present value *RMB'000*
As of April 30, 2026			
– within 1 year	20,137	(777)	19,360
– 1 to 2 years, inclusive	11,553	(152)	11,401
	31,690	(929)	30,761

The Company

	Future lease payments *RMB'000*	Future interest expenses *RMB'000*	Present value *RMB'000*
As of December 31, 2023			
– within 1 year	1,329	(238)	1,091
– 1 to 2 years, inclusive	1,465	(185)	1,280
– 2 to 3 years, inclusive	1,305	(131)	1,174
– 3 to 4 years, inclusive	1,305	(75)	1,230
– 4 to 5 years, inclusive	1,290	(8)	1,282
	6,694	(637)	6,057
As of December 31, 2024			
– within 1 year	1,328	(185)	1,143
– 1 to 2 years, inclusive	1,305	(131)	1,174
– 2 to 3 years, inclusive	1,305	(75)	1,230
– 3 to 4 years, inclusive	1,431	(19)	1,412
	5,369	(410)	4,959
As of December 31, 2025			
– within 1 year	1,305	(131)	1,174
– 1 to 2 years, inclusive	1,305	(75)	1,230
– 2 to 3 years, inclusive	1,430	(19)	1,411
	4,040	(225)	3,815
As of April 30, 2026			
– within 1 year	–	–	–

33. CAPITAL AND RESERVES

(a) Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's each component of equity between the beginning and the end of each reporting period are set out below:

The Company

	Note	Share capital *RMB'000* *33(b)*	Treasury shares *RMB'000* *33(c)*	Capital reserve *RMB'000* *33(d)(i)*	Statutory reserve *RMB'000* *33(d)(iii)*	Retained earnings *RMB'000*	Total equity *RMB'000*
Balance at January 1, 2023		238,934	–	1,411,393	119,471	884,056	2,653,854
Profit and total comprehensive income for the year		–	–	–	–	849,879	849,879
Conversion of capital reserves into share capital		191,147	–	(191,147)	–	–	–
Share-based compensation		–	–	228,731	–	–	228,731
Deferred tax		–	–	(657)	–	–	(657)
Dividend declared	12	–	–	–	–	(538,215)	(538,215)
Appropriations to statutory reserves		–	–	–	84,988	(84,988)	–
Repurchase of shares		–	(199,986)	–	–	–	(199,986)
Contribution from a former supervisor of the Company		–	–	165	–	–	165
Balance at December 31, 2023		430,081	(199,986)	1,448,485	204,459	1,110,732	2,993,771

	Note	Share capital *RMB'000* *33(b)*	Treasury shares *RMB'000* *33(c)*	Capital reserve *RMB'000* *33(d)(i)*	Statutory reserve *RMB'000* *33(d)(iii)*	Retained earnings *RMB'000*	Total equity *RMB'000*
Balance at December 31, 2023 and January 1, 2024		430,081	(199,986)	1,448,485	204,459	1,110,732	2,993,771
Profit and total comprehensive income for the year		–	–	–	–	2,463,443	2,463,443
Share allotment		35,997	–	1,955,754	–	–	1,991,751
Shares issued upon exercise of share options		7,181	–	599,681	–	–	606,862
Conversion of capital reserves into share capital		172,032	–	(172,032)	–	–	–
Share-based compensation		–	–	220,475	–	–	220,475
Deferred tax		–	–	2,049	–	–	2,049
Subscription of share ownership plan by employees		–	199,986	(90,354)	–	–	109,632
Dividend declared	12	–	–	–	–	(1,677,501)	(1,677,501)
Appropriations to statutory reserves		–	–	–	118,186	(118,186)	–
Balance at December 31, 2024		645,291	–	3,964,058	322,645	1,778,488	6,710,482

	Note	Share capital *RMB'000* *33(b)*	Treasury shares *RMB'000* *33(c)*	Capital reserve *RMB'000* *33(d)(i)*	Statutory reserve *RMB'000* *33(d)(iii)*	Retained earnings *RMB'000*	Total equity *RMB'000*
Balance at December 31, 2024 and January 1, 2025		645,291	–	3,964,058	322,645	1,778,488	6,710,482
Profit and total comprehensive income for the year		–	–	–	–	2,726,352	2,726,352
Shares issued upon exercise of share options		4,983	–	300,076	–	–	305,059
Conversion of capital reserves into share capital		258,410	–	(258,410)	–	–	–
Share-based compensation		–	–	123,750	–	–	123,750
Deferred tax		–	–	(10,125)	–	–	(10,125)
Dividend declared	12	–	–	–	–	(2,683,356)	(2,683,356)
Repurchase of shares		–	(100,018)	–	–	–	(100,018)
Subscription of share ownership plan by employees		–	100,018	(44,549)	–	–	55,469
Appropriations to statutory reserves		–	–	–	131,696	(131,696)	–
Balance at December 31, 2025		908,684	–	4,074,800	454,341	1,689,788	7,127,613

	Note	Share capital *RMB'000* *33(b)*	Treasury shares *RMB'000* *33(c)*	Capital reserve *RMB'000* *33(d)(i)*	Statutory reserve *RMB'000* *33(d)(iii)*	Retained earnings *RMB'000*	Total equity *RMB'000*
Balance at December 31, 2025 and January 1, 2026		908,684	–	4,074,800	454,341	1,689,788	7,127,613
Loss and total comprehensive income for the period		–	–	–	–	(10,650)	(10,650)
Shares issued upon exercise of share options		668	–	37,115	–	–	37,783
Share-based compensation		–	–	26,290	–	–	26,290
Deferred tax		–	–	2,682	–	–	2,682
Dividend declared	12	–	–	–	–	(1,636,846)	(1,636,846)
Balance at April 30, 2026		909,352	–	4,140,887	454,341	42,292	5,546,872

(b) Share capital

	Number of shares	Amount *RMB'000*
Authorised:		
Ordinary shares of RMB1 each		
At January 1, 2023	238,933,800	238,934
Increase in authorised share capital	191,147,040	191,147
At December 31, 2023 and January 1, 2024	430,080,840	430,081
Increase in authorised share capital	215,210,409	215,210
At December 31, 2024 and January 1, 2025	645,291,249	645,291
Increase in authorised share capital	263,392,649	263,393
At December 31, 2025 and January 1, 2026	908,683,898	908,684
Increase in authorised share capital	668,256	668
At April 30, 2026	909,352,154	909,352

	Notes	**Number of shares**	**Amount** *RMB'000*
Issued and fully paid:			
At January 1, 2023		238,933,800	238,934
Conversion of capital reserves into share capital	(i)	191,147,040	191,147
At December 31, 2023, and January 1, 2024		430,080,840	430,081
Conversion of capital reserves into share capital	(ii)	172,032,336	172,032
Share allotment	(iii)	35,997,120	35,997
Shares issued upon exercise of share options	(iv)	7,180,953	7,181
At December 31, 2024 and January 1, 2025		645,291,249	645,291
Shares issued upon exercise of share options	(v)	4,982,805	4,983
Conversion of capital reserves into share capital	(vi)	258,409,844	258,410
At December 31, 2025 and January 1, 2026		908,683,898	908,684
Shares issued upon exercise of share options	(vii)	668,256	668
At April 30, 2026		909,352,154	909,352

Notes:

(i) On May 8, 2023, the shareholders of the Company resolved to increase its registered capital by undergoing a capital reserve conversion and issuing an additional 8 shares per 10 shares held by existing shareholders, resulting in the additional issuance of 191,147,040 shares.

(ii) On May 15, 2024, the shareholders of the Company resolved to increase its registered capital by undergoing a capital reserve conversion and issuing an additional 4 shares per 10 shares held by existing shareholders, resulting in the additional issuance of 172,032,336 shares.

(iii) On June 14, 2024, the Company issued and allotted 35,997,120 ordinary shares denominated in RMB to specific investors by way of private placement, raising gross proceeds of approximately RMB2,000,000,000. After deducting issuance costs of approximately RMB8,249,000 (excluding value-added tax), the net proceeds amounted to approximately RMB1,991,751,000, of which approximately RMB35,997,000 was credited to share capital and RMB1,955,754,000 was credited to capital reserve.

(iv) During the year ended December 31, 2024, share options were exercised to subscribe for 7,180,953 ordinary shares of the Company at a consideration of approximately RMB606,862,000. An amount of approximately RMB7,181,000 was credited to share capital and an excess amount of approximately RMB599,681,000 was credited to capital reserve.

(v) During the year ended December 31, 2025, share options were exercised to subscribe for 4,982,805 ordinary shares of the Company at a consideration of approximately RMB305,059,000. An amount of approximately RMB4,983,000 was credited to share capital and an excess amount of approximately RMB300,076,000 was credited to capital reserve.

(vi) On May 21, 2025, the shareholders of the Company resolved to increase its registered capital by undergoing a capital reserve conversion and issuing an additional 4 shares per 10 shares held by existing shareholders, resulting in the additional issuance of 258,409,844 shares.

(vii) During the four months ended April 30, 2026, share options were exercised to subscribe for 668,256 ordinary shares of the Company at a consideration of approximately RMB37,783,000. An amount of approximately RMB668,000 was credited to share capital and an excess amount of approximately RMB37,115,000 was credited to capital reserve.

(c) Treasury shares

Own equity instruments which are reacquired and held by the Company (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

	Number of shares	Treasury shares
		RMB'000
At January 1, 2023	–	–
Repurchase of shares	2,839,480	199,986
At December 31, 2023 and January 1, 2024	2,839,480	199,986
Subscription of share ownership plan by employees	(2,839,480)	(199,986)
At December 31, 2024 and January 1, 2025	–	–
Repurchase of shares	1,907,200	100,018
Subscription of share ownership plan by employees	(1,907,200)	(100,018)
At December 31, 2025, January 1, 2026 and April 30, 2026	–	–

(d) Nature and purpose of reserves

(i) Capital reserve

The capital reserve mainly includes the share premium contributed by the shareholders of the Company, fair value of share-based compensation and the differences between the consideration paid or received on transactions with non-controlling interests that do not result in loss on control over the subsidiaries and the change in carrying amount of non-controlling interests.

(ii) Translation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of group entities whose the functional currencies are not RMB.

(iii) Statutory reserve

In accordance with the PRC Company Law and the articles of association of the Company and subsidiaries established in PRC, PRC group entities are required to appropriate 10% of their net profits after tax, as determined under the generally accepted accounting principles of the PRC, to the statutory reserve until the reserve balance reaches 50% of their respective registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the group entities, the statutory reserve may be used either to offset losses, or to be converted to increase share capital provided that the balance after such conversion is not less than 25% of the registered capital of the group entities. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

34. SHARE-BASED COMPENSATION

The Company currently has three share incentive schemes - 2022 Equity Incentive Plan, 2024 Restricted A Share Incentive Scheme and 2025 Restricted A Share Incentive Scheme. The details of those share incentive schemes are as follows:

2022 Equity Incentive Plan

First batch

On July 5, 2022, a share incentive scheme ("2022 Equity Incentive Plan") was approved at the Company's the thirteenth meeting of the Second Session of the Board of Directors with 5,101,250 share options, in which 4,081,000 is the first batch and 1,020,250 is the reserve batch, to be granted to the eligible directors and employees (the "Participants").

On July 26, 2022, the first batch of 2022 Equity Incentive Plan share options were granted to the Participants. 40% of share options have an exercise period from July 26, 2023 to July 25, 2024 ("Share Option 1"), 30% of share options have an exercise period from July 26, 2024 to July 25, 2025 ("Share Option 2"); and the remaining share options have an exercise period from July 26, 2025 to July 25, 2026 ("Share Option 3"). All share options are subject to the fulfillment of profit targets of certain subsidiaries of the Group and the performance appraisal target to be achieved by the Participants. There was no market conditions associated with the share options. Details of the specific categories of share options are shown in the following table:

	Grant date	Exercise period	Exercise price *(RMB)*
Share Option 1	July 26, 2022	July 26, 2023 to July 25, 2024	219.02
Share Option 2	July 26, 2022	July 26, 2024 to July 25, 2025	219.02
Share Option 3	July 26, 2022	July 26, 2025 to July 25, 2026	219.02

Reserve batch

On December 20, 2022, the reserve batch of the 2022 Equity Incentive Plan share options was approved at the Company's the twentieth meeting of the Second Session of the Board of Directors with 623,000 out of 1,020,250 share option to be granted to the Participants.

On December 20, 2022, the reserve batch of 2022 Equity Incentive Plan share options were granted to other eligible employee participants. 40% of share options have an exercise period from December 20, 2023 to December 19, 2024 ("Share Option 4"), 30% of share options have an exercise period from December 20, 2024 to December 19, 2025 ("Share Option 5"); and the remaining share options have an exercise period from December 20, 2025 to December 19, 2026 ("Share Option 6"). All share options are subject to the fulfillment of profit targets of certain subsidiaries of the Group and the performance appraisal target to be achieved by the Participants. There was no market conditions associated with the share options. Details of the specific categories of share options are shown in the following table:

	Grant date	Exercise period	Exercise price *(RMB)*
Share Option 4	December 20, 2022	December 20, 2023 to December 19, 2024	219.02
Share Option 5	December 20, 2022	December 20, 2024 to December 19, 2025	219.02
Share Option 6	December 20, 2022	December 20, 2025 to December 19, 2026	219.02

Remaining reserve batch

On May 8, 2023, the Company held its 2022 Annual General Meeting, which approved the "Proposal on the 2022 Profit Distribution and Capital Reserve Transfer to Share Capital Plan" ("the 2022 Distribution Plan"). Based on the Company's total share capital of 238,933,800 before the implementation of the 2022 Distribution Plan, a cash dividend of RMB22.6 per 10 shares (inclusive of tax) would be distributed to all shareholders, and 8 shares would be distributed to all shareholders for every 10 shares held by transfer from capital reserve, with no bonus shares distributed. This distribution was completed on May 23, 2023.

According to the relevant provisions of the 2022 Equity Incentive Plan, if the Company undergoes any events such as capital reserve transfer to share capital, distribution of dividends, share splits, reverse share splits, rights issues, or dividend payments before the exercise of options, the Company shall adjust the exercise price and quantity accordingly.

After the adjustment, the exercise price for the first batch and the reserve batch of the 2022 Equity Incentive Plan share option would be RMB120.42 per share option and the number of the first batch and the reserve batch of the 2022 Equity Incentive Plan share option would be 7,345,800 and 1,121,400 respectively. The remaining reserve batch of the 2022 Equity Incentive Plan share option would be 715,050.

On July 18, 2023, the remaining reserve batch of the 2022 Equity Incentive Plan share option was approved at the Company's the twenty sixth meeting of the Second Session of the Board of Directors with 715,050 share option to be granted to the Participants.

On July 18, 2023, the remaining reserve batch of 2022 Equity Incentive Plan share option was granted to other eligible employee participants. 50% of share options have an exercise period from July 18, 2024 to July 17, 2025 ("Share Option 7") and the remaining 50% share options have an exercise period from July 18, 2025 to July 17, 2026 ("Share Option 8"). All share options are subject to the fulfillment of profit targets of the subsidiaries of the Group and the performance appraisal target to be achieved by the Participants. There was no market conditions associated with the share options. Details of the specific categories of share options are shown in the following table:

	Grant date	**Exercise period**	**Exercise price** *(RMB)*
Share Option 7	July 18, 2023	July 18, 2024 to July 17, 2025	120.42
Share Option 8	July 18, 2023	July 18, 2025 to July 17, 2026	120.42

Vesting of the share options in relation to 2022 Equity Incentive Plan is conditional upon the achievement of the operating performance of the Group and the individual performance indicator of the Participants. There was no market conditions associated with the share options.

Details of share options granted under 2022 Equity Incentive Plan (adjusted) are shown in the following table:

	2022 Equity Incentive Plan – First Batch	**2022 Equity Incentive Plan – Reserve Batch**	**2022 Equity Incentive Plan – Remaining Reserve Batch**
Grant date	July 26, 2022	December 20, 2022	July 18, 2023
Number of ordinary shares issued upon exercise:			
– Directors	72,000 (adjusted)	–	–
– Employees	7,273,800 (adjusted)	1,121,400 (adjusted)	715,050 (adjusted)
Exercise price *(RMB)*	120.42 (adjusted)	120.42 (adjusted)	120.42
Contractual option term	Four years	Four years	Three years
Expiry date	July 25, 2026	December 19, 2026	July 17, 2026

Fair value of share options granted

The fair values of services received in return for share options granted are measured by reference to the fair value of share options granted. The range of fair value of options granted determined by using the Black-Scholes-Merton model and significant inputs into the model were as follows:

	2022 Equity Incentive Plan – First Batch	**2022 Equity Incentive Plan – Reserve Batch**	**2022 Equity Incentive Plan – Remaining Reserve Batch**
Range of fair value of option granted *(RMB)*	91.87–105.77	109.34–123.34	17.82–27
Share price at the grant date *(RMB)*	273.77	325.95	135.94
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes-Merton model)	16.02%–17.45%	16.15%–17.90%	13.15%–15.37%
Expected dividends	0.46%	0.32%	0.68%
Risk-free interest rate	1.5%–2.75%	1.5%–2.75%	1.5%–2.75%
Option life (expressed as weighted average life used in the modelling under Black-Scholes-Merton model)	1 year to 3 years	1 year to 3 years	1 year to 2 years

The expected volatility is based on the historic volatility, adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Set out below are details of the movements of the outstanding shares options granted during the years ended December 31, 2023, 2024 and 2025 and four months ended April 30, 2026:

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number
Outstanding at the beginning of the year/period	219.02	4,704,000	120.42	9,007,290	83.31	4,844,274	56.54	979,132
Adjustment for capitalisation issue of share	–	3,763,200	–	3,602,916	–	1,644,377	N/A	–
Granted during the year/period	120.42	715,050	N/A	–	N/A	–	N/A	–
Forfeited during the year/period	120.42	(174,960)	83.31	(492,576)	56.54	(96,452)	N/A	–
Exercised during the year/period	N/A	–	83.31	(7,180,953)	56.54	(4,982,805)	56.54	(668,256)
Expired during the year/period	N/A	–	83.31	(92,403)	56.54	(430,262)	N/A	–
Outstanding at the end of the year/period	120.42	9,007,290	83.31	4,844,274	56.54	979,132	56.54	310,876
Exercisable at the end of the year/period	120.42	3,313,440	83.31	693,881	56.54	979,132	56.54	310,876
Weighted average remaining life		1.56		1.40		0.66		0.25

No share options were exercised during the year ended December 31, 2023. The weighted average share price at the date of exercise for share options exercised during the years ended December 31, 2024 and 2025 and the four months ended April 30, 2026 were RMB89.54, RMB68.69 and RMB113.95 per share, respectively.

During the years ended December 31, 2023, 2024 and 2025, share-based payment expense of approximately RMB228,731,000, RMB90,557,000 and RMB42,831,000, respectively, for the 2022 Equity Incentive Plan was recognised respectively in the consolidated statements of profit or loss and other comprehensive income. No share-based payment expense for the 2022 Equity Incentive Plan was recognised for the four months ended April 30, 2026.

2024 Restricted A Share Incentive Scheme

On January 5, 2024, the Company held the second meeting of the Third Session of the Board of Directors, at which the resolution in relation to the 2024 Restricted A Share Incentive Scheme (Draft) of the Company and its summary was considered and approved. It was proposed to implement the 2024 Restricted A Share Incentive Scheme of the Company (the "2024 Restricted A Share Incentive Scheme") for the directors of the Company (excluding independent directors), senior management and core backbone employees of the Group. The 2024 Restricted A Share Incentive Scheme was considered and approved at the 2024 First Extraordinary General Meeting of the Company held on January 24, 2024. The Company repurchased a total of 2,839,480 A shares with the repurchase price of RMB70.42 per share through the designated securities account for repurchase by way of non-trading transfer or block trade, accounting for approximately 0.66% of the issued share capital of the Company as at the date of approval. The share repurchase was completed in November 2023 and the transfer registration was completed in April 2024. The fair value of the 2024 Restricted A Share Incentive Scheme on the grant date is based on the closing price of the Company's share on the grant date and the subscription price of the 2024 Restricted A Share Incentive Scheme of RMB38.61 per share.

On May 15, 2024, the Company held its 2023 Annual General Meeting, which approved the "Proposal on the 2023 Profit Distribution and Capital Reserve Transfer to Share Capital Plan" ("the 2023 Distribution Plan"). Cash dividend of RMB21 per 10 shares (inclusive of tax) would be distributed to all shareholders, and 4 shares would be distributed to all shareholders for every 10 shares held by transfer from capital reserve, with no bonus shares distributed. After the adjustment, the number of the shares in relation to the 2024 Restricted A Share Incentive Scheme would be revised from 2,839,480 to 3,975,272.

The term of the 2024 Restricted A Share Incentive Scheme shall be 36 months from the date on which the 2024 Restricted A Share Incentive Scheme is considered and approved at the general meeting and the Company announces that the last batch of the underlying shares is transferred to the 2024 Restricted A Share Incentive Scheme.

The underlying shares held by the 2024 Restricted A Share Incentive Scheme will be vested 12 months after the date of the Company's announcement of the last transfer of the underlying shares to the 2024 Restricted A Share Incentive Scheme. All shares are subject to the fulfillment of profit targets of the subsidiaries of the Group and the performance appraisal target to be achieved by the Participants. There was no market conditions associated with the shares. On April 8, 2025, vesting conditions are fulfilled and 3,957,492 shares are vested on that date.

Set out below are details of the movements of the outstanding shares granted under the 2024 Restricted A Share Incentive Scheme during the years ended December 31, 2023, 2024 and 2025 and four months ended April 30, 2026:

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number
Outstanding at the beginning of the year/period	N/A	–	N/A	–	27.58	3,975,272	N/A	–
Adjustment for capitalisation issue of share	N/A	–	–	1,135,792	N/A	–	N/A	–
Granted during the year/period	N/A	–	38.61	2,839,480	N/A	–	N/A	–
Forfeited during the year/period	N/A	–	N/A	–	27.58	(17,780)	N/A	–
Vested during the year/period	N/A	–	N/A	–	27.58	(3,957,492)	N/A	–
Outstanding at the end of the year/period	N/A	–	27.58	3,975,272	N/A	–	N/A	–

During the years ended December 31, 2024 and 2025, share-based payment expense of approximately RMB129,918,000 and RMB44,999,000 for the 2024 Restricted A Share Incentive Scheme was recognised in the consolidated statements of profit or loss and other comprehensive income. No share-based payment expense for the 2024 Restricted A Share Incentive Scheme was recognised for the four months ended April 30, 2026.

2025 Restricted A Share Incentive Scheme

On August 25, 2025, the Company held the Seventeenth meeting of the Third Session of the Board of Directors, at which the resolution in relation to the 2025 Restricted A Share Incentive Scheme (Draft) of the Company and its summary was considered and approved. It was proposed to implement the 2025 Restricted A Share Incentive Scheme of the Company (the "2025 Restricted A Share Incentive Scheme") for the directors of the Company (excluding independent directors), senior management and core backbone employees of the Group. The 2025 Restricted A Share Incentive Scheme was considered and approved at the 2025 First Extraordinary General Meeting of the Company held on September 16, 2025. The Company repurchased a total of 1,907,200 A shares with the average repurchase price of RMB52.44 per share through the designated securities account for repurchase by way of non-trading transfer or block trade, accounting for approximately 0.21% of the issued share capital of the Company as at the date of approval. The share repurchase was completed in July 2025 and the transfer registration was completed on November 26, 2025. The fair value of the 2025 Restricted A Share Incentive Scheme on the grant date is based on the closing price of the Company's share on the grant date and the subscription price of the 2025 Restricted A Share Incentive Scheme of RMB29.084 per share.

The term of the 2025 Restricted A Share Incentive Scheme shall be 60 months from the date on which the 2025 Restricted A Share Incentive Scheme is approved at the general meeting and the Company announces that the last batch of the underlying shares is transferred to the 2025 Restricted A Share Incentive Scheme.

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	Weighted average exercise price	Number	Weighted average exercise price	Number	Weighted average exercise price	Number	Weighted average exercise price	Number
	RMB		*RMB*		*RMB*		*RMB*	
Outstanding at the beginning of the year/period	N/A	–	N/A	–	N/A	–	29.08	1,907,200
Granted during the year/period	N/A	–	N/A	–	29.08	1,907,200	N/A	–
Outstanding at the end of the year/period	N/A	–	N/A	–	29.08	1,907,200	29.08	1,907,200

The underlying shares held by the 2025 Restricted A Share Incentive Scheme will be vested 12 months after from the date of the Company's announcement of the last transfer of the underlying shares to the 2025 Restricted A Share Incentive Scheme. All shares are subject to the fulfillment of profit targets of certain subsidiaries of the Group and the performance appraisal target to be achieved by the participants. There was no market conditions associated with the shares.

During the year ended December 31, 2025 and the four months ended April 30, 2026, share-based payment expense of approximately RMB24,710,000 and RMB26,290,000 for the 2025 Restricted A Share Incentive Scheme was recognised in the consolidated statements of profit or loss and other comprehensive income.

As at December 31, 2025 and April 30, 2026, none of the outstanding share had vested or were exercisable for the 2025 Restricted A Share Incentive Scheme.

35. INVESTMENTS IN SUBSIDIARIES

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Unlisted investment, at cost	2,180,590	2,994,524	4,660,785	4,730,372

The particulars of the directly and indirectly held subsidiaries of the Company are set out in Note 1.

36. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

As of December 31, 2023, 2024 and 2025 and April 30, 2026, the balances are unsecured, interest-free and repayable on demand.

37. NOTES SUPPORTING TO CONSOLIDATED STATEMENTS OF CASH FLOWS

The table below shows the details of the changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which each cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows from financing activities.

	Borrowings	**Restricted bank deposits**	**Dividend payables**	**Lease liabilities**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023	1,809,264	(541,208)	–	4,276	1,272,332
Changes from financing cash flows:					
Repayment of lease liabilities	–	–	–	(3,732)	(3,732)
Interest paid	(71,425)	–	–	–	(71,425)
Placement of restricted bank deposits	–	(631,500)	–	–	(631,500)
Dividend paid	–	–	(538,215)	–	(538,215)
Proceeds from borrowings	3,672,000	–	–	–	3,672,000
Repayment of borrowings	(2,267,825)	–	–	–	(2,267,825)
Total changes from financing cash flows	1,332,750	(631,500)	(538,215)	(3,732)	159,303
Other changes:					
Addition	–	–	–	9,943	9,943
Interest expenses *(Note 9)*	72,460	–	–	205	72,665
Dividend declared	–	–	538,215	–	538,215
Placement of restricted bank deposits	–	(103,288)	–	–	(103,288)
Release of restricted bank deposits	–	541,208	–	–	541,208
Other movements	(941)	–	–	(396)	(1,337)
Total other changes	71,519	437,920	538,215	9,752	1,057,406
At December 31, 2023	3,213,533	(734,788)	–	10,296	2,489,041

	Borrowings	Restricted bank deposits	Dividend payables	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2024	3,213,533	(734,788)	–	10,296	2,489,041
Changes from financing cash flows:					
Repayment of lease liabilities	–	–	–	(6,475)	(6,475)
Interest paid	(44,357)	–	–	–	(44,357)
Placement of restricted bank deposits	–	(70,000)	–	–	(70,000)
Release of restricted bank deposits	–	32,500	–	–	32,500
Dividend paid	–	–	(1,677,501)	–	(1,677,501)
Proceeds from borrowings	4,412,290	–	–	–	4,412,290
Repayment of borrowings	(6,015,280)	–	–	–	(6,015,280)
Total changes from financing cash flows	(1,647,347)	(37,500)	(1,677,501)	(6,475)	(3,368,823)
Other changes:					
Addition	–	–	–	5,517	5,517
Interest expenses *(Note 9)*	43,296	–	–	283	43,579
Dividend declared	–	–	1,677,501	–	1,677,501
Placement of restricted bank deposits	–	(127,026)	–	–	(127,026)
Release of restricted bank deposits	–	103,288	–	–	103,288
Settlement of borrowings through restricted bank deposits	(600,060)	600,060	–	–	–
Other movements	1,061	–	–	(77)	984
Total other changes	(555,703)	576,322	1,677,501	5,723	1,703,843
At December 31, 2024	1,010,483	(195,966)	–	9,544	824,061

	Borrowings	Restricted bank deposits	Dividend payables	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2025	1,010,483	(195,966)	–	9,544	824,061
Changes from financing cash flows:					
Repayment of lease liabilities	–	–	–	(14,767)	(14,767)
Interest paid	(56,543)	–	–	–	(56,543)
Placement of restricted bank deposits	–	(4,026,104)	–	–	(4,026,104)
Release of restricted bank deposits	–	300,000	–	–	300,000
Dividend paid	–	–	(2,683,356)	–	(2,683,356)
Proceeds from borrowings	5,773,224	–	–	–	5,773,224
Repayment of borrowings	(1,380,860)	–	–	–	(1,380,860)
Total changes from financing cash flows	4,335,821	(3,726,104)	(2,683,356)	(14,767)	(2,088,406)
Other changes:					
Addition	–	–	–	36,262	36,262
Interest expenses *(Note 9)*	56,825	–	–	871	57,696
Dividend declared	–	–	2,683,356	–	2,683,356
Placement of restricted bank deposits	–	(186,041)	–	–	(186,041)
Release of restricted bank deposits	–	127,026	–	–	127,026
Settlement of borrowings through restricted bank deposits	(2,010,020)	2,010,020	–	–	–
Increase in restricted bank deposits	–	(440,310)	–	–	(440,310)
Other movements	–	–	–	(4,593)	(4,593)
Total other changes	(1,953,195)	1,510,695	2,683,356	32,540	2,273,396
At December 31, 2025	3,393,109	(2,411,375)	–	27,317	1,009,051

	Borrowings	Restricted bank deposits	Dividend payables	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2026	3,393,109	(2,411,375)	–	27,317	1,009,051
Changes from financing cash flows:					
Repayment of lease liabilities	–	–	–	(10,951)	(10,951)
Interest paid	(13,554)	–	–	–	(13,554)
Placement of restricted bank deposits	–	(200,000)	–	–	(200,000)
Release of restricted bank deposits	–	1,239,104	–	–	1,239,104
Proceeds from borrowings	1,425,027	–	–	–	1,425,027
Repayment of borrowings	(2,148,674)	–	–	–	(2,148,674)
Total changes from financing cash flows	(737,201)	1,039,104	–	(10,951)	290,952
Other changes:					
Addition	–	–	–	17,651	17,651
Interest expenses *(Note 9)*	15,977	–	–	374	16,351
Dividend declared	–	–	1,636,846	–	1,636,846
Release of restricted bank deposits	–	95,680	–	–	95,680
Decrease in restricted bank deposits	–	(299,733)	–	–	(299,733)
Other movement	–	–	–	(3,630)	(3,630)
Total other changes	15,977	(204,053)	1,636,846	14,395	1,463,165
At April 30, 2026	2,671,885	(1,576,324)	1,636,846	30,761	2,763,168

	Borrowings	Restricted bank deposits	Dividend payables	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2025	1,010,483	(195,966)	–	9,544	824,061
Changes from financing cash flows:					
Repayment of lease liabilities (unaudited)	–	–	–	(1,725)	(1,725)
Interest paid (unaudited)	(14,244)	–	–	–	(14,244)
Placement of restricted bank deposits (unaudited)	–	(1,295,074)	–	–	(1,295,074)
Release of restricted bank deposits (unaudited)	–	161,293	–	–	161,293
Proceeds from borrowings (unaudited)	2,430,020	–	–	–	2,430,020
Repayment of borrowings (unaudited)	(260,010)	–	–	–	(260,010)
Total changes from financing cash flows (unaudited)	2,155,766	(1,133,781)	–	(1,725)	1,020,260
Other changes:					
Addition (unaudited)	–	–	–	2,479	2,479
Interest expenses *(Note 9)* (unaudited)	14,585	–	–	134	14,719
Placement of restricted bank deposits (unaudited)	–	(5,810)	–	–	(5,810)
Release of restricted bank deposits (unaudited)	–	52,789	–	–	52,789
Other movement (unaudited)	–	–	–	(141)	(141)
Total other changes (unaudited)	14,585	46,979	–	2,472	64,036
At April 30, 2025 (unaudited)	3,180,834	(1,282,768)	–	10,291	1,908,357

38. CAPITAL COMMITMENTS

The Group

As of December 31, 2023, 2024 and 2025 and April 30, 2026, the Group had outstanding capital commitments as follows:

	As of December 31, 2023	2024	2025	As of April 30, 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted, but not provided for:				
– Construction of property and buildings	353,289	31,958	966,798	806,001

39. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(a) Compensation of key management personnel of the Group

The compensation of key management personnel of the Group during each of the reporting period represented the directors' emoluments as disclosed in Note 14(a).

(b) Save as disclosed elsewhere in the Historical Financial Information, no related parties that had other material transactions with the Group during the Track Record Period.

(c) Balance with related parties

The Company

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Amounts due from subsidiaries				
Haiyan Deye New Energy Technology Co., Ltd.	–	–	118,751	–
Ningbo Deye Environmental Electric Co., Ltd.	54,000	6,000	–	–
Ningbo Deye Inverter Technology Co., Ltd.	–	–	10,566	9,474
Zhejiang Deye Environmental Electrical Appliance Co., Ltd. (former name as Zhejiang Deye Environmental Electric Co., Ltd.)	–	30,634	2	–
	54,000	36,634	129,319	9,474
Less: impairment loss allowance	(2,700)	(600)	(6,466)	(474)
	51,300	36,034	122,853	9,000

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Amounts due to subsidiaries				
Zhejiang Deye Environmental Electrical Appliance Co., Ltd. (former name as Zhejiang Deye Environmental Electric Co., Ltd.)	–	–	150,000	–
Zhejiang Deye New Energy Co., Ltd.	–	49,480	–	–
DEYE Global Holdings Limited	–	–	–	3,857
	–	49,480	150,000	3,857

The balances with subsidiaries were non-trade in nature.

(d) Dividend receivables from subsidiaries

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Dividend receivables from subsidiaries				
Ningbo Deye Inverter Technology Co., Ltd.	810,000	1,500,000	80,000	580,000
Zhejiang Deye Environmental Electrical Appliance Co., Ltd. (former name as Zhejiang Deye Environmental Electric Co., Ltd.)	70,000	140,000	1,300,000	–
Ningbo Deye Energy Storage Technology Co., Ltd.	–	–	300,000	–
	880,000	1,640,000	1,680,000	580,000

The dividend receivables from subsidiaries were non-trade in nature.

40. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through the payment of dividends, new shares issue and share buy back as well as the issue of new debts or redemption of existing debt, if necessary. No changes were made into the objectives, policies or processes for managing capital during the Track Record Period.

The gearing ratios as at the end of each reporting period were as follows:

	As of December 31,			As of April 30
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total liabilities	5,585,951	5,659,705	9,577,447	13,075,958
Total assets	10,817,385	15,114,421	19,906,772	23,468,501
Gearing ratio	52%	37%	48%	56%

41. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The Group

The following table shows the carrying amounts of financial assets and liabilities of the Group:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets measured at amortised cost:				
Trade receivables	561,194	1,702,461	1,700,012	1,877,841
Bill receivables, deposits and other receivables	18,376	26,565	97,564	197,476
Notes receivable	–	–	–	380,913
Restricted bank deposits	734,788	195,966	2,411,375	1,576,324
Term deposits	1,944,691	2,282,327	2,517,341	2,207,609
Cash and cash equivalents	2,444,564	3,357,675	5,395,121	5,615,115
	5,703,613	7,564,994	12,121,413	11,855,278
Financial assets measured at fair value through profit or loss:				
Financial assets at fair value through profit or loss	1,854,782	3,077,722	1,735,992	3,767,405
Financial assets measured at fair value through other comprehensive income:				
Debt investments at fair value through other comprehensive income	5,917	10,847	20,512	38,270

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities				
Financial liabilities measured at amortised cost:				
Trade and bills payables	1,509,536	3,500,338	4,711,335	7,205,616
Other payables and accruals *(Note)*	214,686	217,628	162,093	179,399
Borrowings	3,213,533	1,010,483	3,393,109	2,671,885
Lease liabilities	10,296	9,544	27,317	30,761
	4,948,051	4,737,993	8,293,854	10,087,661
Financial liabilities measured at fair value through profit or loss:				
Financial liabilities at fair value through profit or loss	55,993	21,562	74,908	65,470

Note: Excluding non-financial liabilities of dividend payable, employee benefits payable and other tax payables.

The Company

The following table shows the carrying amounts of financial assets and liabilities of the Company:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets measured at amortised cost:				
Trade receivables	78,317	161,534	169,520	131,749
Deposits and other receivables	716	1,106	882	654
Amounts due from subsidiaries	51,300	36,034	122,853	9,000
Restricted bank deposits	226,521	14	14	14
Term deposits	247,411	443,347	532,708	434,392
Cash and cash equivalents	238,291	526,100	491,632	1,381,588
	842,556	1,168,135	1,317,609	1,957,397
Financial assets measured at fair value through profit or loss:				
Financial assets at fair value through profit or loss	553,344	1,651,814	696,433	897,934
Financial assets measured at fair value through other comprehensive income:				
Debt investments at fair value through other comprehensive income	–	–	192,424	–

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities				
Financial liabilities measured at amortised cost:				
Trade and bills payables	187,222	334,584	3,860	102
Other payables and accruals *(Note)*	1,367	1,215	10,700	6,638
Amounts due to subsidiaries	–	49,480	150,000	3,857
Borrowings	1,390,999	400,195	1,282,052	1,036,091
Lease liabilities	6,057	4,959	3,815	–
	1,585,645	790,433	1,450,427	1,046,688

Note: Excluding non-financial liabilities of dividend payable, employee benefits payable and other tax payables.

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group's financial instruments in the normal course of the Group's business are interest rate risk, credit risk, liquidity risk, foreign currency risk and fair value. These risks are limited by the Group's financial management policies and practices described below. Generally, the Group introduces conservative strategies on its risk management. The Group uses foreign currency forward contracts to manage its currency risk exposure until the settlement date of foreign currency receivables or payables.

(a) Interest rate risk

The Group and The Company

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

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

(b) Credit risk

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

In respect of trade receivables, bills receivable, deposits and other receivables, individual credit evaluations are performed on all customers. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. Ongoing credit evaluation is performed on the financial condition of trade customers and, where appropriate, credit guarantee insurance cover is purchased. Trade receivables are generally due within 60 to 90 days from the date of accepting a customer order or date of invoice. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. 57.1%, 72.7%, 65.1% and 55.1% of the Group's trade receivables was due from the Group's five largest customers respectively as of December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

The Group

(i) Trade receivables

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer bases, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at the end of reporting period:

	Within one year	One year to two years	Two years to three years	Three years to four years	Four years to five years	Over five years	Individual assessment	Total
At December 31, 2023								
Expected loss rate *(%)*	5.00%	10.00%	30.00%	50.00%	80.00%	100.00%	100.00%	
Gross carrying amount *(RMB'000)*	569,149	4,689	397	28,740	8,173	276	1,706	613,130
Loss allowance *(RMB'000)*	28,458	469	119	14,370	6,538	276	1,706	51,936
	540,691	4,220	278	14,370	1,635	–	–	561,194
At December 31, 2024								
Expected loss rate *(%)*	5.00%	10.00%	30.00%	50.00%	80.00%	100.00%	100.00%	
Gross carrying amount *(RMB'000)*	1,774,872	10,661	2,383	312	24,564	6,325	1,732	1,820,849
Loss allowance *(RMB'000)*	88,743	1,066	715	156	19,651	6,325	1,732	118,388
	1,686,129	9,595	1,668	156	4,913	–	–	1,702,461
At December 31, 2025								
Expected loss rate *(%)*	5.00%	10.00%	30.00%	50.00%	80.00%	100.00%	N/A	
Gross carrying amount *(RMB'000)*	1,756,480	30,726	4,525	781	722	30,615	–	1,823,849
Loss allowance *(RMB'000)*	87,825	3,073	1,357	390	577	30,615	–	123,837
	1,668,655	27,653	3,168	391	145	–	–	1,700,012
At April 30, 2026								
Expected loss rate *(%)*	5.00%	10.00%	30.00%	50.00%	80.00%	100.00%	100.00%	
Gross carrying amount *(RMB'000)*	1,945,130	32,007	1,152	542	637	24,792	4,928	2,009,188
Loss allowance *(RMB'000)*	97,300	3,201	346	271	509	24,792	4,928	131,347
	1,847,830	28,806	806	271	128	–	–	1,877,841

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the Track Record Period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended December 31,			Four months ended April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	46,424	51,936	118,388	123,837
Provision for loss allowance	5,512	66,452	7,432	7,552
Write off	–	–	(1,707)	–
Exchange difference	–	–	(276)	(42)
At end of the year/period	51,936	118,388	123,837	131,347

Changes in loss allowance for impairment of trade receivables during the Track Record Period were mainly contributed from the following:

– For the years ended December 31, 2023 and 2024 and four months ended April 30, 2026, increase in the ending balances of trade receivables resulted in an increase in loss allowance of RMB5,512,000, RMB66,452,000 and RMB7,552,000, respectively. For the year ended December 31, 2025, the longer past due balance of trade receivables resulted in an increase in loss allowance of RMB7,432,000.

(ii) Bills receivables, deposits and other receivables

In respect of bills receivables, deposits and other receivables, the Group has applied the general approach prescribed by IFRS 9, by measuring loss allowance at an amount equal to 12-month ECLs or lifetime ECLs for bills receivables, deposits and other receivables. To measure the ECLs, bills receivables, deposits and other receivables have been grouped based on shared credit risk characteristics, ECLs are estimated based on historical credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions.

As at the end of reporting period, all bills receivables, deposits and other receivables are measured at an amount equal to 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

The following table provides information about the Group's exposure to credit risk and ECLs for deposits and other receivables and bills receivables:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Gross carrying amount				
– Bills receivables, deposits and other receivables	25,952	51,243	125,814	237,894
Loss allowance				
– Bills receivables, deposits and other receivables	(7,576)	(24,978)	(28,250)	(40,418)

Movements in the loss allowance account for impairment of bills receivables, deposits and other receivables are as follows:

Bills receivables, deposits and other receivables	Year ended December 31,			Four months ended April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	3,463	7,576	24,978	28,250
Provision for loss allowance	4,113	17,402	3,272	12,168
At end of the year/period	7,576	24,978	28,250	40,418

Changes in loss allowance for impairment of bills receivables, deposits and other receivables during the Track Record Period were mainly contributed from the following:

– For the years ended December 31, 2023, 2024 and 2025 and April 30, 2026, increase in the gross carrying amount of bills receivables, deposits and other receivables resulted in an increase in loss allowance of RMB4,113,000, RMB17,402,000, RMB3,272,000 and RMB12,168,000, respectively.

With respect to the Group's cash and cash equivalents, term deposits, restricted bank deposits and notes receivable, the directors of the Company consider the probability of default to be low on these balances since the counterparties are financial institutions with high credit ratings or with good reputation.

The Company

(i) Trade receivables

The Company measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Company's historical credit loss experience does not indicate significantly different loss patterns for different customer bases, the loss allowance based on past due status is not further distinguished between the Company's different customer bases.

The following table provides information about the Company's exposure to credit risk and ECLs for trade receivables as at the end of reporting period:

	Within one year	One year to two years	Two years to three years	Three years to four years	Four years to five years	Over five years	Total
At December 31, 2023							
Expected loss rate *(%)*	5.00%	–	–	33.33%	–	–	
Gross carrying amount *(RMB'000)*	82,437	–	–	3	–	–	82,440
Loss allowance *(RMB'000)*	4,122	–	–	1	–	–	4,123
	78,315	–	–	2	–	–	78,317
At December 31, 2024							
Expected loss rate *(%)*	5.00%	–	–	–	66.67%	–	
Gross carrying amount *(RMB'000)*	170,035	–	–	–	3	–	170,038
Loss allowance *(RMB'000)*	8,502	–	–	–	2	–	8,504
	161,533	–	–	–	1	–	161,534
At December 31, 2025							
Expected loss rate (%)	5.00%	–	–	–	–	100%	–
Gross carrying amount *(RMB'000)*	178,442	–	–	–	–	3	178,445
Loss allowance *(RMB'000)*	8,922	–	–	–	–	3	8,925
	169,520	–	–	–	–	–	169,520
At April 30, 2026							
Expected loss rate (%)	5.00%	–	–	–	–	100%	
Gross carrying amount *(RMB'000)*	138,683	–	–	–	–	3	138,686
Loss allowance *(RMB'000)*	6,934	–	–	–	–	3	6,937
	131,749	–	–	–	–	–	131,749

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the Track Record Period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended December 31, 2023	2024	2025	Four months ended April 30, 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	9,200	4,123	8,504	8,925
(Reversal of)/provision for loss allowance	(5,077)	4,381	421	(1,988)
At end of the year/period	4,123	8,504	8,925	6,937

Changes in loss allowance for impairment of trade receivables during the Track Record Period were mainly contributed from the following:

– For the year ended December 31, 2023 and the four months ended April 30, 2026, decrease in the gross carrying amount of trade receivables resulted in a decrease in loss allowance of RMB5,077,000 and RMB1,988,000, respectively, while for the year ended December 31, 2024 and 2025, increase in the gross carrying amount of trade receivables resulted in an increase in loss allowance of RMB4,381,000 and RMB421,000, respectively.

(ii) Deposits and other receivables

In respect of deposits and other receivables, the Company has applied the general approach prescribed by IFRS 9, by measuring loss allowance at an amount equal to 12-month ECLs or lifetime ECLs for deposits and other receivables. To measure the ECLs, deposits and other receivables have been grouped based on shared credit risk characteristics, ECLs are estimated based on historical credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions.

As at the end of reporting period, all deposits and other receivables are measured at an amount equal to 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

The following table provides information about the Company's exposure to credit risk and ECLs for deposits and other receivables:

	As of December 31, 2023	2024	2025	As of April 30, 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Gross carrying amount				
– Deposits and other receivables	792	1,242	1,118	778
Loss allowance				
– Deposits and other receivables	(76)	(136)	(236)	(124)

Movements in the loss allowance account for impairment of deposits and other receivables are as follows:

Deposits and other receivables

	Year ended December 31,			Four months ended April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	57	76	136	236
Provision/(reversal of provision) for loss allowance	19	60	100	(112)
At end of the year/period	76	136	236	124

Changes in loss allowance for impairment of deposits and other receivables during the Track Record Period were mainly contributed from the following:

– For the years ended December 31, 2023, 2024 and 2025, increase in past due days of deposits and other receivables resulted in an increase in loss allowance of RMB19,000, RMB60,000 and RMB100,000, respectively; while for the four months ended April 30, 2026, decrease in the gross carrying amount of deposits and other receivables resulted in a decrease in loss allowance of RMB112,000.

With respect to the Company's cash and cash equivalents, term deposits and restricted bank deposits, the directors of the Company consider the probability of default to be low on these balances since the counterparties are financial institutions with high credit ratings or with good reputation.

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the directors of the Company, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves.

The following tables detail the Group's and the Company's remaining contractual maturity for those financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are at floating rate, the undiscounted amounts are derived from current interest rate at the end of reporting period.

The Group

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of December 31, 2023					
Trade and bills payables	1,509,536	1,509,536	1,509,536	–	–
Other payables and accruals	214,686	214,686	214,686	–	–
Borrowings	3,213,533	3,254,095	2,946,707	117,375	190,013
Lease liabilities	10,296	10,987	5,522	1,564	3,901
Financial liabilities at fair value through profit and loss	55,993	55,993	55,993	–	–
	5,004,044	5,045,297	4,732,444	118,939	193,914

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of December 31, 2024					
Trade and bills payables	3,500,338	3,500,338	3,500,338	–	–
Other payables and accruals	217,628	217,628	217,628	–	–
Borrowings	1,010,483	1,018,601	1,018,601	–	–
Lease liabilities	9,544	10,197	3,309	3,227	3,661
Financial liabilities at fair value through profit and loss	21,562	21,562	21,562	–	–
	4,759,555	4,768,326	4,761,438	3,227	3,661

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of December 31, 2025					
Trade and bills payables	4,711,335	4,711,335	4,711,335	–	–
Other payables and accruals	162,093	162,093	162,093	–	–
Borrowings	3,393,109	3,414,820	3,322,720	2,695	89,405
Lease liabilities	27,317	28,374	14,653	12,291	1,430
Financial liabilities at fair value through profit and loss	74,908	74,908	74,908	–	–
	8,368,762	8,391,530	8,285,709	14,986	90,835

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of April 30, 2026					
Trade and bills payables	7,205,616	7,205,616	7,205,616	–	–
Other payables and accruals	179,399	179,399	179,399	–	–
Borrowings	2,671,885	2,696,237	2,611,238	999	84,000
Lease liabilities	30,761	31,690	20,137	11,553	–
Financial liabilities at fair value through profit and loss	65,470	65,470	65,470	–	–
	10,153,131	10,178,412	10,081,860	12,552	84,000

The Company

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of December 31, 2023					
Trade and bills payables	187,222	187,222	187,222	–	–
Other payables and accruals	1,367	1,367	1,367	–	–
Borrowings	1,390,999	1,414,086	1,414,086	–	–
Lease liabilities	6,057	6,694	1,329	1,465	3,900
	1,585,645	1,609,369	1,604,004	1,465	3,900

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of December 31, 2024					
Trade and bills payables	334,584	334,584	334,584	–	–
Other payables and accruals	1,215	1,215	1,215	–	–
Amounts due to subsidiaries	49,480	49,480	49,480	–	–
Borrowings	400,195	408,313	408,313	–	–
Lease liabilities	4,959	5,369	1,328	1,305	2,736
	790,433	798,961	794,920	1,305	2,736

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of December 31, 2025					
Trade and bills payables	3,860	3,860	3,860	–	–
Other payables and accruals	10,700	10,700	10,700	–	–
Amounts due to subsidiaries	150,000	150,000	150,000	–	–
Borrowings	1,282,052	1,302,229	1,210,129	2,695	89,405
Lease liabilities	3,815	4,040	1,305	1,305	1,430
	1,450,427	1,470,829	1,375,994	4,000	90,835

	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of April 30, 2026					
Trade and bills payables	102	102	102	–	–
Other payables and accruals	6,638	6,638	6,638	–	–
Amounts due to subsidiaries	3,857	3,857	3,857	–	–
Borrowings	1,036,091	1,053,060	1,017,663	999	34,398
	1,046,688	1,063,657	1,028,260	999	34,398

(d) Foreign currency risk

The Group and the Company are exposed to currency risk primarily through sales and purchase which give rise to receivables and payables and cash balances that is denominated in a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD and EUR.

(i) Exposure to currency risk

The following table details the Group's exposure as at December 31, 2023, 2024 and 2025 and April 30, 2026, to currency risk arising from the recognised financial assets and financial liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purpose, the amounts of exposure are shown in RMB translated using the spot rate of the end of each reporting period. Differences resulting from the translation of the financial statements of the Group's subsidiaries with functional currency other than RMB into the Group's presentation currency are excluded. The Company's exposure to currency risk is limited as the recognised financial assets and financial liabilities are primarily denominated in RMB.

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	305,541	2,190,760	2,440,939	3,443,372
Term deposits	1,392,253	668,522	70,288	656,702
Trade receivables	464,432	1,572,929	1,520,180	1,691,398
Deposits and other receivables	4,166	8,360	10,699	12,683
Notes receivable	–	–	–	380,913
Trade payables	–	–	(25,365)	(12,127)
Other payables and accruals	(10,922)	–	(945)	(3,963)
Net exposure	2,155,470	4,440,571	4,015,796	6,168,978

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained earnings) that would arise if foreign exchange rates to which the Group has significant exposure at the end of each reporting period changed at that date, assuming all other risk variables remained constant.

	As of December 31,						As of April 30,	
	2023		**2024**		**2025**		**2026**	
	Increase/ (decrease) in foreign exchange rates	**Effect on profit after tax and retained earnings**	**Increase/ (decrease) in foreign exchange rates**	**Effect on profit after tax and retained earnings**	**Increase/ (decrease) in foreign exchange rates**	**Effect on profit after tax and retained earnings**	**Increase/ (decrease) in foreign exchange rates**	**Effect on profit after tax and retained earnings**
	%	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*
USD	5%	90,666	5%	153,799	5%	173,516	5%	239,929
USD	(5%)	(90,666)	(5%)	(153,799)	(5%)	(173,516)	(5%)	(239,929)
EUR	5%	16,909	5%	66,436	5%	20,390	5%	11,372
EUR	(5%)	(16,909)	(5%)	(66,436)	(5%)	(20,390)	(5%)	(11,372)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group subsidiaries' profit after tax and equity measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of each reporting period for presentation purpose.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk as at December 31, 2023, 2024 and 2025 and April 30, 2026. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for the respective previous year.

(e) Fair value measurement

Fair value hierarchy

The following table presents the fair value of the Group's and the Company's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

– Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

– Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available;

– Level 3 valuations: Fair value measured using significant unobservable inputs.

Analysis on fair value measurement of financial instruments as at December 31, 2023, 2024 and 2025 and April 30, 2026 are as follows:

The Group

	Fair value measurement categorised into			
At December 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	1,854,782	–	1,854,782
Debt investments at fair value through other comprehensive income	–	5,917	–	5,917
Financial liabilities				
Financial liabilities at fair value through profit or loss	–	55,993	–	55,993

	Fair value measurement categorised into			
At December 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	3,077,722	–	3,077,722
Debt investments at fair value through other comprehensive income	–	10,847	–	10,847
Financial liabilities				
Financial liabilities at fair value through profit or loss	–	21,562	–	21,562

	Fair value measurement categorised into			
At December 31, 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	1,735,992	–	1,735,992
Debt investments at fair value through other comprehensive income	–	20,512	–	20,512
Financial liabilities				
Financial liabilities at fair value through profit or loss	–	74,908	–	74,908

	Fair value measurement categorised into			
At April 30, 2026	**Level 1**	**Level 2**	**Level 3**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	3,717,405	50,000	3,767,405
Debt investments at fair value through other comprehensive income	–	38,270	–	38,270
Financial liabilities				
Financial liabilities at fair value through profit or loss	–	65,470	–	65,470

The Company

	Fair value measurement categorised into			
At December 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	553,344	–	553,344

	Fair value measurement categorised into			
At December 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	1,651,814	–	1,651,814

At December 31, 2025	Fair value measurement categorised into Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	696,433	–	696,433
Debt investments at fair value through other comprehensive income	–	192,424	–	192,424

At April 30, 2026	Fair value measurement categorised into Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at fair value through profit or loss	–	847,934	50,000	897,934

Financial assets at fair value through profit or loss under level 2 of the Group and the Company mainly represented unlisted wealth management products issued by banks in PRC. The Group established the fair value of these unlisted investments with reference to the performance of the underlying financial benchmarks and their expected return rates stated in the outstanding contracts.

The Group's remaining financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss under level 2 represented foreign currency forward contracts and the fair values are based on the quoted prices on similar instruments from the relevant financial institutions.

Debt investments at fair value through other comprehensive income represented bank acceptance notes with short maturity. The fair value is determined by estimated future cash flows based on discount rate observed in the available market.

The following table gives information about how the fair values of the financial assets under level 3 are determined (in particular, the valuation technique(s) and input(s) used).

Financial assets at fair value through profit or loss	Valuation techniques	Significant unobservable input(s)	Range of inputs	Relationship of unobservable inputs to fair value
Unlisted equity investment	Market approach	Discount for lack of marketability ("DLOM")	27.80%	If the DLOM had increased/decreased by 1% with another variables held constant, the fair value at the period ended 30 April 2026 would have decreased/increased by RMB159,000.

During the Track Record Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

43. ACQUISITION OF A SUBSIDIARY/NON-CONTROLLING INTEREST

(a) Acquisition of a subsidiary

Saved as disclosed in Note 21, Ningbo Yonghao became a subsidiary of the Group with effect from the amendment to its articles of association dated December 27, 2024. The directors of the Company were of the opinion that acquisition of Ningbo Yonghao did not constitute business combinations as defined in IFRS 3, therefore, the acquisition had been accounted for as asset acquisition.

Assets and liabilities of Ningbo Yonghao recognised at the date of acquisition are as follows:

	RMB'000
Property, plant and equipment *(Note 15)*	12,589
Other receivables	464
Cash and cash equivalents	39,426
Other payables	(2,193)
Total identifiable net assets acquired	50,286
Less: Non-controlling interest initially recognised as at acquisition date	(571)
Net assets acquired	49,715
Net cash outflow arising on acquisition of Ningbo Yonghao	
Cash consideration paid	–
Cash and cash equivalents acquired	39,426
	39,426

(b) Acquisition of non-controlling interest

In January 2023, the Group entered into equity transfer agreements with certain shareholders of an indirectly owned subsidiary, Ningbo Deye Energy Storage Technology Co., Ltd., to acquire 48% equity interests of the subsidiary at cash consideration of RMB137,200,000 in aggregate. Pursuant to the equity transfer agreements, the Group's shareholding interest in Ningbo Deye Energy Storage Technology Co., Ltd. increased from 52.00% to 100.00%. The difference of RMB109,876,000 between the consideration paid by the Group and the relative interest in the net assets of Ningbo Deye Energy Storage Technology Co., Ltd. at the date of transfer was attributed to capital reserve.

44. CONTINGENCIES

As of December 31, 2023, 2024 and 2025 and April 30, 2026, there were no significant contingencies items for the Group and the Company.

45. EVENTS AFTER THE END OF THE TRACK RECORD PERIOD

(i) [On May 22, 2026, dividend resolved by the shareholders of the Company on April 30, 2026 of RMB1,636,846,000 was paid by the Company.

(ii) On May 22, 2026, 363,743,622 shares of the Company were issued by undergoing a capital reserve conversion and issuing an additional 4 shares per 10 shares held by existing shareholders as resolved by the shareholders of the Company on April 30, 2026.]

46. SUBSEQUENT FINANCIAL INFORMATION

[No audited financial statements have been prepared by the Group and the Company or any of the companies comprising the Group in respect of any period subsequent to April 30, 2026.]