

**ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE
DIRECTORS OF FIBOCOM WIRELESS INC. AND CITIC SECURITIES (HONG
KONG) LIMITED**

Introduction

We report on the historical financial information of Fibocom Wireless Inc. (the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-4 to I-96, which comprises the consolidated statements of financial position of the Group as at 31 December 2022, 2023 and 2024 and as at 30 April 2025, the statements of financial position of the Company as at 31 December 2022, 2023 and 2024 and as at 30 April 2025, 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 for each of the years ended 31 December 2022, 2023 and 2024 and the four months ended 30 April 2025 (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-4 to I-96 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated 14 October 2025 (the “Document”) in connection with the initial listing of the H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors’ responsibility for the Historical Financial Information

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

Reporting accountants’ responsibility

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



Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in Note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, 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 purpose of the accountants' report, a true and fair view of the Group's consolidated financial position as at 31 December 2022, 2023 and 2024 and as at 30 April 2025, the Company's financial position as

at 31 December 2022, 2023 and 2024 and as at 30 April 2025 and of the consolidated financial performance and consolidated cash flows of the Group for the Track Record Period in accordance with the basis of presentation and preparation set out in Note 2.1 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises consolidated statements 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 2024 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Company are responsible for the presentation and preparation of the Stub Period Comparative Financial Information in accordance with the basis of presentation and preparation set out in Note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board ("IAASB"). 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 International 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 Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Note 2.1 to the Historical Financial Information.



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Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

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

Dividends

We refer to Note 13 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

Grant Thornton Hong Kong

Grant Thornton Hong Kong Limited

Certified Public Accountants

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14 October 2025

Chiu Wing Ning

Practising Certificate No.: P04920

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

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 Grant Thornton Hong Kong Limited in accordance with International Standards on Auditing issued by International Auditing and Assurance Standards Board (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 31 December			Four months ended 30 April	
	Notes	2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Continuing operations						
Revenue	5	5,202,736	5,651,814	6,971,189	2,047,100	2,480,648
Cost of goods sold		(4,136,956)	(4,464,939)	(5,704,274)	(1,638,586)	(2,041,797)
Gross profit		1,065,780	1,186,875	1,266,915	408,514	438,851
Other income, net.	6	69,356	61,483	86,229	43,833	22,442
Other gains and losses, net	6	5,260	12,988	(8,426)	(3,535)	(1,230)
Research and development expenses		(542,563)	(540,156)	(582,684)	(193,933)	(182,250)
Selling and distribution expenses .		(155,039)	(178,445)	(162,243)	(58,777)	(46,678)
Administrative expenses		(107,484)	(145,510)	(200,326)	(43,571)	(53,048)
Reversal/(Provision) of expected credit losses (“ECL”) allowance of trade and other receivables	24	(619)	2,813	(12,112)	(1,266)	(1,991)
Operating profit		334,691	400,048	387,353	151,265	176,096
Finance income	7	5,304	12,144	24,581	4,598	6,101
Finance costs	7	(24,183)	(29,387)	(37,447)	(10,677)	(10,510)
Finance costs, net.	7	(18,879)	(17,243)	(12,866)	(6,079)	(4,409)
Share of result of associate	21	23,213	2,017	(3,898)	(2,466)	(1,282)
Profit before income taxes	8	339,025	384,822	370,589	142,720	170,405
Income tax credit/(expense)	9	13,240	(8,053)	52,562	(2,834)	(10,140)
Profit for the year/period from						
continuing operations		352,265	376,769	423,151	139,886	160,265
Discontinued operation						
Profit for the year/period from						
discontinued operation.	10	12,568	188,219	253,687	93,458	–
Profit for the year/period		364,833	564,988	676,838	233,344	160,265

Notes	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Other comprehensive income arising from continuing operations					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Changes in fair value of financial assets at FVTOCI, net of tax . .	<u>2,049</u>	<u>51,858</u>	<u>70,724</u>	<u>73,481</u>	<u>17,387</u>
<i>Items that will be reclassified subsequently to profit or loss</i>					
Share of other comprehensive income of investment in associate. 21	8,568	—	—	—	—
Currency translation difference . .	<u>3,132</u>	<u>(689)</u>	<u>14,909</u>	<u>1,384</u>	<u>1,913</u>
	<u>13,749</u>	<u>51,169</u>	<u>85,633</u>	<u>74,865</u>	<u>19,300</u>
Other comprehensive expense arising from discontinued operation					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of post- employment benefit obligations	<u>(2,977)</u>	<u>1,874</u>	<u>1,104</u>	<u>(356)</u>	<u>—</u>
<i>Items that will be reclassified subsequently to profit or loss</i>					
Currency translation difference . .	<u>1,797</u>	<u>11,367</u>	<u>(13,165)</u>	<u>991</u>	<u>—</u>
	<u>(1,180)</u>	<u>13,241</u>	<u>(12,061)</u>	<u>635</u>	<u>—</u>
Total comprehensive income for the year/period	<u><u>377,402</u></u>	<u><u>629,398</u></u>	<u><u>750,410</u></u>	<u><u>308,844</u></u>	<u><u>179,565</u></u>
Profit for the year/period attributable to:					
Owners of the Company					
– Continuing operations	352,265	375,335	414,277	136,321	157,583
– Discontinued operation	<u>12,568</u>	<u>188,219</u>	<u>253,687</u>	<u>93,458</u>	<u>—</u>
	<u>364,833</u>	<u>563,554</u>	<u>667,964</u>	<u>229,779</u>	<u>157,583</u>
Non-controlling interests					
– Continuing operations	<u>—</u>	<u>1,434</u>	<u>8,874</u>	<u>3,565</u>	<u>2,682</u>
	<u>364,833</u>	<u>564,988</u>	<u>676,838</u>	<u>233,344</u>	<u>160,265</u>

	Year ended 31 December			Four months ended 30 April	
Notes	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Total comprehensive income					
attributable to:					
Owners of the Company					
– Continuing operations	366,014	426,504	499,910	211,186	176,883
– Discontinued operation	11,388	201,460	241,626	94,093	–
	<u>377,402</u>	<u>627,964</u>	<u>741,536</u>	<u>305,279</u>	<u>176,883</u>
Non-controlling interests					
– Continuing operations	–	1,434	8,874	3,565	2,682
	<u>377,402</u>	<u>629,398</u>	<u>750,410</u>	<u>308,844</u>	<u>179,565</u>
Earnings per share (“EPS”) for					
profit attributable to owners					
of the Company					
Basic (in RMB per share)					
– Continuing operations 14(a)	0.47	0.50	0.55	0.18	0.21
– Discontinued operation 14(a)	0.02	0.24	0.33	0.12	–
	<u>0.49</u>	<u>0.74</u>	<u>0.88</u>	<u>0.30</u>	<u>0.21</u>
Diluted (in RMB per share)					
– Continuing operations 14(b)	0.47	0.50	0.54	0.18	0.21
– Discontinued operation 14(b)	0.02	0.24	0.33	0.12	–
	<u>0.49</u>	<u>0.74</u>	<u>0.87</u>	<u>0.30</u>	<u>0.21</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 April
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment ..	15	237,962	218,252	171,822	180,757
Right-of-use assets	16	110,573	103,978	135,418	235,527
Deferred tax assets	31	95,101	119,728	156,563	150,792
Goodwill	19	311,219	311,219	12,902	12,902
Intangible assets	20	373,111	367,496	247,976	244,010
Financial assets at fair value through other comprehensive income (“FVTOCI”).....	17	112,135	217,280	329,578	352,761
Deposit	24	8,102	20,373	5,126	3,985
Interests in associates	21	63,132	60,477	57,274	63,334
		<u>1,311,335</u>	<u>1,418,803</u>	<u>1,116,659</u>	<u>1,244,068</u>
Current assets					
Inventories	23	1,096,606	1,285,630	979,719	1,306,150
Trade and other receivables	24	2,888,139	2,929,340	3,415,407	3,490,986
Tax recoverable		35,901	19,272	17,021	27,741
Financial assets at FVTOCI....	17	201,940	324,464	363,685	327,093
Financial assets at fair value through profit or loss (“FVTPL”).....	22	86,468	104,138	608,465	575,821
Pledged deposits	25	1,874	35,378	67,980	51,874
Cash and cash equivalents	25	775,468	978,262	980,120	807,073
		<u>5,086,396</u>	<u>5,676,484</u>	<u>6,432,397</u>	<u>6,586,738</u>
Current liabilities					
Trade and other payables	26	2,245,453	2,347,426	2,407,388	2,488,152
Contract liabilities	27	67,057	49,376	27,943	44,000
Bank borrowings	28	798,240	790,901	1,079,682	1,211,979
Lease liabilities	30	18,473	18,142	10,984	71,008
Provisions	33	102,440	173,820	—	—
Income tax payable		75,059	109,167	120,685	1,848
		<u>3,306,722</u>	<u>3,488,832</u>	<u>3,646,682</u>	<u>3,816,987</u>
Net current assets		<u>1,779,674</u>	<u>2,187,652</u>	<u>2,785,715</u>	<u>2,769,751</u>
Total assets less current liabilities					
		<u>3,091,009</u>	<u>3,606,455</u>	<u>3,902,374</u>	<u>4,013,819</u>

		As at 31 December			As at 30 April
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current liabilities					
Bank borrowings	28	599,920	394,472	189,970	50,000
Lease liabilities	30	27,290	22,922	10,683	62,132
Deferred income	29	953	13,288	11,338	9,210
Deferred tax liabilities.....	31	27,557	39,278	77,422	83,197
Employee benefits obligations ..	32	7,041	7,886	—	—
		662,761	477,846	289,413	204,539
Net assets		<u>2,428,248</u>	<u>3,128,609</u>	<u>3,612,961</u>	<u>3,809,280</u>
EQUITY					
Share capital	34	631,721	765,806	765,565	765,453
Share premium		598,877	633,918	631,909	634,163
Reserves	35	149,299	224,736	348,256	382,168
Retained profits		<u>1,048,351</u>	<u>1,508,621</u>	<u>1,858,605</u>	<u>2,016,188</u>
Equity attributable to owners of the Company		2,428,248	3,133,081	3,604,335	3,797,972
Non-controlling interests		—	(4,472)	8,626	11,308
Total equity		<u>2,428,248</u>	<u>3,128,609</u>	<u>3,612,961</u>	<u>3,809,280</u>

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December			As at 30 April
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment ..	15	118,481	115,547	140,766	148,963
Right-of-use assets	16	83,298	75,502	68,366	141,307
Deferred tax assets	31	19,853	23,341	42,585	38,257
Intangible assets	20	128,296	149,085	154,641	150,196
Deposit	24	8,102	17,633	2,855	2,683
Investments in subsidiaries	1	893,580	976,381	1,069,706	1,070,680
		<u>1,251,610</u>	<u>1,357,489</u>	<u>1,478,919</u>	<u>1,552,086</u>
Current assets					
Inventories	23	651,050	672,211	473,988	854,099
Trade and other receivables	24	698,915	901,170	1,115,466	1,118,878
Amount due from subsidiaries ..		1,687,676	1,958,225	3,510,226	3,930,670
Tax recoverable		31,123	9,445	11,321	11,761
Financial assets at FVTOCI		15,859	14,134	17,343	15,071
Financial assets at FVTPL		86,468	92,806	224,861	258,777
Pledged deposits		1,874	13,892	59,606	—
Cash and cash equivalent		493,537	690,301	562,285	422,250
		<u>3,666,502</u>	<u>4,352,184</u>	<u>5,975,096</u>	<u>6,611,506</u>
Current liabilities					
Trade and other payables	26	1,213,963	1,338,252	1,780,415	1,922,071
Amount due to subsidiaries		597,432	876,378	1,578,867	1,478,148
Contract liabilities	27	42,818	51,619	584,496	1,012,059
Bank borrowings	28	647,917	658,706	635,547	837,545
Lease liabilities	30	5,414	5,494	3,616	46,443
		<u>2,507,544</u>	<u>2,930,449</u>	<u>4,582,941</u>	<u>5,296,266</u>
Net current assets		<u>1,158,958</u>	<u>1,421,735</u>	<u>1,392,155</u>	<u>1,315,240</u>
Total assets less current liabilities					
		<u>2,410,568</u>	<u>2,779,224</u>	<u>2,871,074</u>	<u>2,867,326</u>
Non-current liabilities					
Bank borrowings	28	200,000	99,980	189,970	50,000
Lease liabilities	30	9,699	4,097	934	39,477
Deferred income		953	13,288	11,338	9,210
		<u>210,652</u>	<u>117,365</u>	<u>202,242</u>	<u>98,687</u>
Net assets		<u>2,199,916</u>	<u>2,661,859</u>	<u>2,668,832</u>	<u>2,768,639</u>
EQUITY					
Share capital	34	631,721	765,806	765,565	765,453
Share premium		598,877	633,918	631,909	634,163
Reserves	35	116,761	111,419	158,665	165,228
Retained profits		852,557	1,150,716	1,112,693	1,203,795
Total equity		<u>2,199,916</u>	<u>2,661,859</u>	<u>2,668,832</u>	<u>2,768,639</u>

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total		
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 1 January 2022 ...	414,188	628,026	(3,512)	—	117,740	796,834	1,953,276	—	1,953,276
Transactions with owners:									
Statutory reserves.....	—	—	—	—	30,498	(30,498)	—	—	—
Issuance of shares	10,191	170,136	—	(21,523)	—	—	158,804	—	158,804
Share option exercised.....	535	10,200	—	—	—	—	10,735	—	10,735
Repurchase of shares	(237)	(2,441)	—	2,678	—	—	—	—	—
Share based payment	—	—	2,127	—	—	—	2,127	—	2,127
Restricted shares exercised.....	—	—	—	8,722	—	—	8,722	—	8,722
Script dividend	207,044	(207,044)	—	—	—	—	—	—	—
Dividend	—	—	—	—	—	(82,818)	(82,818)	—	(82,818)
Profit for the year	—	—	—	—	—	364,833	364,833	—	364,833
Other comprehensive income	—	—	—	—	12,569	—	12,569	—	12,569
Total comprehensive income.....	217,533	(29,149)	2,127	(10,123)	43,067	251,517	474,972	—	474,972
Balance as at 31 December 2022									
and 1 January 2023.....	631,721	598,877	(1,385)	(10,123)	160,807	1,048,351	2,428,248	—	2,428,248

Attributable to owners of the Company

	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total	Non- controlling interests	Total equity
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 31 December 2022									
and 1 January 2023	631,721	598,877	(1,385)	(10,123)	160,807	1,048,351	2,428,248	—	2,428,248
Transactions with owners:									
Statutory reserves	—	—	—	—	40,143	(40,143)	—	—	—
Issuance of shares	9,947	178,635	—	(22,945)	—	—	165,637	—	165,637
Repurchase of shares	(2,144)	(17,312)	—	(31,542)	—	—	(50,998)	—	(50,998)
Share based payment	—	—	8,831	—	—	—	8,831	—	8,831
Capital contribution from									
non-controlling interests	—	—	15,906	—	—	—	15,906	(5,906)	10,000
Scrip dividend	126,282	(126,282)	—	—	—	—	—	—	—
Dividend	—	—	—	634	—	(63,141)	(62,507)	—	(62,507)
Profit for the year	—	—	—	—	—	563,554	563,554	1,434	564,988
Other comprehensive income	—	—	—	—	64,410	—	64,410	—	64,410
Total comprehensive income	134,085	35,041	24,737	(53,853)	104,553	460,270	704,833	(4,472)	700,361
Balance as at 31 December 2023									
and 1 January 2024	765,806	633,918	23,352	(63,976)	265,360	1,508,621	3,133,081	(4,472)	3,128,609

Attributable to owners of the Company

	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 31 December 2023 and 1 January 2024	765,806	633,918	23,352	(63,976)	265,360	1,508,621	3,133,081	(4,472)	3,128,609
Transactions with owners:									
Statutory reserves.....	—	—	—	—	27,996	(27,996)	—	—	—
Repurchase of shares	(241)	(2,009)	—	2,250	—	—	—	—	—
Share based payment	—	—	2,124	—	—	—	2,124	—	2,124
Restricted shares exercised.....	—	—	—	15,201	—	—	15,201	—	15,201
Capital contribution from non-controlling interests	—	—	—	—	—	—	—	4,224	4,224
Others	—	—	695	—	—	—	695	—	695
Dividend	—	—	—	1,682	—	(289,984)	(288,302)	—	(288,302)
Profit for the year	—	—	—	—	—	667,964	667,964	8,874	676,838
Other comprehensive income	—	—	—	—	73,572	—	73,572	—	73,572
Total comprehensive income	(241)	(2,009)	2,819	19,133	101,568	349,984	471,254	13,098	484,352
Balance as at 31 December 2024 and 1 January 2025	765,565	631,909	26,171	(44,843)	366,928	1,858,605	3,604,335	8,626	3,612,961

	Attributable to owners of the Company								
	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)									
Balance as at 31 December 2023									
and 1 January 2024	765,806	633,918	23,352	(63,976)	265,360	1,508,621	3,133,081	(4,472)	3,128,609
Transactions with owners:									
Repurchase of shares	(62)	(518)	—	580	—	—	—	—	—
Share based payment	—	—	5,313	—	—	—	5,313	—	5,313
Capital contribution from non-controlling interests	—	—	—	—	—	—	—	3,816	3,816
Others	—	—	695	—	—	—	695	—	695
Dividend	—	—	—	—	—	(289,984)	(289,984)	—	(289,984)
Profit for the period	—	—	—	—	—	229,779	229,779	3,565	233,344
Other comprehensive income	—	—	—	—	75,500	—	75,500	—	75,500
Total comprehensive income	(62)	(518)	6,008	580	75,500	(60,205)	21,303	7,381	28,684
Balance as at 30 April 2024	765,744	633,400	29,360	(63,396)	340,860	1,448,416	3,154,384	2,909	3,157,293

	Attributable to owners of the Company								
	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 31 December 2024									
and 1 January 2025	765,565	631,909	26,171	(44,843)	366,928	1,858,605	3,604,335	8,626	3,612,961
Transactions with owners:									
Share option exercised	481	7,345	—	—	—	—	7,826	—	7,826
Repurchase of shares	(593)	(5,091)	—	5,684	—	—	—	—	—
Share based payment	—	—	1,436	—	—	—	1,436	—	1,436
Others	—	—	7,492	—	—	—	7,492	—	7,492
Profit for the period	—	—	—	—	—	157,583	157,583	2,682	160,265
Other comprehensive income	—	—	—	—	19,300	—	19,300	—	19,300
Total comprehensive income	(112)	2,254	8,928	5,684	19,300	157,583	193,637	2,682	196,319
Balance as at 30 April 2025	765,453	634,163	35,099	(39,159)	386,228	2,016,188	3,797,972	11,308	3,809,280

CONSOLIDATED STATEMENTS OF CASH FLOWS

Notes	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Cash flows from operating activities					
Profit before income taxes					
Continuing operations	339,025	384,822	370,589	142,720	170,405
Discontinued operation	16,171	238,272	299,894	108,731	—
Adjustments for:					
Depreciation of property, plant and equipment	37,550	66,375	45,150	19,031	10,364
Depreciation of right-of-use assets	17,389	23,086	23,111	7,819	17,064
Amortization of intangible assets	26,195	58,690	50,973	21,088	11,427
Share of result of associate . . .	(23,213)	(2,017)	3,898	2,466	1,282
Gain on disposal of associate . .	—	(628)	(162,611)	—	—
Fair value gain of previously-held interest	(22,751)	—	—	—	—
Net fair value gain on FVTPL . .	(2,102)	(4,532)	(10,092)	(2,823)	(2,347)
Financial costs	26,623	42,392	42,774	13,673	10,510
Financial income	(5,509)	(18,386)	(32,589)	(9,021)	(6,101)
Impairment loss of inventories .	8,738	37,719	46,395	10,824	4,748
Provision/(Reversal) of ECL allowance of trade and bills receivables	1,474	(8,332)	12,553	1,495	1,991
Loss/(Gain) on early termination of lease	7	(103)	(1)	—	(9)
Loss on disposal of property, plant and equipment, net . . .	246	423	677	395	328
Share based payments	5,372	9,932	2,485	5,442	1,229
Operating profit before working capital changes:	425,215	827,713	693,206	321,840	220,891
(Increase)/Decrease in inventories	(4,473)	(234,521)	262,000	(69,920)	(326,430)
Increase in trade and other receivables	(326,528)	(98,577)	(352,887)	(131,919)	(46,952)
Increase/(Decrease) in trade and other payables and provisions .	255,172	133,945	(106,819)	30,454	128,668
Increase/(Decrease) in pledged deposit.	963	11,766	(30,938)	4,426	23,016

Notes	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cash generated from/(used in) operating activities	<u>350,349</u>	<u>640,326</u>	<u>464,562</u>	<u>154,881</u>	<u>(807)</u>
Interest received	5,585	18,059	28,819	4,779	7,040
Interest paid	(26,467)	(43,545)	(44,880)	(11,868)	(11,213)
Income tax paid	<u>(37,874)</u>	<u>(33,741)</u>	<u>(19,135)</u>	<u>(27,794)</u>	<u>(133,730)</u>
Net cash generated from/(used in) operating activities	<u>291,593</u>	<u>581,099</u>	<u>429,366</u>	<u>119,998</u>	<u>(138,710)</u>
Cash flows from investing activities					
Purchase of financial assets at FVTPL	(830,500)	(534,223)	(806,056)	(336,645)	(618,677)
Proceeds from financial assets at FVTPL	776,877	517,260	656,369	301,369	577,490
Disposal of associate	—	5,000	—	—	—
Proceeds from disposal of property, plant and equipment	8	—	21	—	—
Proceeds from disposal of subsidiaries	—	—	83,751	—	72,010
Purchase for property, plant and equipment	(172,554)	(155,568)	(124,103)	(42,086)	(54,018)
Purchase of financial assets at FVTOCI	(36,000)	(31,822)	(18,000)	—	—
Investment in associate	(30,000)	—	—	—	—
Cash inflow/(outflow) from acquisition of subsidiaries	<u>58,217</u>	<u>—</u>	<u>(2,701)</u>	<u>(2,701)</u>	<u>—</u>
Net cash used in investing activities	<u>(233,952)</u>	<u>(199,353)</u>	<u>(210,719)</u>	<u>(80,063)</u>	<u>(23,195)</u>

Notes	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cash flows from financing activities					
Proceeds from bank borrowings . .	1,508,176	980,213	1,347,246	390,574	402,237
Repayment of bank borrowings . .	(1,183,088)	(1,200,983)	(1,268,518)	(263,715)	(410,450)
Payment of lease liabilities	(13,233)	(25,242)	(20,757)	(6,921)	(6,904)
Dividend	(82,818)	(63,141)	(289,984)	(289,984)	—
Issuance of share capital	21,526	188,582	—	—	—
Capital contribution from non-controlling interests.	—	10,000	2,328	1,920	—
Proceeds from exercise of share options.	10,735	—	—	—	7,827
Repurchase of shares	(2,678)	(67,981)	(2,250)	(579)	(5,684)
<i>Net cash generated from/(used in) financing activities.</i>	<u>258,620</u>	<u>(178,552)</u>	<u>(231,935)</u>	<u>(168,705)</u>	<u>(12,974)</u>
Net increase/(decrease) in cash and cash equivalents	316,261	203,194	(13,288)	(128,770)	(174,879)
Cash and cash equivalents, beginning of year	434,135	775,468	978,262	978,262	980,120
Effect of exchange rate changes on cash and cash equivalents .	<u>25,072</u>	<u>(400)</u>	<u>15,146</u>	<u>2,542</u>	<u>1,832</u>
Cash and cash equivalents, end of year	<u>775,468</u>	<u>978,262</u>	<u>980,120</u>	<u>852,034</u>	<u>807,073</u>

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NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

Fibocom Wireless Inc. (the “Company”) was incorporated on 11 November 1999 as a limited liability company in Shenzhen with its headquarters located in Shenzhen, Guangdong. The Company’s A shares were listed on Shenzhen Stock Exchange on 13 April 2017.

The Company and its subsidiary (the “Group”) are principally engaged in the design, research and development, and sales services of communication solutions for the wireless communication module and its application industry. The subsidiary of the Company, Rolling Wireless S.à r.l. was disposed of during year ended 31 December 2024, details of which are set out in note 10.

In the opinion of the directors, the ultimate control of the Company is held by Mr. Zhang TianYu.

In this Historical Financial Information, certain English names of the companies referred herein represent the management’s effort to translate the Chinese name of the companies as no English name has been registered.

At the date of this Historical Financial Information, the Company’s principal subsidiaries are as follows:

Company name	Place of establishment/ incorporation and operation	Share capital	Percentage of issued capital held by the Company				Equity attributable to the Company	Principal activity
			As at					
			As at 31 December			30 April		
			2022	2023	2024	2025		
(in thousand)								
Fibocom Wireless Software Inc. (深圳市廣和通無線通信軟件有限公司)	The PRC	RMB10,000	100.00%	100.00%	100.00%	100.00%	Direct	Operation of IT service
Fibocom Wireless (H.K.) Limited (廣和通實業(香港)有限公司).	Hong Kong	HKD1	100.00%	100.00%	100.00%	100.00%	Direct	Trading
Fibocom Wireless Taiwan Co., Ltd (台灣廣和通電子股份有限公司)	Taiwan	TWD45,000	100.00%	100.00%	100.00%	100.00%	Indirect	Trading
Fibocom Wireless USA Inc. (廣和通無線(美國)股份有限公司).	The United States	USD5,000	100.00%	100.00%	100.00%	100.00%	Direct	Market expansion and trading
ThingsMatrix Inc.	The United States	USD20	100.00%	100.00%	100.00%	–	Indirect	Operation of IT service
Zhejiang Nodecom Technology Co., Ltd. (浙江諾控通信技術有限公司) . .	The PRC	RMB10,000	100.00%	100.00%	100.00%	100.00%	Direct	Wireless communication modules
Xi'an Fibocom Wireless Software Inc. (西安廣和通無線軟件有限公司)	The PRC	RMB30,000	100.00%	100.00%	100.00%	100.00%	Direct	Operation of IT service
Fibocom Investment Development Inc. (深圳市廣和通投資發展有限公司) .	The PRC	RMB250,000	100.00%	100.00%	100.00%	100.00%	Direct	Investment and Trading
FIA Inc. (深圳市廣和通無線科技有限公司)	The PRC	RMB20,000	100.00%	100.00%	100.00%	100.00%	Direct	End product business
Shenzhen Favalon Technology Co.,Ltd (深圳市廣通遠馳科技有限公司) .	The PRC	RMB33,242	87.51%	73.58%	60.17%	60.17%	Indirect	Operation of motor vehicles module business
Fibocom Wireless EU GmbH (廣和通實業(歐洲)有限公司).	Germany	EUR3,000	100.00%	100.00%	100.00%	100.00%	Direct	Market expansion and trading

	Place of establishment/ incorporation and operation	Share capital	Percentage of issued capital held by the Company				Equity attributable to the Company	Principal activity
Company name			As at					
			As at 31 December			30 April		
			2022	2023	2024	2025		
		(in thousand)						
Xi'an Fibocom Wireless Inc. (西安廣和通無線通信有限 公司)	The PRC	RMB30,000	100.00%	100.00%	100.00%	100.00%	Direct	Trading
Shenzhen Guangtong Yilian Technology Co., Ltd (深圳 市廣通億聯科技有限公司) .	The PRC	RMB10,000	100.00%	100.00%	100.00%	100.00%	Indirect	Operation of IT service
FAIOT CO.,LTD (上海廣翼智 聯科技有限公司)	The PRC	RMB25,974	100.00%	77.00%	77.00%	77.00%	Direct	Operation of IT service
Shanghai Fibocom Auto Inc. (上海廣通遠馳技術有限公 司)	The PRC	RMB2,000	87.51%	73.58%	60.17%	60.17%	Indirect	Operation of motor vehicles module business
Shanghai Faiot Software Co., Ltd (上海廣翼軟件有限公 司)	The PRC	RMB2,000	100.00%	77.00%	77.00%	77.00%	Indirect	Operation of IT service
Faiot PTE. LTD. (菲奧特私人有限公司) . . .	Singapore	USD50	—	—	77.00%	77.00%	Indirect	Investment and Trading
Shenzhen Yaboda Technology Co., Ltd (深圳市亞博達科 技有限公司)	The PRC	RMB10,000	100.00%	100.00%	100.00%	100.00%	Direct	Research and development
Fibocom Technology Co.Ltd (深圳市廣和通科技有限公 司)	The PRC	RMB100,000	100.00%	100.00%	100.00%	100.00%	Direct	Research and development
Fibocom Auto Software Inc. (深圳市廣通遠馳軟件有限 公司)	The PRC	RMB10,000	87.51%	73.58%	60.17%	60.17%	Indirect	Research and development
Shenzhen Chuanglian Future Wireless Technology Co., Ltd. (深圳市創聯未來無線 技術有限公司)	The PRC	RMB468,600	100.00%	100.00%	100.00%	100.00%	Direct	Investment and Trading
Rolling Wireless (H.K.) Limited.	Hong Kong	USD66,010	100.00%	100.00%	100.00%	100.00%	Indirect	Trading
Rolling Wireless S.à r.l.	Luxembourg	EUR12	100.00%	100.00%	—	—	Indirect	Holding Company
Rolling Wireless France . . .	France	EUR8,446	100.00%	100.00%	—	—	Indirect	Market expansion and trading
Rolling Wireless German GmbH	Germany	EUR327	100.00%	100.00%	—	—	Indirect	Market expansion and trading
Rolling Wireless Technology (H.K.) Limited	Hong Kong	HKD174,331	100.00%	100.00%	—	—	Indirect	Research and development
Rolling Wireless Communication Technology (Shenzhen) Ltd (銳凌無線通訊科技(深圳)有 限公司)	The PRC	USD3,000	100.00%	100.00%	—	—	Indirect	Research and development
Rolling Wireless J.P. Limited.	Japan	JPY15,530	100.00%	100.00%	—	—	Indirect	Market expansion and trading
Rolling Wireless K.R. Limited.	Korea	KRW91,000	100.00%	100.00%	—	—	Indirect	Market expansion and trading
Rolling Wireless Hungary . .	Hungary	HUF3,000	100.00%	100.00%	—	—	Indirect	Market expansion and trading

Company name	Place of establishment/ incorporation and operation	Share capital	Percentage of issued capital held by the Company				Equity attributable to the Company	Principal activity
			As at					
			As at 31 December			30 April		
			2022	2023	2024	2025		
			(in thousand)					
Shanghai Sevenfold Universe Digital Technology Co., Ltd (上海七重宇宙數字科 技有限公司) (Note (i)) . .	The PRC	RMB10,000	–	–	45.90%	45.90%	Indirect	Research and development
Gingko Solution Inc. (銀杏 解決方案有限公司)	The United States	USD50	–	–	–	77.00%	Indirect	Trading and research and development
Faiot Limited (菲奧特有限公 司)	The Cayman Islands	USD50	–	–	–	77.00%	Indirect	Trading and research and development

Note:

- (i) The Company entered into an agreement with Mr. Zhu Tao, one of its shareholders. Both parties will jointly act on major matters at the shareholder's meeting. Together, they hold a total of 51% of Shanghai Sevenfold Universe Digital Technology Co., Ltd's equity, thereby giving the Company control over Shanghai Sevenfold Universe Digital Technology Co., Ltd.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of presentation and preparation

The Historical Financial Information have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), which collective terms includes all applicable individual Accounting Standards of IFRS Accounting Standards, International Accounting Standards ("ISAs") and Interpretations issued by the International Accounting Standards Board ("IASB").

All IFRSs are effective for the accounting period beginning on 1 January 2024, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Track Record Period. The early adoption of the IFRSs do not have any significant impact on the financial positions or results of the Group during the Track Record Period.

The material accounting policies that have been used in the preparation of these Historical Financial Information are summarised below. These policies have been consistently applied to all the periods presented unless otherwise stated.

These Historical Financial Information have been prepared at the historical cost basis except for certain financial assets and liabilities which are stated of fair value.

It should be noted that accounting estimates and assumptions are used in preparation of the Historical Financial Information. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in note 4.

2.2 Basis of consolidation

The Historical Financial Information incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power over the entity, only substantive rights relating to the entity (held by the Group and others) are considered.

The Group includes the income and expenses of a subsidiary in the Historical Financial Information from the date it gains control until the date when the Group ceases to control the subsidiary.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the Historical Financial Information. Where unrealised losses on sales of intra-group asset are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Non-controlling interests represent the equity on a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the owners of the Company.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e., reclassified to profit or loss or transferred directly to retained profits). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 "Financial Instruments" or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

2.3 Acquisition of subsidiaries

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Consideration transferred as part of a business combination does not include amounts related to the settlement of pre-existing relationships. The gain or loss on the settlement of any pre-existing relationship is recognised in profit or loss. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value on the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as bargain purchase gain.

Where the consideration the Group transferred in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration classified as equity is not subsequently remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as a financial liability is subsequently remeasured at each reporting dates at fair value with changes in fair value recognised in profit or loss.

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

2.4 Foreign currency translation

The Historical Financial Information are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the Historical Financial Information, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into RMB. Assets and liabilities have been translated into RMB at the closing rates at the end of the reporting period. Income and expenses have been converted into the US dollars at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the exchange reserve in equity.

2.5 Property, plant and equipment

Property, plant and equipment (other than construction in progress as described below) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method at the following rates per annum:

Research equipment.....	5 years
Machinery and equipment	3-10 years
Motor vehicles	5 years
Office equipment	3-5 years

Estimates of residual value and useful life are reviewed, and adjusted if appropriate, at each reporting date.

Gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.6 Goodwill

Set out below are the accounting policies on goodwill arising on acquisition of a subsidiary. Accounting for goodwill arising on acquisition of interest in an associate or a joint venture is set out in note 19.

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the Group's interest in the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to Cash-Generating Units ("CGU" or "CGUs") and is tested annually for impairment (see note 2.19).

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of gain or loss on disposal.

2.7 Intangible assets and research and development activities

Intangible assets

Acquired intangible assets are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The following useful lives are applied:

Patent	2-10 years
Development platform	5-10 years
Customer relationships.....	7 years
Software.	3-10 years

The assets' amortisation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Intangible assets, with finite and indefinite useful lives, are tested for impairment as described below in note 2.19.

Research and development expenses

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

- (i) demonstration of technical feasibility of the prospective product for internal use or sale;
- (ii) there is intention to complete the intangible asset and use or sell it;
- (iii) the Group's ability to use or sell the intangible asset is demonstrated;
- (iv) the intangible asset will generate probable economic benefits through internal use or sale;
- (v) sufficient technical, financial and other resources are available for completion; and
- (vi) the expenditure attributable to the intangible asset can be reliably measured.

Direct costs include employee costs incurred on development activities along with an appropriate portion of relevant overheads. The costs of development of internally generated software, products or knowhow that meet the above recognition criteria are recognised as intangible assets. They are subject to the same subsequent measurement method as acquired intangible assets.

All other development costs are expensed as incurred.

2.8 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of its risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15 "Revenue from Contracts with Customers", all financial assets are initially measured at fair value, in case of a financial asset not at fair value through profit or loss ("FVTPL"), plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets, other than those designated and effective as hedging instruments, are classified into amortised cost, FVTPL or fair value through other comprehensive income.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for expected credit losses ("ECL") of trade and other receivables which is presented.

Subsequent measurement of financial assets

Debt investments

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in other income. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, pledged time deposits, trade and other receivables fall into this category of financial instruments.

Financial assets at FVTOCI

If the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both collection of contractual cash flows and sale, subsequent changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of ECL, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

Financial liabilities

Classification and measurement of financial liabilities

The Group's financial liabilities include bank and other borrowings, lease liabilities and trade and other payables.

Financial liabilities other than lease liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at FVTPL.

Subsequently, financial liabilities other than lease liabilities are measured at amortised cost using the effective interest method except for derivatives which are not designated as hedging instruments in hedge relationships and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in financial expense and income.

Accounting policies of lease liabilities are set out in note 2.13.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the net of transaction costs and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless as at the end of the reporting period, the Group has a right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

2.9 Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise ECL — the “ECL model”. Instruments within the scope included loans and other debt-type financial assets measured at amortised cost and trade receivables.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (“Stage 1”); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (“Stage 2”).

“Stage 3” would cover financial assets that have objective evidence of impairment at the reporting date.

“12-month ECL” are recognised for the Stage 1 category while “lifetime ECL” are recognised for the Stage 2 category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade receivables

For trade receivables, the Group applies a simplified approach in calculating ECL and recognises a loss allowance based on lifetime ECL at each reporting date. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. For trade receivables, the Group assesses ECL under IFRS 9 based on shared credit risk characteristics and aging as well as the corresponding historical credit losses during that period, and adjusted for forward-looking factors specific to the debtors and the economic environment.

Other financial assets measured at amortised cost and at FVTOCI

The Group measures the loss allowance for deposits, other receivables and other financial assets at FVTOCI equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood of risk of default occurring since initial recognition.

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial assets at the reporting date with the risk of default occurring on the financial assets at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; and
- an actual or expected significant deterioration in the operating results of the debtor.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

2.10 Inventories

Inventories are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses. Cost is determined using the weighted average basis.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks and short term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.12 Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

2.13 Leases

(a) Definition of a lease and the Group as lessee

At inception of a contract, the Group considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an identified asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

For contracts that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, the Group elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the underlying asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any lease incentives received).

Except for those right-of-use assets meeting the definition of investment properties and those relating to a class of property, plant and equipment to which revaluation model was applied, the Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the Group is reasonably certain to obtain ownership at the end of the lease term. The Group also assesses the right-of-use asset (except for those meeting the definition of investment properties) for impairment when such indicator exists.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments based on an index or rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payment of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

Subsequent to initial measurement, the liability will be reduced for lease payments made and increased for interest cost on the lease liability. It is remeasured to reflect any reassessment or lease modification, or if there are changes in in-substance fixed payments. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

The Group remeasures lease liabilities whenever:

- there are changes in lease term or in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment;
- the lease payments changes due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

For lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of modification.

When the lease is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these leases are recognised as an expense in profit or loss on a straight-line basis over the lease term. Short-term leases are leases with a lease term of 12 month or less.

Refundable rental deposits paid are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

(b) The Group as lessor

As a lessor, the Group classifies its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-leases as two separate contracts. The sub-leases are classified as a finance or operating lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If the head lease is a short-term lease to which the Group applies the short-term lease exemption, then the Group classifies the sub-lease as an operating lease.

The Group sub-leases some of its properties and the sub-lease contracts are classified as finance lease/operating leases.

(c) Sale and leaseback transactions

The Group as a seller-lessee

For a transfer that satisfies the requirements as a sale in accordance with HKFRS 15, the Group as a seller-lessee measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset and recognises any gain or loss that relates to the rights transferred to the buyer-lessor only. Right of use asset and lease liability with fixed payments are subsequently measured in accordance with the Group's accounting policies above.

(d) Right-of-use assets

Right-of-use assets represent the upfront payment for long-term land lease in which the payment can be reliably measured. It is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight line basis over the term of the lease/right-of-use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

2.14 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After the initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be recognised in a comparable provision as described above. Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed as per above.

2.15 Share capital

Ordinary shares are classified as equity. Share capital is recognised at the amount of consideration of shares issued, after deducting any transaction costs associated with the issuing of shares (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

2.16 Discontinued operation

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. The component comprises operations and cash flows that can be clearly distinguished from the rest of the Group and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued, a single amount in the consolidated statement of profit or loss and other comprehensive income comprising the total of: (i) the post-tax profit or loss of discontinued operations and (ii) the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal group(s) constituting the discontinued operation.

2.17 Revenue recognition

Revenue arises mainly from the sales of goods.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time, when the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Further details of the Group's revenue and other income recognition policies are as follows:

Sale of goods

Revenue from the sale of goods for a fixed fee is recognised when or as the Group transfers control of the assets to the customer. For non cross-border sales, revenue is recognized when the products have been dispatched and the customer has signed for acceptance. For cross-border sales, revenue is recognized when the goods are delivered to the customer's designated location and the customs return the export declaration and bill of lading.

The Group's standard sales terms are generally non-cancellable and non-returnable, other than for defective merchandise covered under the Group's standard warranty provision, which covers a one to two-year period depending on the product. The Group does not offer any extended warranties for purchase and warranty is recorded in cost of sales.

Sales-related warranties cannot be purchased separately and are served as an assurance that the products sold comply with agreed-upon specifications (i.e. assurance-type warranties). Accordingly, the Group accounts for warranties in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Service income

Revenue from provision of services between the Group and its customers generally include technical services. If the customers obtain and consume the economic benefits brought by the Group's performance when the Group has performed its obligations, the Group may treat its performance obligation has been satisfied within a certain period of time and recognize the respective revenue over time, except for those revenue where the progress of performance cannot be reasonably determined.

Revenue from provision of services is recognized when the Company has satisfied the corresponding performance obligation in accordance with the contract terms, and has received acceptance and other proof of receipt form the customers.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

2.18 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate. Government grants relating to the purchase of assets are included in liabilities as “deferred income” in the consolidated statement of financial position and are recognised in profit or loss on a straight line basis over the expected lives of the related assets/deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

Government grants relating to income is presented in gross under “other income” in the consolidated statement of profit or loss and other comprehensive income.

2.19 Impairment of non-financial assets

The following assets are subject to impairment testing:

- Goodwill arising on acquisition of a subsidiary;
- Other intangible assets;
- Property, plant and equipment;
- Right-of-use assets; and
- The Company’s interests in subsidiaries, associates and joint ventures.

Goodwill and other intangible assets with indefinite useful life or those not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset’s carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset’s carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a CGU). As a result, some assets are tested individually for impairment and some are tested at CGU level. Corporate assets are allocated to individual CGUs, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Goodwill in particular is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose and not be larger than an operating segment.

Impairment losses recognised for CGUs, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal, or value in use, if determinable.

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset’s recoverable amount and only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset’s recoverable amount and only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.20 Employee benefits

Retirement benefit

(a) PRC

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contributions retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to a certain ceiling.

The municipal and provincial governments undertake to assure the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independent administrated funds managed by the PRC government.

(b) France

For the post-employment benefit obligations, an actuarial valuation is conducted by an independent actuary as of the annual balance sheet date to determine the cost of providing benefits using the expected accrued benefit unit method. The post-employment benefit costs are categorised as follows:

- (i) Service cost (including current and past service cost, and gains and losses on curtailments and settlements);
- (ii) Net interest expense or income; and
- (iii) Changes resulting from the remeasurement of post-employment benefit obligations.

Unless other accounting standards require or allow employee benefit costs to be included in asset costs, the company will recognize the items of (a) and (b) in profit or loss for 2022, 2023 and 2024; item (c) will be recognized in other comprehensive income and will not be reclassified to profit or loss in 2022, 2023 and 2024. Upon the termination of the original defined benefit plan, the portion previously recognized in other comprehensive income will be fully transferred to retained earnings within equity.

(c) Other countries

The Group's contributions to the defined contribution retirement scheme are expensed as incurred.

Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurances and other social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable at the reporting date.

Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises costs for any related restructuring.

Share-based employee compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets and performance conditions).

All share-based compensation is recognised as an expense in profit or loss over the vesting period if vesting conditions apply, or recognised as an expense in full at the grant date when the equity instruments granted vest immediately unless the compensation qualifies for recognition as asset, with a corresponding increase in the "share option reserve" in equity. If vesting conditions apply, the expense is recognised over the vesting period based on the best available estimate of the number of equity instruments expected to vest. Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of equity instruments expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

At the time when the share options are exercised, the amount previously recognised in "share option reserve" will be transferred to "share capital". After vesting date, when the vested share options are later forfeited or are still not exercised at the expiry date, the amount previously recognised in "share option reserve" will be transferred to "retained profits".

2.21 Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.22 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the end of the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the end of the reporting period between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the end of the reporting period.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable income of the periods in which the temporary differences are expected to reverse.

The determination of the average tax rates requires an estimation of (i) when the existing temporary differences will reverse and (ii) the amount of future taxable profit in those years. The estimate of future taxable profit includes:

- income or loss excluding reversals of temporary differences; and
- reversals of existing temporary differences.

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) 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.

2.23 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the chief operating decision maker (the “CODM”) for their decisions about resources allocation to the Group’s business components and for their review of the performance of those components. The business components in the internal financial information reported to the CODM are determined by the Group’s major product and service lines.

The CODM has been identified as the executive directors of the Company, who determine the operating segments of the Group and review the Group’s internal reporting in order to assess performance and allocate resources. All of the Group’s business operations relate to the module products and solutions with similar economic characteristics. Accordingly, the executive directors review the performance of the Group as a single business segment. No separate analysis of the segment results by reportable segment is necessary.

2.24 Related parties

For the purposes of these Historical Financial Information, a party is considered to be related to the Group if:

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

- (b) the party is an entity and if any of the following conditions applies:
- (i) the entity and the Group are members of the same group.
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) the entity and the Group are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a company of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. ISSUED BUT NOT YET EFFECTIVE IFRSs

At the date of authorisation of these Historical Financial Information, certain new and amended IFRSs have been published but are not yet effective, and have not been adopted early by the Group.

Amendments to IAS 21.....	Lack of exchangeability ¹
Amendments to IFRS 9 and IFRS 7.....	Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS Accounting Standards.....	Annual Improvements to IFRS Accounting Standards – Volume 11 ²
IFRS 18.....	Presentation and Disclosure in Financial Statements ³
IFRS 19.....	Subsidiaries without Public Accountability: Disclosures ³
Amendments to IFRS 10 and IAS 28.....	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to Hong Kong Interpretation 5.....	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ³

¹ Effective for annual periods beginning on or after 1 January 2025

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

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

⁴ Effective date not yet determined

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

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. The application of the new standard is not expected to have material impact on the financial performance and financial position the Group but is expected to affect the disclosures in the future financial statements. The Group will continue to assess the impact of IFRS 18 on the Group's consolidated financial statements.

Except for the IFRS 18, the directors of the Company anticipate that the application of these amendments to IFRS Accounting Standards will have no material impact on the Group's consolidated financial statements in the foreseeable future.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Provision for impairment of trade and other receivables

The Group makes allowances on items subjects to ECL (including trade and other receivables and other financial assets measured at amortised cost) based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period as set out in note 2.9.

As at 31 December 2022, 2023 and 2024 and as at 30 April 2025, the aggregate carrying amount of trade and other receivables amounted to RMB2,896,241,000, RMB2,949,713,000, RMB3,420,533,000 and RMB 3,494,971,000 net of loss allowance of RMB43,799,000, RMB35,945,000, RMB47,669,000 and RMB49,684,000 respectively.

When the actual future cash flows are different from expected, such difference will impact the carrying amount of trade and other receivables and government subsidy receivables and related credit losses in the periods in which such estimate has been changed.

Current and deferred income taxes

The Group is subject to income taxes in several jurisdictions. There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgment is required from the Group in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Net realisable value of inventories

Net realisable value of inventories is based on estimated selling price less any estimated costs to be incurred to completion and disposal with reference to prevailing market information. These estimates are based on the current market condition and the historical experience in selling goods of similar nature. It could change significantly as a result of changes in market conditions. The Group reassesses the estimation at the end of each reporting period. During the Track Record Period, RMB6,683,000, RMB30,256,000 and RMB23,238,000 has been impaired during the years ended 31 December 2022, 2023 and 2024 and RMB13,333,000 has been reversed during four months ended 30 April 2025.

4.2 Critical accounting judgements

Research and development activities

Careful judgement by the Group's management is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgements are based on the best information available at each reporting date. In addition, all internal activities related to the research and development of new software, products or know how are continuously monitored by the Group's management.

Determination of the lease term in lease contracts and discount rate

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension options, or not exercise a termination option. Factors considered include:

- contractual terms and conditions for the optional periods compared with market rates (e.g. whether the amount of payments in the optional periods is below the market rates);
- the extent of leasehold improvements undertaken by the Group;
- costs relating to termination of the lease (e.g. relocation costs, costs of identifying another underlying asset suitable for the Group's needs); and
- Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated), which in turn affect the carrying amounts of lease liabilities and corresponding right-of-use assets.

In determining the discount rate, the Group is required to exercise considerable judgement in relation to determining the discount rate taking into account the nature of the underlying assets and the terms and conditions of the leases, at both the commencement date and effective date of the modification.

5. REVENUE AND SEGMENT INFORMATION

5.1 Revenue

The Group's principal activities are disclosed in Note 1 to the Historical Financial Information.

The Group derives revenue from the transfer of goods and services at a point in time or services over time were analysed as follows:

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Continuing operations					
Types of goods or service					
Module products	5,107,847	5,485,083	6,704,471	1,991,385	2,310,582
Solutions	71,910	130,944	203,914	42,254	144,275
Others	22,979	35,787	62,804	13,461	25,791
	<u>5,202,736</u>	<u>5,651,814</u>	<u>6,971,189</u>	<u>2,047,100</u>	<u>2,480,648</u>
Timing of revenue recognition					
At point in time	5,202,736	5,651,814	6,946,108	2,041,413	2,471,206
Over time	—	—	25,081	5,687	9,442
Total	<u>5,202,736</u>	<u>5,651,814</u>	<u>6,971,189</u>	<u>2,047,100</u>	<u>2,480,648</u>

5.2 Segment information

During the Track Record Period, the executive directors of the Company, being the CODM reviews the overall results of the Group as a whole to make decisions about resources allocation and performance review. Accordingly, other than the entity-wide disclosure, no segment analysis is presented.

During the year ended 31 December 2022, the Group acquired Rolling Wireless S.à r.l. and its subsidiaries and the Group disposed Rolling Wireless S.à r.l. and its subsidiaries during the year ended 31 December 2024.

Geographical information

The Company is domiciled in Mainland China. The following table sets out the geographical information of the Group's revenue during the Track Record Period, which was determined based on geographical region of the customers.

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Continuing operations					
Geographical markets					
Mainland China	2,096,271	2,354,952	2,831,447	862,609	1,016,393
Taiwan	1,602,862	1,661,522	1,967,367	588,630	884,361
United States	621,163	578,111	817,172	237,363	269,913
Singapore	370,601	419,265	380,903	170,457	115,640
Hong Kong	304,036	391,620	363,126	106,970	53,051
Others	207,803	246,344	611,174	81,071	141,290
Total	<u>5,202,736</u>	<u>5,651,814</u>	<u>6,971,189</u>	<u>2,047,100</u>	<u>2,480,648</u>

The following table sets out information about the Group's property, plant and equipment, right-of-use assets, goodwill and intangible assets ("specified non-current assets"). The geographical location of the specified non-current assets is based on the physical location of the assets or the location of operations. For property, plant and equipment and right-of-use assets, the physical location of the assets is relevant, for goodwill and intangible assets, the location of operations is relevant.

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Geographical locations				
Mainland China	464,764	473,880	521,342	627,154
Others	568,101	527,065	46,776	46,042
Total	<u>1,032,865</u>	<u>1,000,945</u>	<u>568,118</u>	<u>673,196</u>

Information about major customers

The following table sets out the revenue from the Group's customers which individually contributed over 10% of the Group's revenue during the Track Record Period.

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Continuing operations					
Customer A	1,445,961	1,481,635	1,187,420	415,905	562,861
Customer B	751,142	820,365	1,092,204	305,347	398,810
Customer C	614,527	575,680	810,871	236,698	266,856

6. OTHER INCOME AND OTHER GAINS AND LOSSES, NET

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Continuing operations					
Other income					
Government subsidies . . .	68,894	58,790	63,589	25,013	21,592
Sundry income	462	2,065	22,640	18,820	850
Gain on disposal of associate	—	628	—	—	—
	<u>69,356</u>	<u>61,483</u>	<u>86,229</u>	<u>43,833</u>	<u>22,442</u>
Other gains/(losses), net					
Remeasurement gain on interest previously held in an associate.	22,751	—	—	—	—
Loss on disposal of property, plant and equipment, net.	(246)	(357)	(282)	(2)	(328)
(Loss)/gain on early termination of lease . . .	(7)	86	1	—	9
Net fair value gains on financial assets at FVTPL – realised.	1,995	3,059	2,182	1,859	2,347

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Net fair value gains on financial assets at FVTPL – unrealised . . .	107	1,473	7,910	964	–
Exchange (loss)/gain	(18,398)	9,304	(18,595)	(8,812)	(2,792)
Others	(942)	(577)	358	2,456	(466)
	<u>5,260</u>	<u>12,988</u>	<u>(8,426)</u>	<u>(3,535)</u>	<u>(1,230)</u>

7. FINANCE COSTS

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Continuing operations					
Finance income					
Interest income.	<u>5,304</u>	<u>12,144</u>	<u>24,581</u>	<u>4,598</u>	<u>6,101</u>
Finance costs					
Interest expense	<u>(24,183)</u>	<u>(29,387)</u>	<u>(37,447)</u>	<u>(10,677)</u>	<u>(10,510)</u>
Finance costs, net	<u>(18,879)</u>	<u>(17,243)</u>	<u>(12,866)</u>	<u>(6,079)</u>	<u>(4,409)</u>

8. PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS

Profit before income taxes from continuing operations is arrived at after charging/(crediting):

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Depreciation:					
– Owned assets	31,592	32,283	30,459	10,208	10,364
– Right-of-use assets	<u>16,679</u>	<u>18,989</u>	<u>20,634</u>	<u>6,796</u>	<u>17,064</u>
Total depreciation.	<u>48,271</u>	<u>51,272</u>	<u>51,093</u>	<u>17,004</u>	<u>27,428</u>
Amortisation of intangible assets	21,087	27,098	32,169	10,233	11,427
Cost of inventories recognised as expenses	4,024,134	4,383,083	5,551,494	1,655,065	1,977,421
Lease charges:					
– Short-term leases	3,794	2,350	2,012	725	1,075
Reversal of ECL allowances on trade and bill receivables . . .	–	(2,461)	–	–	–
ECL allowances on trade and bill receivables.	5,308	286	12,270	1,022	1,950
ECL allowances on other receivables	–	–	8	244	41
Reversal of ECL allowances on other receivables	<u>(2,680)</u>	<u>(329)</u>	<u>–</u>	<u>–</u>	<u>–</u>
Provisions for/(Reversal of) inventories, net	<u>1,311</u>	<u>7,844</u>	<u>26,224</u>	<u>(1,194)</u>	<u>(13,333)</u>

9. INCOME TAX (CREDIT)/EXPENSE RELATING TO CONTINUING OPERATIONS

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Current tax					
PRC enterprise income tax ("EIT")	18,770	17,492	12,751	3,324	3,600
Hong Kong income tax	972	(346)	295	—	—
Other's country income tax . . .	30	(1)	—	—	—
	<u>19,772</u>	<u>17,145</u>	<u>13,046</u>	<u>3,324</u>	<u>3,600</u>
Deferred taxation	<u>(33,012)</u>	<u>(9,092)</u>	<u>(65,608)</u>	<u>(490)</u>	<u>6,540</u>
Income tax (credit)/expense . . .	<u>(13,240)</u>	<u>8,053</u>	<u>(52,562)</u>	<u>2,834</u>	<u>10,140</u>

Reconciliation between tax expense and profit before income taxes at applicable tax rates is as follow:

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Profit before income tax	<u>339,025</u>	<u>384,822</u>	<u>370,589</u>	<u>142,720</u>	<u>170,405</u>
Tax on profit before income tax, calculated at the rates applicable to profits in the tax jurisdiction concerned	26,080	36,935	44,794	16,669	24,867
Tax effect of :					
– non-deductible expenses . . .	1,376	2,047	2,763	3,459	914
– non-taxable income	(1)	(23)	(148)	—	(888)
– deductible temporary differences not recognised .	49,001	38,115	37,957	15,054	10,763
– utilisation of tax losses previously not recognised .	(112)	(3,052)	(51,102)	(1,545)	(585)
– (over)/under provision in respect of prior years	(789)	14,659	(4,184)	(4,190)	(43)
– Share of associates	(3,121)	(438)	917	539	304
– additional deduction on research and development expense	<u>(85,674)</u>	<u>(80,190)</u>	<u>(83,559)</u>	<u>(27,152)</u>	<u>(25,192)</u>
Income tax (credit)/expense . .	<u>(13,240)</u>	<u>8,053</u>	<u>(52,562)</u>	<u>2,834</u>	<u>10,140</u>

(a) PRC Corporate Income Tax

The Company were approved as High and New Technology Enterprise on 23 December 2021 and 26 December 2024, and therefore entitled to a preferential tax rate of 15% for the Track Record Period.

The Group's subsidiaries, Shenzhen Favalon Technology Co., Ltd and Fibocom Wireless Software Inc. were approved as High and New Technology Enterprise and therefore entitled to a preferential tax rate of 15% for the Track Record Period. Fibocom Technology Co., Ltd was also approved as High and New Technology Enterprise and entitled to a preferential tax rate of 15% for the year ended 31 December 2024 and four months ended 30 April 2025.

The Group's subsidiaries, Xi An Fibocom Wireless Software Inc was approved as Software Enterprise, and therefore entitled to tax free for two years ended 31 December 2023 and preferential tax rate of 12.5% for the year ended 31 December 2024 and four months ended 30 April 2025.

The Group's subsidiaries, Rolling Wireless Communication Technology (Shenzhen) Ltd was approved as Advanced Technology Service Enterprise and entitled to a preferential tax rate of 15% for the Track Record Period.

The Group's subsidiaries, Faiot Co.,Ltd was approved as Advanced Technology Service Enterprise and therefore entitled to a preferential tax rate of 15% for the year ended 31 December 2024 and four months ended 30 April 2025.

The Company's other subsidiaries in Mainland China other than those mentioned above are subject to the PRC enterprise income tax at the standard rate of 25%.

In addition, according to relevant laws and regulations promulgated by the State Council of the PRC and The State Taxation Administration of The PRC announced in March 2021 that enterprises engaging in research and development activities are entitled to claim 200% of the research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year.

(b) Hong Kong profit tax

Hong Kong profit tax has been provided at the rate of 16.5% on the estimated profits arising from Hong Kong, while the Group has no assessable profit arising from Hong Kong for year ended 31 December 2023.

(c) Corporate income tax in other jurisdictions

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

10. DISCONTINUED OPERATION

On 2 July 2024, the board of directors of a subsidiary, Fibocom Wireless Inc. passed a resolution for the disposal of 100% equity interest in Rolling Wireless S.à r.l. to EUROPASOLAR S.À R.L. for USD150,000,000 (equivalent to RMB1,017,190,000) and the disposal is completed on 25 July 2024.

The profit for the years ended 31 December 2022 and 2023 and period ended 25 July 2024 and four months ended 30 April 2024 from discontinued operation is set out below.

	Year ended 31 December		Period ended 25 July	Four months ended 30 April
	2022	2023	2024	2024
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)
Revenue	443,680	2,064,015	1,217,663	780,734
Cost of goods sold	(373,640)	(1,507,152)	(901,656)	(565,466)
Gross profit	70,040	556,863	316,007	215,268
Other income, net	2	122	163,015	404
Other gains and losses, net	(7,721)	(14,594)	1,158	(1,867)
Research and development expenses.	(22,757)	(167,367)	(104,209)	(60,317)
Selling and distribution expenses. . .	(10,943)	(50,501)	(30,261)	(17,097)
Administrative expenses	(9,360)	(85,007)	(48,056)	(28,858)
(Provision)/Reversal of expected credit losses ("ECL") allowance of trade and bills receivables. . . .	(855)	5,519	(441)	(229)
Operating profit	18,406	245,035	297,213	107,304
Finance income	205	6,242	8,008	4,423
Finance costs	(2,440)	(13,005)	(5,327)	(2,996)
Finance costs, net	(2,235)	(6,763)	2,681	1,427

	Year ended 31 December		Period ended 25 July	Four months ended 30 April
	2022	2023	2024	2024
	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i> (unaudited)
Profit before income tax	16,171	238,272	299,894	108,731
Income tax expense	(3,603)	(50,053)	(46,207)	(15,273)
Profit for the year/period from discontinued operation	<u>12,568</u>	<u>188,219</u>	<u>253,687</u>	<u>93,458</u>
Profit for the year/period attributable to:				
Owners of the Company	<u>12,568</u>	<u>188,219</u>	<u>253,687</u>	<u>93,458</u>

Profit for the year/period from discontinued operation includes depreciation expenses of RMB6,668,000, RMB38,189,000, RMB17,168,000 and RMB9,847,000 and amortisation expenses of RMB5,108,000, RMB31,592,000, RMB18,804,000 and RMB10,855,000 for the years ended 31 December 2022 and 2023, period ended 25 July 2024 and four months ended 30 April 2024 respectively.

Cash flows from discontinued operation are analysed as follows:

	Year ended 31 December		Period ended 25 July	Four months ended 30 April
	2022	2023	2024	2024
	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i> (unaudited)
Net cash inflows from operating activities	94,415	191,013	467,426	158,986
Net cash (outflows)/inflows from investing activities	(3,487)	(20,536)	69,015	(9,268)
Net cash outflows from financing activities	(57,248)	(133,292)	(64,258)	(5,339)
Net cash inflows.	<u>33,680</u>	<u>37,185</u>	<u>472,183</u>	<u>144,379</u>

According to the contract, the consideration for this disposal includes approximately (a) a cash consideration of RMB686,345,000 and (b) a contingent consideration of RMB347,051,000 less the post-employment staff costs of RMB16,206,000.

The amount of contingent consideration as at 31 December 2024 and 30 April 2025 is RMB353,652,000 and RMB280,438,000 respectively.

Analysis of assets and liabilities over which control was lost:

	25 July 2024
	<i>RMB '000</i>
Property, plant and equipment	64,547
Right-of-use assets	9,479
Intangible assets	138,419
Goodwill	303,133
Deferred tax assets	29,176
Inventories	145,738
Trade and other receivables	604,056
Cash and cash equivalents	602,594
Trade and other payables	(535,768)
Income tax payables	(114,379)

	25 July 2024
	RMB'000
Borrowings	(353,801)
Lease liabilities	(12,318)
Deferred tax liabilities	(8,803)
Net assets of the disposed subsidiaries	872,073
Other reserves	1,852
Foreign currency translation reserve	(19,346)
Gain on the disposal	162,611
Consideration	1,017,190

Net cash inflow on disposal of subsidiaries

	25 July 2024
	RMB'000
Consideration received in cash and cash equivalents	686,345
Cash and cash equivalent disposal of	(602,594)
Cash inflow, net of cash acquired	83,751

The gain on disposal is included in the profit for the year from discontinued operations in the statement of profit or loss and other comprehensive income as set out in note 10.

11. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Continuing operations					
Wages, salaries and bonuses	518,296	575,052	589,303	187,057	178,573
Social welfare and other costs	33,389	39,342	46,867	16,271	16,046
Contribution to retirement benefit schemes	31,991	33,296	35,834	11,843	12,203
Share based payment	5,372	9,932	2,485	5,442	1,229
	<u>589,048</u>	<u>657,622</u>	<u>674,489</u>	<u>220,613</u>	<u>208,051</u>
Less: Employee benefit expenses included in:					
– Cost of Inventories	(23,594)	(40,046)	(37,657)	(10,872)	(15,677)
– Research and development expenses	(17,733)	(765)	(32,554)	(7,699)	(6,774)
Total	<u>547,721</u>	<u>616,811</u>	<u>604,278</u>	<u>202,042</u>	<u>185,600</u>

12. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

12.1 Directors' Emoluments

The emoluments paid or payable to each of the directors were as follows:

Year ended 31 December 2022				
Fees	Shared based payment	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Executive directors				
Mr. Zhang TianYu	—	870	36	906
Mr. Ying LingPeng	—	1,371	43	1,414
Mr. Xu Ning	78	1,551	43	1,672
Independent non-executive directors				
Mr. Ye WeiPing	100	—	—	100
Mr. Zhang XueBin	100	—	—	100
Supervisors				
Ms. Sun XiaoJing	—	263	14	277
Ms. Chen QiHua.	—	790	32	822
Mr. Shu Min	—	605	33	638
<u>200</u>	<u>78</u>	<u>5,450</u>	<u>201</u>	<u>5,929</u>

Year ended 31 December 2023				
Fees	Shared based payment	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Executive directors				
Mr. Zhang TianYu	—	1,324	36	1,360
Mr. Ying LingPeng	140	1,176	46	1,362
Mr. Xu Ning	427	1,312	46	1,785
Independent non-executive directors				
Mr. Ye WeiPing	100	—	—	100
Mr. Zhang XueBin	100	—	—	100
Supervisors				
Ms. Sun XiaoJing	—	257	14	271
Ms. Chen QiHua.	—	881	32	913
Mr. Shu Min	—	572	33	605
<u>200</u>	<u>567</u>	<u>5,522</u>	<u>207</u>	<u>6,496</u>

Year ended 31 December 2024

	Fees	Shared based payment	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
Mr. Zhang TianYu	—	—	1,893	38	1,931
Mr. Ying LingPeng Mr.	—	1,608	2,749	51	4,408
Xu Ning	—	(9)	2,044	51	2,086
Independent					
non-executive directors					
Mr. Ye WeiPing (note (i)) .	56	—	—	—	56
Mr. Zhang XueBin					
(note (i))	56	—	—	—	56
Mr. Wang Ning					
(note (ii)) Ms.	44	—	—	—	44
Zhao Jing (note (ii)) .	44	—	—	—	44
Supervisors					
Ms. Sun XiaoJing	—	—	271	14	285
Ms. Chen QiHua	—	—	918	33	951
Mr. Shu Min (note (iii)) . .	—	—	453	17	470
Ms. Du YingYing					
(note (iv))	—	—	547	19	566
	<u>200</u>	<u>1,599</u>	<u>8,875</u>	<u>223</u>	<u>10,897</u>

Four months ended 30 April 2024 (unaudited)

	Fees	Shared based payment	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
Mr. Zhang TianYu Mr.	—	—	1,257	12	1,269
Ying LingPeng Mr. Xu	—	1,027	1,096	16	2,139
Ning	—	63	931	16	1,010
Independent					
non-executive directors					
Mr. Ye WeiPing	33	—	—	—	33
Mr. Zhang XueBin	33	—	—	—	33
Supervisors					
Ms. Sun XiaoJing	—	—	111	5	116
Ms. Chen QiHua	—	—	420	11	431
Mr. Shu Min	—	—	307	11	318
	<u>66</u>	<u>1,090</u>	<u>4,122</u>	<u>71</u>	<u>5,349</u>

Four months ended 30 April 2025

	Fees	Shared based payment	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
Mr. Zhang TianYu Mr.	—	—	320	19	339
Ying LingPeng Mr. Xu	—	290	737	19	1,046
Ning	—	—	1,349	19	1,368
Independent non-executive directors					
Mr. Wang Ning	33	—	—	—	33
Ms. Zhao Jing	33	—	—	—	33
Supervisors					
Ms. Sun XiaoJing	—	—	153	5	158
Ms. Chen QiHua	—	—	433	12	445
Ms. Du YingYing	—	—	135	7	142
	<u>66</u>	<u>290</u>	<u>3,127</u>	<u>81</u>	<u>3,564</u>

Notes:

- (i) Mr. Ye WeiPing and Mr. Zhang XueBin resigned as an independent non-executive director of the Company on 21 June 2024.
- (ii) Mr. Wang Ning and Ms. Zhao Jing were appointed as an independent non-executive director of the Company on 21 June 2024.
- (iii) Mr. Shu Min resigned as a supervisor of the Company on 21 June 2024.
- (iv) Ms. Du YingYing was appointed as a supervisor of the Company on 21 June 2024.

12.2 Five highest paid individuals emoluments

The five individuals whose emoluments were the highest in the Group for the years ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2024 and 2025 include 1, 1, 1, 2 and 1 director whose emoluments were disclosed in Note 12.1 above. The aggregate of the emoluments of the remaining 4, 4, 4, 3 and 4 individuals for the years ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2024 and 2025 were as follows:

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Wages, salaries and bonuses	6,486	8,469	12,786	7,236	5,254
Social welfare and other costs.	255	223	247	57	76
Share based payment expenses	768	1,500	874	426	282
Contribution to retirement benefit schemes	172	172	188	44	73
Total	<u>7,681</u>	<u>10,364</u>	<u>14,095</u>	<u>7,763</u>	<u>5,685</u>

The above individuals' emoluments are within the following band:

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
				(unaudited)	
Nil to RMB1,000,000. . . .	—	—	—	—	—
RMB1,000,001 to RMB1,500,000	—	—	—	1	2
RMB1,500,001 to RMB2,000,000	2	—	—	1	2
RMB2,000,001 to RMB2,500,000	2	2	—	—	—
RMB2,500,001 to RMB3,000,000	—	1	2	—	—
RMB3,000,000 or above . .	—	1	2	1	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

No director or the five highest paid individual received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for loss of office during the Track Record Period. No director or the five highest paid individual has waived or agreed to waive any emoluments during the Track Record Period.

13. DIVIDENDS

(a) Dividends attributable to the year

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
				(unaudited)	
Ordinary A shares					
Dividend of RMB1.0 per 10 shares	63,141	—	—	—	—
Dividend of RMB3.8 per 10 shares	—	289,984	—	—	—
Dividend of RMB3.5 per 10 shares	—	—	266,989	—	—
Closing net carrying amount	<u>63,141</u>	<u>289,984</u>	<u>266,989</u>	<u>—</u>	<u>—</u>

The dividends of RMB1.0 per 10 shares in respect of the year ended 31 December 2022 were approved in 2022 Annual General Meeting of the Group and dividend were paid on 1 June 2023.

The dividends of RMB3.8 per 10 shares in respect of the year ended 31 December 2023 were approved in 2023 Annual General Meeting of the Group and dividend were paid on 29 April 2024.

The dividends of RMB3.5 per 10 shares in respect of the year ended 31 December 2024 were approved in 2024 Annual General Meeting of the Group. The dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period, but reflected as an appropriation of retained profits for the year ended 31 December 2024.

During the track record period for the years ended 31 December 2022 and 2023, the Group declared a non-cash dividend in the form of all of the shares to its shareholder. The dividend was measured at the fair value of RMB126,282,000 and RMBNil, respectively.

14. EPS ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic EPS

The basic EPS is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Track Record Period, excluding treasury shares held for share schemes as these shares are not considered outstanding for EPS calculation purposes.

The following table illustrates the earnings and share information used in the calculation of basic EPS:

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Profit attributable to owners of the Company used in calculating basic EPS					
– Continuing operations .	352,265	375,335	414,277	136,321	157,583
– Discontinued operation	12,568	188,219	253,687	93,458	–
	<u>364,833</u>	<u>563,554</u>	<u>667,964</u>	<u>229,779</u>	<u>157,583</u>
<u>Number of shares</u>					
Weighted average number of ordinary shares in issue (thousand shares) .	<u>747,042</u>	<u>757,209</u>	<u>759,460</u>	<u>759,157</u>	<u>762,009</u>
Earnings per share for profit attributable to owners of the Company (RMB)					
Basic					
– Continuing operations .	0.47	0.50	0.55	0.18	0.21
– Discontinued operation	0.02	0.24	0.33	0.12	–
	<u>0.49</u>	<u>0.74</u>	<u>0.88</u>	<u>0.30</u>	<u>0.21</u>

(b) Diluted EPS

The share schemes granted by the Company and the subsidiaries have potential dilutive effect on the EPS.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from share schemes (collectively forming the denominator for computing the diluted EPS).

The following table illustrates the earnings and share information used in the calculation of diluted EPS:

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Profit attributable to owners of the Company used in calculating diluted EPS					
– Continuing operations .	352,265	375,335	414,277	136,321	157,583
– Discontinued operation	12,568	188,219	253,687	93,458	–
	<u>364,833</u>	<u>563,554</u>	<u>667,964</u>	<u>229,779</u>	<u>157,583</u>

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Number of shares					
Weighted average number of ordinary shares in issue (thousand shares) .	747,545	757,478	764,076	762,735	764,974
Earnings per share for profit attributable to owners of the Company (RMB)					
Diluted					
– Continuing operations .	0.47	0.50	0.54	0.18	0.21
– Discontinued operation	0.02	0.24	0.33	0.12	–
	<u>0.49</u>	<u>0.74</u>	<u>0.87</u>	<u>0.30</u>	<u>0.21</u>

15. PROPERTY, PLANT AND EQUIPMENT

The Group

	Research equipment	Motor vehicles	Office equipment	Machinery and equipment	Construction in progress	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
As at 1 January 2022						
Cost.....	119,478	3,649	26,027	–	34,347	183,501
Accumulated depreciation.....	(41,409)	(3,091)	(9,953)	–	–	(54,453)
Net book amount.....	<u>78,069</u>	<u>558</u>	<u>16,074</u>	<u>–</u>	<u>34,347</u>	<u>129,048</u>
Year ended 31 December 2022						
Opening net book amount.....	78,069	558	16,074	–	34,347	129,048
Additions	26,567	132	5,283	2,303	18,500	52,785
Transfer from Construction in progress	207	–	–	–	(207)	–
Business combinations (note 18).....	22,529	–	4,644	65,594	1,171	93,938
Disposal	(76)	–	(78)	(129)	–	(283)
Transfer from Research equipment to Machinery and equipment	(4,987)	–	–	4,987	–	–
Depreciation	(25,990)	(231)	(7,637)	(3,692)	–	(37,550)
Exchange differences	8	–	35	(19)	–	24
Closing net book amount	<u>96,327</u>	<u>459</u>	<u>18,321</u>	<u>69,044</u>	<u>53,811</u>	<u>237,962</u>
As at 31 December 2022 and 1 January 2023						
Cost	158,750	3,781	35,617	76,221	53,811	328,180
Accumulated depreciation	(62,423)	(3,322)	(17,296)	(7,177)	–	(90,218)
Net book amount.	<u>96,327</u>	<u>459</u>	<u>18,321</u>	<u>69,044</u>	<u>53,811</u>	<u>237,962</u>

	Research equipment	Motor vehicles	Office equipment	Machinery and equipment	Construction in progress	Total
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
Year ended 31 December 2023						
Opening net book amount	96,327	459	18,321	69,044	53,811	237,962
Additions	12,096	359	6,075	12,953	14,705	46,188
Transfer from Construction in progress	1,827	—	—	—	(1,827)	—
Disposals	(227)	—	(175)	(57)	—	(459)
Depreciation	(44,868)	(147)	(9,678)	(11,682)	—	(66,375)
Exchange differences	673	—	154	109	—	936
Closing net book amount.	<u>65,828</u>	<u>671</u>	<u>14,697</u>	<u>70,367</u>	<u>66,689</u>	<u>218,252</u>
As at 31 December 2023 and 1 January 2024						
Cost	172,285	4,140	39,373	88,451	66,689	370,938
Accumulated depreciation	(106,457)	(3,469)	(24,676)	(18,084)	—	(152,686)
Net book amount.	<u>65,828</u>	<u>671</u>	<u>14,697</u>	<u>70,367</u>	<u>66,689</u>	<u>218,252</u>
Year ended 31 December 2024						
Opening net book amount	65,828	671	14,697	70,367	66,689	218,252
Additions	21,505	351	7,036	9,373	26,162	64,427
Disposals	(939)	—	(34)	(394)	—	(1,367)
Depreciation	(27,756)	(180)	(6,274)	(10,940)	—	(45,150)
Disposal of subsidiaries (<i>Note 10</i>) . . .	(2,284)	—	(2,975)	(59,288)	—	(64,547)
Exchange differences	(8)	—	(46)	261	—	207
Closing net book amount.	<u>56,346</u>	<u>842</u>	<u>12,404</u>	<u>9,379</u>	<u>92,851</u>	<u>171,822</u>
As at 31 December 2024						
Cost	159,709	4,491	38,760	17,245	92,851	313,056
Accumulated depreciation	(103,363)	(3,649)	(26,356)	(7,866)	—	(141,234)
Net book amount	<u>56,346</u>	<u>842</u>	<u>12,404</u>	<u>9,379</u>	<u>92,851</u>	<u>171,822</u>
Four months ended 30 April 2025						
Opening net book amount	56,346	842	12,404	9,379	92,851	171,822
Additions	6,428	—	1,678	1,039	10,483	19,628
Disposals	(286)	—	(29)	(28)	—	(343)
Depreciation	(7,617)	(71)	(1,728)	(948)	—	(10,364)
Exchange differences	11	—	3	—	—	14
Closing net book amount.	<u>54,882</u>	<u>771</u>	<u>12,328</u>	<u>9,442</u>	<u>103,334</u>	<u>180,757</u>
As at 30 April 2025						
Cost	165,632	4,491	39,866	17,727	103,334	331,050
Accumulated depreciation.	(110,750)	(3,720)	(27,538)	(8,285)	—	(150,293)
Net book amount.	<u>54,882</u>	<u>771</u>	<u>12,328</u>	<u>9,442</u>	<u>103,334</u>	<u>180,757</u>

The Company

	Research equipment	Motor vehicles	Office equipment	Machinery and equipment	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2022						
Cost	97,249	3,296	16,473	—	34,347	151,365
Accumulated depreciation	(36,036)	(2,862)	(6,534)	—	—	(45,432)
Net book amount.	<u>61,213</u>	<u>434</u>	<u>9,939</u>	<u>—</u>	<u>34,347</u>	<u>105,933</u>
Year ended 31 December 2022						
Opening net book amount	61,213	434	9,939	—	34,347	105,933
Additions	19,921	—	1,484	1,089	17,637	40,131
Transfer from Research equipment to Machinery and equipment.	(4,987)	—	—	4,987	—	—
Disposals	(4,161)	—	(65)	(129)	—	(4,355)
Depreciation	(17,237)	(161)	(4,548)	(1,282)	—	(23,228)
Closing net book amount.	<u>54,749</u>	<u>273</u>	<u>6,810</u>	<u>4,665</u>	<u>51,984</u>	<u>118,481</u>
As at 31 December 2022 and 1 January 2023						
Cost	101,508	3,296	17,657	9,432	51,984	183,877
Accumulated depreciation	(46,759)	(3,023)	(10,847)	(4,767)	—	(65,396)
Net book amount.	<u>54,749</u>	<u>273</u>	<u>6,810</u>	<u>4,665</u>	<u>51,984</u>	<u>118,481</u>
Year ended 31 December 2023						
Opening net book amount	54,749	273	6,810	4,665	51,984	118,481
Additions	2,470	—	1,284	968	14,705	19,427
Disposals	(25)	—	(102)	(45)	—	(172)
Depreciation	(16,542)	(48)	(3,992)	(1,607)	—	(22,189)
Closing net book amount.	<u>40,652</u>	<u>225</u>	<u>4,000</u>	<u>3,981</u>	<u>66,689</u>	<u>115,547</u>
As at 31 December 2023 and 1 January 2024						
Cost	103,584	3,296	17,701	9,609	66,689	200,879
Accumulated depreciation	(62,932)	(3,071)	(13,701)	(5,628)	—	(85,332)
Net book amount.	<u>40,652</u>	<u>225</u>	<u>4,000</u>	<u>3,981</u>	<u>66,689</u>	<u>115,547</u>
Year ended 31 December 2024						
Opening net book amount	40,652	225	4,000	3,981	66,689	115,547
Additions	13,491	351	5,321	338	26,162	45,663
Disposals	(504)	—	(183)	(1)	—	(688)
Depreciation	(16,028)	(64)	(2,188)	(1,476)	—	(19,756)
Closing net book amount.	<u>37,611</u>	<u>512</u>	<u>6,950</u>	<u>2,842</u>	<u>92,851</u>	<u>140,766</u>
As at 31 December 2024 and 1 January 2025						
Cost	115,630	3,647	21,832	9,916	92,851	243,876
Accumulated depreciation	(78,019)	(3,135)	(14,882)	(7,074)	—	(103,110)
Net book amount	<u>37,611</u>	<u>512</u>	<u>6,950</u>	<u>2,842</u>	<u>92,851</u>	<u>140,766</u>
Four months ended 30 April 2025						
Opening net book amount	37,611	512	6,950	2,842	92,851	140,766
Additions	3,043	—	1,096	783	10,157	15,079
Disposals	(23)	—	(29)	(37)	—	(89)
Depreciation	(5,415)	(32)	(860)	(486)	—	(6,793)
Closing net book amount.	<u>35,216</u>	<u>480</u>	<u>7,157</u>	<u>3,102</u>	<u>103,008</u>	<u>148,963</u>

	Research equipment	Motor vehicles	Office equipment	Machinery and equipment	Construction in progress	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
As at 30 April 2025						
Cost	118,527	3,647	22,348	10,008	103,008	257,538
Accumulated depreciation	(83,311)	(3,167)	(15,191)	(6,906)	–	(108,575)
Net book amount	<u>35,216</u>	<u>480</u>	<u>7,157</u>	<u>3,102</u>	<u>103,008</u>	<u>148,963</u>

16. RIGHT-OF-USE ASSETS

The Group

	Land	Buildings	Machineries	Total
	RMB '000	RMB '000	RMB '000	RMB '000
As at 1 January 2022				
Cost	76,251	52,828	–	129,079
Accumulated amortization	(4,097)	(11,768)	–	(15,865)
Net book amount	<u>72,154</u>	<u>41,060</u>	<u>–</u>	<u>113,214</u>
Year ended 31 December 2022				
Opening net book amount	72,154	41,060	–	113,214
Additions	–	4,603	–	4,603
Business combinations (<i>note 19</i>)	–	10,511	102	10,613
Early termination	–	(249)	–	(249)
Depreciation	(2,656)	(14,733)	–	(17,389)
Exchange Difference	–	(181)	(38)	(219)
Closing net book amount.	<u>69,498</u>	<u>41,011</u>	<u>64</u>	<u>110,573</u>
As at 31 December 2022 and 1 January 2023				
Cost	76,251	66,227	64	142,542
Accumulated depreciation	(6,753)	(25,216)	–	(31,969)
Net book amount	<u>69,498</u>	<u>41,011</u>	<u>64</u>	<u>110,573</u>
Year ended 31 December 2023				
Opening net book amount	69,498	41,011	64	110,573
Additions	–	16,334	–	16,334
Early termination	–	(221)	–	(221)
Depreciation	(2,656)	(20,399)	(31)	(23,086)
Exchange difference	–	378	–	378
Closing net book amount.	<u>66,842</u>	<u>37,103</u>	<u>33</u>	<u>103,978</u>
As at 31 December 2023 and 1 January 2024				
Cost	76,251	78,214	64	154,529
Accumulated amortization	(9,409)	(41,111)	(31)	(50,551)
Net book amount.	<u>66,842</u>	<u>37,103</u>	<u>33</u>	<u>103,978</u>
Year ended 31 December 2024				
Opening net book amount	66,842	37,103	33	103,978
Additions	51,603	12,657	–	64,260
Early termination	–	(46)	–	(46)
Disposal of subsidiaries (<i>Note 10</i>)	–	(9,469)	(10)	(9,479)
Depreciation	(4,089)	(18,999)	(23)	(23,111)
Exchange differences	–	(184)	–	(184)
Closing net book amount.	<u>114,356</u>	<u>21,062</u>	<u>–</u>	<u>135,418</u>

	Land	Buildings	Machineries	Total
	RMB '000	RMB '000	RMB '000	RMB '000
As at 31 December 2024 and 1 January 2025.				
Cost	127,854	55,219	—	183,073
Accumulated depreciation	(13,498)	(34,157)	—	(47,655)
Net book amount.	<u>114,356</u>	<u>21,062</u>	<u>—</u>	<u>135,418</u>
Four months ended 30 April 2025				
Opening net book amount	114,356	21,062	—	135,418
Additions	—	13,920	103,525	117,445
Early termination	—	(299)	—	(299)
Depreciation	(1,459)	(6,194)	(9,411)	(17,064)
Exchange differences	—	27	—	27
Closing net book amount	<u>112,897</u>	<u>28,516</u>	<u>94,114</u>	<u>235,527</u>
As at 30 April 2025				
Cost	127,854	67,570	103,525	298,949
Accumulated depreciation	(14,957)	(39,054)	(9,411)	(63,422)
Net book amount.	<u>112,897</u>	<u>28,516</u>	<u>94,114</u>	<u>235,527</u>

The Company

	Land	Buildings	Machineries	Total
	RMB '000	RMB '000	RMB '000	RMB '000
As at 1 January 2022				
Cost	76,251	20,278	—	96,529
Accumulated amortization	(4,097)	(4,535)	—	(8,632)
Net book amount	<u>72,154</u>	<u>15,743</u>	<u>—</u>	<u>87,897</u>
Year ended 31 December 2022				
Opening net book amount	72,154	15,743	—	87,897
Additions	—	2,792	—	2,792
Depreciation	(2,656)	(4,735)	—	(7,391)
Closing net book amount.	<u>69,498</u>	<u>13,800</u>	<u>—</u>	<u>83,298</u>
As at 31 December 2022 and 1 January 2023				
Cost	76,251	23,070	—	99,321
Accumulated depreciation	(6,753)	(9,270)	—	(16,023)
Net book amount	<u>69,498</u>	<u>13,800</u>	<u>—</u>	<u>83,298</u>
Year ended 31 December 2023				
Opening net book amount	69,498	13,800	—	83,298
Additions	—	64	—	64
Depreciation	(2,656)	(5,204)	—	(7,860)
Closing net book amount.	<u>66,842</u>	<u>8,660</u>	<u>—</u>	<u>75,502</u>
As at 31 December 2023 and 1 January 2024				
Cost	76,251	22,957	—	99,208
Accumulated amortization	(9,409)	(14,297)	—	(23,706)
Net book amount.	<u>66,842</u>	<u>8,660</u>	<u>—</u>	<u>75,502</u>

	Land	Buildings	Machineries	Total
	RMB '000	RMB '000	RMB '000	RMB '000
Year ended 31 December 2024				
Opening net book amount	66,842	8,660	–	75,502
Additions	–	851	–	851
Depreciation	(2,656)	(5,331)	–	(7,987)
Closing net book amount.	64,186	4,180	–	68,366
As at 31 December 2024 and 1 January 2025				
Cost	76,251	23,545	–	99,796
Accumulated depreciation	(12,065)	(19,365)	–	(31,430)
Net book amount.	64,186	4,180	–	68,366
Four months ended 30 April 2025				
Opening net book amount	64,186	4,180	–	68,366
Additions	–	5,827	77,644	83,471
Early termination	–	(299)	–	(299)
Depreciation	(884)	(2,288)	(7,059)	(10,231)
Closing net book amount	63,302	7,420	70,585	141,307
As at 30 April 2025				
Cost	76,251	28,448	77,644	182,343
Accumulated depreciation	(12,949)	(21,028)	(7,059)	(41,036)
Net book amount.	63,302	7,420	70,585	141,307

17. FINANCIAL ASSETS AT FVTOCI

Financial assets at FVTOCI included the following investments:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Non-current				
Unlisted equity securities	112,135	217,280	329,578	352,761
Current				
Bills receivables	201,940	324,464	363,685	327,093

18. ACQUISITION OF SUBSIDIARIES

	Principal activity	Date of acquisition	Proportion of shares acquired	Consideration transferred
				RMB '000
2022				
Business combinations				
Shenzhen Chunanglian Future Wireless Technology Co., Ltd (formerly known as Rolling Wireless S.à r.l.)	Investment and Trading	1 November 2022	100%	249,691
2024				
Business combinations				
Shanghai Sevenfold Universe Digital Technology Co., Ltd	Technology development	2 February 2024	45.9%	4,410

Business combinations

On 1 November 2022, the Group entered into an equity transaction agreement with the equity owners (the “Sellers”) of Rolling Wireless S.à r.l., pursuant to which, the Group held 49.0% equity interest and agreed to acquire the remaining 51.0% equity interests of Rolling Wireless Technology Co. Ltd at a total consideration of approximately RMB249,691,000. As the Company holds 100.0% equity interests of Rolling Wireless Technology Co. Ltd, it gives the Company control over Rolling Wireless Technology Co. Ltd.

Rolling Wireless Technology Co. Ltd is primarily engaged in the business and industrial activities directly or indirectly related to system engineering, the automotive industry, and mobile computing industry network access devices, such as production, processing, procurement and sales, import and export, as well as all related inter-group internal transactions and operations. The acquisition has significantly increased the Group’s market share in this industry and it complements the Group’s existing development plan.

On 2 February 2024, a wholly owned subsidiary of the Group, the Fibocom Investment Development Inc. entered into an equity transaction agreement with the equity owners (the “Sellers”) of Shanghai Sevenfold Universe Digital Technology Co., Ltd pursuant to which, Fibocom Investment Development Inc. agreed to acquire 45.9% equity interests of Shanghai Sevenfold Universe Digital Technology Co., Ltd at a total consideration of approximately RMB4,410,000. Shanghai Sevenfold Universe Digital Technology Co., Ltd is primarily engaged in technical service.

Additionally, the Company entered into an agreement with Mr. Zhu Tao, one of its shareholders. Both parties will jointly act on major matters at the shareholders’ meeting. Together, they hold a total of 51% of Shanghai Sevenfold Universe Digital Technology Co., Ltd’s equity, thereby giving the Company control over Shanghai Sevenfold Universe Digital Technology Co., Ltd.

Shanghai Sevenfold Universe Digital Technology Co., Ltd. has a focus of overseas’ new energy vehicle market and it has already completed multiple overseas projects related to new energy vehicles. Therefore, the Company’s acquisition of Shanghai Sevenfold Universe Digital Technology Co., Ltd. is in line with the Company’s strategic goal and create synergies as Shanghai Sevenfold Universe Digital Technology Co., Ltd. has related expertise.

Non-controlling interests

The non-controlling interest (54.1%) in Shanghai Sevenfold Universe Digital Technology Co., Ltd recognised at the acquisition date was measured at its proportionate share of the Shanghai Sevenfold Universe Digital Technology Co., Ltd’s net identifiable assets and amounted to RMB479,000.

Impact of acquisitions on the results of the Group

Included in the profit for the year ended 31 December 2022 is a profit of RMB12,568,000 attributable to the additional business generated by Rolling Wireless Technology Co. Ltd. Revenue for the year ended 31 December 2022 includes revenue of RMB443,680,000 in respect of Rolling Wireless Technology Co. Ltd.

If the acquisition had occurred on 1 January 2022, the Group’s revenue would have been RMB8,854,067,000 and profit for the year would have been RMB471,441,000 for the year ended 31 December 2022.

Included in the profit for the year ended 31 December 2024 is a loss of RMB391,000 attributable to the additional business generated by Shanghai Sevenfold Universe Digital Technology Co., Ltd. Revenue for the year ended 31 December 2024 includes revenue of RMB13,097,000 in respect of Shanghai Sevenfold Universe Digital Technology Co., Ltd.

If the acquisition had occurred on 1 January 2024, the Group’s revenue would have been RMB8,188,904,000 and profit for the year would have been RMB676,743,000 for the year ended 31 December 2024.

This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2022 or 1 January 2024, nor is it intended to be a projection of future results.

Consideration transferred:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	RMB'000	RMB'000
Cash	87,890	—	4,410
Ordinary shares issued	161,801	—	—
Total	<u>249,691</u>	<u>—</u>	<u>4,410</u>

Fair value of the assets acquired and liabilities recognised at the date of acquisition:

	Rolling Wireless Technology Co. Ltd	Shanghai Sevenfold Universe Digital Technology Co., Ltd
	RMB'000	RMB'000
Property, plant and equipment	93,938	—
Right-of-use assets	10,613	—
Intangible assets	184,351	—
Deferred tax assets	9,625	—
Inventories	286,327	—
Trade and other receivables	685,114	808
Cash and cash equivalents	146,107	1,709
Trade and other payables	(487,783)	(3,402)
Contract liabilities	(43,723)	—
Borrowings	(596,112)	—
Lease liabilities	(11,971)	—
Deferred tax liabilities	(13,084)	—
Identifiable net asset/(liabilities) acquired	263,402	(885)
Less: non-controlling interests	—	479
Fair value of identified net assets/(liabilities) acquired	<u>263,402</u>	<u>(406)</u>

The receivables acquired, which principally comprised trade receivables, in these transactions with a fair value of RMB685,114,000 for Rolling Wireless Technology Co. Ltd and RMB808,000 for Shanghai Sevenfold Universe Digital Technology Co., Ltd and had gross contractual amounts of RMB690,080,000 and RMB808,000 respectively. The best estimate at acquisition date of the contractual cash flows not expected to be collected are RMB4,966,000 for Rolling Wireless Technology Co. Ltd and RMBNil for Shanghai Sevenfold Universe Digital Technology Co., Ltd.

Goodwill arising on acquisition

	Rolling Wireless Technology Co. Ltd	Shanghai Sevenfold Universe Digital Technology Co., Ltd
	RMB'000	RMB'000
Consideration transfer	249,691	4,410
Fair value of identified net (assets)/liabilities acquired	(263,402)	406
Fair value of previously-held interest (Note (a))	316,844	—
Total	<u>303,133</u>	<u>4,816</u>

Note (a): The fair value of the equity interest in the Rolling Wireless Technology Co. Ltd held by the Company immediately before the 1 November 2022 is RMB316,844,000. RMB22,751,000 gain is recognised as a result of remeasuring the fair value of equity interest in Rolling Wireless Technology Co. Ltd held by the Company before the business combination and the amount is recognised in other gains and losses, net in the statement of comprehensive income.

Goodwill arose in the acquisition of Rolling Wireless Technology Co. Ltd and Shanghai Sevenfold Universe Digital Technology Co., Ltd as the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Rolling Wireless Technology Co. Ltd and Shanghai Sevenfold Universe Digital Technology Co., Ltd. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of subsidiaries

	Rolling Wireless Technology Co. Ltd	Shanghai Sevenfold Universe Digital Technology Co., Ltd
	RMB'000	RMB'000
Consideration paid in cash.	87,890	4,410
Cash and cash equivalent acquired.	(146,107)	(1,709)
Cash (inflow)/outflow, net of cash acquired	<u>(58,217)</u>	<u>2,701</u>

19. GOODWILL

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of year/period				
Gross carrying amount	22,970	326,103	326,103	27,786
Accumulated impairment.	(14,884)	(14,884)	(14,884)	(14,884)
	<u>8,086</u>	<u>311,219</u>	<u>311,219</u>	<u>12,902</u>
Net carrying amount at 1				
January	8,086	311,219	311,219	12,902
Business combination.	303,133	—	4,816	—
Disposal of subsidiaries (Note 10)	—	—	(303,133)	—
Net carrying amount at 31				
December	<u>311,219</u>	<u>311,219</u>	<u>12,902</u>	<u>12,902</u>
At end of year/period				
Gross carrying amount	326,103	326,103	27,786	27,786
Accumulated impairment.	(14,884)	(14,884)	(14,884)	(14,884)
	<u>311,219</u>	<u>311,219</u>	<u>12,902</u>	<u>12,902</u>

Impairment tests for goodwill with an indefinite useful life

The carrying amount of goodwill allocated to the group of CGUs are as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Zhejiang Nodecom Technology Co., Ltd. and its consolidated subsidiaries ("ZheJiang Nodecom Group")	22,970	22,970	22,970	22,970
Rolling Wireless S.à r.l. and its consolidated subsidiaries ("Rolling Group")	303,133	303,133	—	—

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
<i>Shanghai Sevenfold Universe Digital Technology Co., Ltd and its consolidated subsidiaries</i> <i>("Sevenfold Group")</i>	—	—	4,816	4,816
	326,103	326,103	27,786	27,786
Less: Impairment	(14,884)	(14,884)	(14,884)	(14,884)
	<u>311,219</u>	<u>311,219</u>	<u>12,902</u>	<u>12,902</u>

Goodwill has been allocated to the CGUs of the subsidiaries acquired for impairment testing. Management performed an impairment assessment on the goodwill as at 31 December 2022, 2023 and 2024 and as at 30 April 2025. The recoverable amount of the subsidiaries is determined based on value in use calculations based on five-year financial budgets. The following table sets forth each key assumption of CGU on which management has based its cash flow projections to undertake impairment testing of goodwill:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
<i>ZheJiang Nodecom Group</i>				
Revenue annual growth rate	8.98% 13.06%	5.97% 12.39%	6.80% 13.66%	(29.03%)- 7.00%
Gross margin	3.21% 3.54%	4.49% 6.94%	5.62% 7.31%	14.17% 14.34%
Pre-tax discount rate	12.63%	13.22%	15.87%	13.80%
<i>Rolling Group</i>				
Revenue annual growth rate	(10.99%)- 28.17%	(7.42%)- 15.10%	N/A	N/A
Gross margin	20.87% 21.27%	22.71% 26.14%	N/A	N/A
Pre-tax discount rate	12.84%	14.55%	N/A	N/A
<i>Sevenfold Group</i>				
Revenue annual growth rate	N/A	N/A	5.00% 105.03%	8.00% 105.00%
Gross margin	N/A	N/A	27.96% 28.36%	28.76% 33.17%
Pre-tax discount rate	<u>N/A</u>	<u>N/A</u>	<u>14.22%</u>	<u>12.71%</u>

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption..... Approach used to determine values

Revenue annual growth rate Revenue annual growth rate is estimated based on past performance and management's expectations of market development. The management of the Group used a projection period for the cash flow forecast, which was in line with the period length used in the corresponding strategic planning and long-term budgeting purpose for many years. Based on the industry knowledge and understanding of the market and business cycle, the management considered that before the projections move into a long term stable period, such projection was reasonable and supportable.

Gross margin Based on past performance and management's expectations for the future.

Pre-tax discount rate..... The pre-tax discount rate was determined using a risk premium approach, based on the risk-free rate aligned with the cash flow projection period and adjusted for specific risk factors including market risk, capital investment risk, technology development risk, quality control and execution risk. The rate reflects the relationship between the project's cost of capital and the associated future cash flows.

Based on management's assessment on the recoverable amount of the CGU, no impairment provision was considered necessary as at 31 December 2022, 2023 and 2024 and as at 30 April 2025.

Impact of possible changes in key assumption

Based on management's assessment on the recoverable amounts, the headroom of ZheJiang Nodecom Group, Rolling Group and Sevenfold Group as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
ZheJiang Nodecom Group	19,884	13,658	24,327	12,147
Rolling Group	205,328	235,549	—	—
Sevenfold Group.	—	—	24,045	22,054

For the sensitivity analysis of ZheJiang Nodecom Group conducted during the impairment review, had there been reasonably possible changes with reduction of the revenue annual growth rate of each year during the forecast period by 1%, or a reduction of the gross margin of each year during the forecast period by 0.5%, or an increase in pre-tax discount rate by 1%, it would cause the reduction of the recoverable amount of ZheJiang Nodecom Group as follows, if one of the key assumptions was to change while other variable held constant: As at 31 December 2022, the recoverable amount would decrease by RMB4,117,000, RMB13,098,000 and RMB5,029,000. As at 31 December 2023, the recoverable amount would decrease by RMB3,117,000, RMB7,254,000 and RMB3,085,000. As at 31 December 2024, the recoverable amount would decrease by RMB3,207,000, RMB6,998,000 and RMB3,652,000. As at 30 April 2025, the recoverable amount would decrease by RMB4,073,000, RMB4,299,000 and RMB6,523,000.

For the sensitivity analysis of Rolling Group conducted during the impairment review, had there been reasonably possible changes with reduction of the revenue annual growth rate of each year during the forecast period by 1%, or a reduction of the gross margin of each year during the forecast period by 0.5%, or an increase in pre-tax discount rate by 1%, it would cause the reduction of the recoverable amount of Rolling Group as follows, if one of the key assumptions was to change while other variable held constant: As at 31 December 2022, the recoverable amount would decrease by RMB122,207,000, RMB76,902,000 and RMB115,676,000. As at 31 December 2023, the recoverable amount would decrease by RMB103,384,000, RMB82,634,000 and RMB87,161,000.

For the sensitivity analysis of Sevenfold Group conducted during the impairment review, had there been reasonably possible changes with reduction of the revenue annual growth rate of each year during the forecast period by 1%, or a reduction of the gross margin of each year during the forecast period by 0.5%, or an increase in pre-tax discount rate by 1%, it would cause the reduction of the recoverable amount of Rolling Group as follows, if one of the key assumptions was to change while other variable held constant: As at 31 December 2024, the recoverable amount would decrease by RMB7,566,000, RMB3,346,000 and RMB2,998,000. As at 30 April 2025, the recoverable amount would decrease by RMB8,515,000, RMB4,506,000 and RMB6,744,000.

As disclosed above, the management has considered and assessed reasonably possible changes for the key assumptions and has not identified any instances that would cause the carrying amounts of the CGUs to exceed their recoverable amounts as at 31 December 2022, 2023 and 2024 and 30 April 2025, respectively.

20. INTANGIBLE ASSETS

The Group

	Patent	Development platform	Customer relationships	Software	Development cost	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
As at 1 January 2022						
Cost	28,543	93,161	—	26,479	34,842	183,025
Accumulated amortisation	(6,621)	(20,886)	—	(6,014)	—	(33,521)
Net book amount	<u>21,922</u>	<u>72,275</u>	<u>—</u>	<u>20,465</u>	<u>34,842</u>	<u>149,504</u>
Year ended 31 December 2022						
Opening net book amount	21,922	72,275	—	20,465	34,842	149,504
Additions	—	35,055	—	3,291	29,913	68,259
Transfer from development cost . . .	40,770	—	—	—	(40,770)	—
Business combinations	76,761	—	98,211	9,379	—	184,351
Written off	—	—	—	(4)	—	(4)
Amortisation	(7,380)	(12,233)	(2,530)	(4,052)	—	(26,195)
Exchange differences	(2,985)	1,518	—	(1,337)	—	(2,804)
Closing net book amount	<u>129,088</u>	<u>96,615</u>	<u>95,681</u>	<u>27,742</u>	<u>23,985</u>	<u>373,111</u>
As at 31 December 2022 and 1 January 2023						
Cost	143,278	129,953	98,211	37,807	23,985	433,234
Accumulated amortisation	(14,190)	(33,338)	(2,530)	(10,065)	—	(60,123)
Net book amount	<u>129,088</u>	<u>96,615</u>	<u>95,681</u>	<u>27,742</u>	<u>23,985</u>	<u>373,111</u>
Year ended 31 December 2023						
Opening net book amount	129,088	96,615	95,681	27,742	23,985	373,111
Additions	—	47,173	—	2,637	15,017	64,827
Transfer from development cost . . .	11,610	—	—	—	(11,610)	—
Write-off	—	—	—	—	(14,706)	(14,706)
Amortisation	(22,420)	(17,033)	(14,974)	(4,263)	—	(58,690)
Exchange realignment	1,624	546	660	124	—	2,954
Closing net book amount	<u>119,902</u>	<u>127,301</u>	<u>81,367</u>	<u>26,240</u>	<u>12,686</u>	<u>367,496</u>
As at 31 December 2023 and 1 January 2024						
Cost	156,661	177,770	98,950	39,902	12,686	485,969
Accumulated amortisation	(36,759)	(50,469)	(17,583)	(13,662)	—	(118,473)
Net book amount	<u>119,902</u>	<u>127,301</u>	<u>81,367</u>	<u>26,240</u>	<u>12,686</u>	<u>367,496</u>
Year ended 31 December 2024						
Opening net book amount	119,902	127,301	81,367	26,240	12,686	367,496
Additions	156	24,073	—	9,655	39,836	73,720
Transfer from development cost . . .	17,764	—	—	1,997	(19,761)	—
Written off	—	—	—	—	(4,397)	(4,397)
Disposal of subsidiary (Note 10) . .	(49,171)	(6,842)	(72,388)	(10,018)	—	(138,419)
Amortisation	(17,481)	(19,804)	(9,206)	(4,482)	—	(50,973)
Exchange realignment	(244)	534	227	32	—	549
Closing net book amount	<u>70,926</u>	<u>125,262</u>	<u>—</u>	<u>23,424</u>	<u>28,364</u>	<u>247,976</u>
As at 31 December 2024						
Cost	99,238	194,252	—	39,489	28,364	361,343
Accumulated amortisation	(28,312)	(68,990)	—	(16,065)	—	(113,367)
Net book amount	<u>70,926</u>	<u>125,262</u>	<u>—</u>	<u>23,424</u>	<u>28,364</u>	<u>247,976</u>

	Patent	Development platform	Customer relationships	Software	Development cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Four months ended 30 April 2025						
Opening net book amount	70,926	125,262	–	23,424	28,364	247,976
Additions.	–	–	–	403	8,010	8,413
Transfer from development cost . . .	5,577	–	–	–	(5,577)	–
Write-off	–	–	–	–	(1,027)	(1,027)
Amortisation.	(3,388)	(6,248)	–	(1,791)	–	(11,427)
Exchange realignment	1	74	–	–	–	75
Closing net book amount	73,116	119,088	–	22,036	29,770	244,010
As at 30 April 2025						
Cost	104,821	194,354	–	39,891	29,770	368,836
Accumulated amortisation	(31,705)	(75,266)	–	(17,855)	–	(124,826)
Net book amount	73,116	119,088	–	22,036	29,770	244,010

The Company

	Patent	Development platform	Software	Development cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2022					
Cost	12,500	74,359	26,030	18,920	131,809
Accumulated amortisation	(1,788)	(18,518)	(5,926)	–	(26,232)
Net book amount	10,712	55,841	20,104	18,920	105,577
Year ended 31 December 2022					
Opening net book amount	10,712	55,841	20,104	18,920	105,577
Additions	–	17,644	2,421	18,279	38,344
Transfer from development cost . .	21,849	–	–	(21,849)	–
Written off	–	–	(4)	(757)	(761)
Amortisation	(2,734)	(8,854)	(3,276)	–	(14,864)
Closing net book amount	29,827	64,631	19,245	14,593	128,296
As at 31 December 2022 and 1 January 2023					
Cost	34,349	92,003	28,446	14,593	169,391
Accumulated amortisation	(4,522)	(27,372)	(9,201)	–	(41,095)
Net book amount	29,827	64,631	19,245	14,593	128,296
Year ended 31 December 2023					
Opening net book amount	29,827	64,631	19,245	14,593	128,296
Additions	–	40,090	2,307	7,575	49,972
Transfer from development cost . .	5,352	–	–	(5,352)	–
Written off	–	–	–	(9,815)	(9,815)
Amortisation	(3,481)	(13,056)	(2,831)	–	(19,368)
Closing net book amount	31,698	91,665	18,721	7,001	149,085
As at 31 December 2023 and 1 January 2024.					
Cost	39,701	132,093	30,753	7,001	209,548
Accumulated amortisation	(8,003)	(40,428)	(12,032)	–	(60,463)
Net book amount	31,698	91,665	18,721	7,001	149,085

	Patent	Development platform	Software	Development cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2024 . .					
Opening net book amount	31,698	91,665	18,721	7,001	149,085
Additions	156	13,537	5,198	19,122	38,013
Transfer from development cost . .	5,172	—	1,997	(7,169)	—
Write-off	—	(7,064)	—	(3,306)	(10,370)
Amortisation	(4,178)	(14,386)	(3,523)	—	(22,087)
Closing net book amount.	32,848	83,752	22,393	15,648	154,641
As at 31 December 2024 and 1 January 2025.					
Cost	45,029	137,358	37,948	15,648	235,983
Accumulated amortisation	(12,181)	(53,606)	(15,555)	—	(81,342)
Net book amount.	32,848	83,752	22,393	15,648	154,641
Four months ended 30 April 2025					
Opening net book amount	32,848	83,752	22,393	15,648	154,641
Additions	1	—	401	3,644	4,046
Transfer from development cost . .	2,688	—	—	(2,688)	—
Write-off	—	—	—	(864)	(864)
Amortisation	(1,569)	(4,348)	(1,710)	—	(7,627)
Closing net book amount.	33,968	79,404	21,084	15,740	150,196
As at 30 April 2025					
Cost	47,717	137,358	38,349	15,740	239,164
Accumulated amortisation	(13,749)	(57,954)	(17,265)	—	(88,968)
Net book amount	33,968	79,404	21,084	15,740	150,196

Impairment tests for development cost with an indefinite useful life

The carrying amount of development cost allocated to the group of CGUs are as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Data transmission modules	13,175	3,907	14,212	13,083
Smart modules	10,810	8,779	6,603	8,493
Robotic and other solutions	—	—	7,549	8,194
	23,985	12,686	28,364	29,770
Less: Impairment	—	—	—	—
	23,985	12,686	28,364	29,770

The following table sets out the key assumptions used for value in use calculations of development cost.

	As at 31 December			As at 30 April
	2022	2023	2024	2025
Revenue annual growth rate	(27.99%)- 111.35%	(31.15%)- 61.90%	(82.17%)- 140.49%	(82.17%)- 151.75%
Contribution rate	5.50%	5.50%	5.50%	5.50%
Pre-tax discount rate	15.77%	15.57%	15.44%	15.70%

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption Approach used to determine values

Revenue annual growth rate Revenue annual growth rate is estimated based on past performance and management's expectations of market development. The management of the Group used a projection period for the cash flow forecast, which was in line with the period length used in the corresponding strategic planning and long-term budgeting purpose for many years. Based on the industry knowledge and understanding of the market and business cycle, the management considered that before the projections move into a long term stable period, such projection was reasonable and supportable.

Contribution rate The applied contribution rate reflects the estimated revenue contribution or economic return expected from the development projects. This rate was determined with reference to factors such as the project's technical exclusivity, commercialization timeline, industry acceptance, target market structure, and product lifecycle, to reasonably estimate the future revenue-generating potential.

Pre-tax discount rate The pre-tax discount rate was determined using a risk premium approach, based on the risk-free rate aligned with the cash flow projection period and adjusted for specific risk factors including market risk, capital investment risk, technology development risk, quality control and execution risk. The rate reflects the relationship between the project's cost of capital and the associated future cash flows.

Based on management's assessment on the recoverable amount of development cost, no impairment provision was considered necessary as at 31 December 2022, 2023 and 2024 and as at 30 April 2025.

Impact of possible changes in key assumption

Based on management's assessment on the recoverable amounts, the headroom of development cost as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Data transmission modules	3,588	82,231	96,008	148,978
Smart modules	77,143	49,638	117,548	125,242
Robotic and other solutions	—	—	7,306	461

For the sensitivity analysis of data transmission modules conducted during the impairment review, had there been reasonably possible changes with reduction of the revenue annual growth rate of each year during the forecast period by 1%, or a reduction of contribution rate of each year during the forecast period by 0.1%, or an increase in pre-tax discount rate by 1%, it would cause the reduction of the recoverable amount of development cost as follows, if one of the key assumptions was to change while other variable held constant: As at 31 December 2022, the recoverable amount would decrease by RMB210,000, RMB344,000 and RMB285,000. As at 31 December 2023, the recoverable amount would decrease by RMB4,207,000, RMB1,614,000 and RMB1,318,000. As at 31 December 2024, the recoverable amount would decrease by RMB5,760,000, RMB2,164,000 and RMB1,946,000. As at 30 April 2025, the recoverable amount would decrease by RMB1,420,000, RMB2,999,000 and RMB2,692,000.

For the sensitivity analysis of smart modules conducted during the impairment review, had there been reasonably possible changes with reduction of the revenue annual growth rate of each year during the forecast period by 1%, or a reduction of contribution rate of each year during the forecast period by 0.1%, or an increase in pre-tax discount rate by 1%, it would cause the reduction of the recoverable amount of development cost as follows, if one of the key assumptions was to change while other variable held constant: As at 31 December 2022, the recoverable amount would decrease by RMB956,000, RMB1,657,000 and RMB1,377,000. As at 31 December 2023, the recoverable amount would decrease by RMB2,881,000, RMB1,178,000 and RMB916,000. As at 31 December 2024, the recoverable amount would decrease by RMB4,115,000, RMB2,434,000 and RMB1,359,000. As at 30 April 2025, the recoverable amount would decrease by RMB1,031,000, RMB2,539,000 and RMB1,068,000.

For the sensitivity analysis of robotic and other solutions conducted during the impairment review, had there been reasonably possible changes with reduction of the revenue annual growth rate of each year during the forecast period by 1%, or a reduction of contribution rate of each year during the forecast period by 0.1%, or an increase in pre-tax discount rate by 1%, it would cause the reduction of the recoverable amount of development cost as follows, if one of the key assumptions was to change while other variable held constant: As at 31 December 2024, the recoverable amount would decrease by RMB773,000, RMB339,000 and RMB259,000. As at 30 April 2025, the recoverable amount would decrease by RMB110,000, RMB174,000 and RMB162,000.

As disclosed above, the management has considered and assessed reasonably possible changes for the key assumptions and has not identified any instances that would cause the carrying amounts of the CGUs to exceed their recoverable amounts as at 31 December 2022, 2023 and 2024 and 30 April 2025, respectively.

21. INTERESTS IN ASSOCIATES

In July 2022, the Company established Shenzhen High-tech Investment FBOCOM IoT Industry Private Equity Fund Partnership (Limited Partnership) with other investors, with a shareholding ratio of 30% and the investment amount is RMB30,000,000. On November 14, 2022, the Company completed the acquisition of a 51% equity stake in the Rolling Wireless group. The Rolling Wireless group became a wholly owned subsidiary of the company.

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
At the beginning of the year/period .	295,443	63,132	60,477	57,274
Additions	30,000	—	—	—
Step-acquisition	(294,092)	—	—	—
Disposal	—	(4,372)	—	—
Share of results, net.	23,213	2,017	(3,898)	(1,282)
Share of other comprehensive income, net	8,568	—	—	—
Dividend	—	(300)	—	(150)
Deemed acquisition	—	—	695	7,492
At the end of the year/period	<u>63,132</u>	<u>60,477</u>	<u>57,274</u>	<u>63,334</u>

The following list contains the particular of the associates of the Group, all of which are unlisted corporate entities whose quoted market prices are not available.

Name of associate	Place of incorporation and business	Type of legal entity	Particular of issued and paid up capital	Percentage of issued capital held by the Company				Principal activity
				As at 31 December			As at 30 April	
				2022	2023	2024	2025	
Shenzhen Bogesi Communication Technology Co., Ltd.	PRC	Limited liability company	RMB450,000	15%	15%	15%	15% (Note (a))	Wireless communications
Hubei Linksci Technology Co., Ltd.	PRC	Limited liability company	RMB16,875,000	40%	27%	19.29%	17.36% (Note (a))	Wireless communications
Shenzhen High-tech Investment FBOCOM IoT Industry Private Equity Fund Partnership (Limited Partnership). . . .	PRC	Limited liability company	RMB30,000,000	30%	30%	30%	30%	Investment holding

Note:

- a) One director is nominated by the Group and the Group is able to exert significant influence over the financial and operating activities of Shenzhen Bogesi Communication Technology Co., Ltd and Hubei Linksci Technology Co., Ltd.

Accordingly, Shenzhen Bogesi Communication Technology Co., Ltd and Hubei Linksci Technology Co., Ltd is an associate of the Group and its financial result were accounted for in the consolidated financial statements of the Group using the equity method.

22. FINANCIAL ASSETS AT FVTPL

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash financial products	86,468	104,138	254,813	295,383
Contingent consideration (Note 10) .	—	—	353,652	280,438
	<u>86,468</u>	<u>104,138</u>	<u>608,465</u>	<u>575,821</u>

The fair value of cash financial products is determined with reference to expected return rate of 0.25%-4.07%, 1.39%-5.10%, 2.00%-5.10% and 1.77%-4.05% for the year ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025, respectively, provided by the underlying banks. The investments in cash financial products were denominated in Renminbi. Changes in fair value were recognised in “other gains/(losses), net” in the consolidated statement of comprehensive income.

23. INVENTORIES

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	136,300	89,226	862	316,940
Consigned processing materials. . . .	612,041	510,170	555,461	474,525
Finished goods	252,636	359,546	312,266	351,285
Goods in transit	105,506	368,174	147,697	190,267
Contract cost	5,319	4,012	7,343	3,709
	<u>1,111,802</u>	<u>1,331,128</u>	<u>1,023,629</u>	<u>1,336,726</u>
Less: Provision for inventories	<u>(15,196)</u>	<u>(45,498)</u>	<u>(43,910)</u>	<u>(30,576)</u>
	<u>1,096,606</u>	<u>1,285,630</u>	<u>979,719</u>	<u>1,306,150</u>

The following table summarizes the changes in the provision of inventories during the Track Record Period:

	Year ended 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of the year	8,531	15,196	45,498	43,910
Provision for inventories	14,639	37,719	46,395	4,748
Disposal of subsidiaries	—	—	(25,041)	—
Reversal of provision for inventories	(7,956)	(7,463)	(23,157)	(18,081)
Exchange differences	(18)	46	215	(1)
At end of the year.	<u>15,196</u>	<u>45,498</u>	<u>43,910</u>	<u>30,576</u>

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	114	100	177	289,011
Consigned processing materials. . . .	406,291	225,522	300,551	264,171
Finished goods	211,486	121,642	122,147	152,950
Goods in transit	41,964	331,340	73,611	157,536
	<u>659,855</u>	<u>678,604</u>	<u>496,486</u>	<u>863,668</u>
Less: Provision for inventories	<u>(8,805)</u>	<u>(6,393)</u>	<u>(22,498)</u>	<u>(9,569)</u>
	<u>651,050</u>	<u>672,211</u>	<u>473,988</u>	<u>854,099</u>

The following table summarizes the changes in the provision of inventories during the Track Record Period:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
At beginning of the year	4,532	8,805	6,393	22,498
Provision for inventories	6,784	4,008	19,327	3,212
Reversal of provision for inventories	(2,511)	(6,420)	(3,222)	(16,141)
At end of the year	<u>8,805</u>	<u>6,393</u>	<u>22,498</u>	<u>9,569</u>

24. TRADE AND OTHER RECEIVABLES

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Non-current				
Deposits	<u>8,102</u>	<u>20,373</u>	<u>5,126</u>	<u>3,985</u>
Current				
Trade receivables	2,235,692	1,974,782	1,993,351	2,071,372
Bills receivables	<u>62,003</u>	<u>86,513</u>	<u>119,222</u>	<u>95,037</u>
Trade and bills receivables, gross . .	2,297,695	2,061,295	2,112,573	2,166,409
Less: ECL allowance	<u>(42,613)</u>	<u>(35,464)</u>	<u>(47,277)</u>	<u>(49,250)</u>
Trade and bills receivables, net. . . .	<u>2,255,082</u>	<u>2,025,831</u>	<u>2,065,296</u>	<u>2,117,159</u>
Other receivables, deposits and prepayments				
Value-added tax recoverable.	116,805	230,725	348,923	518,145
Prepayments	101,463	116,316	100,506	82,141
Deposit	49,985	24,345	9,380	9,944
Other receivables	<u>365,990</u>	<u>532,604</u>	<u>891,694</u>	<u>764,031</u>
	634,243	903,990	1,350,503	1,374,261
Less: ECL allowance	<u>(1,186)</u>	<u>(481)</u>	<u>(392)</u>	<u>(434)</u>
	<u>633,057</u>	<u>903,509</u>	<u>1,350,111</u>	<u>1,373,827</u>
	<u>2,896,241</u>	<u>2,949,713</u>	<u>3,420,533</u>	<u>3,494,971</u>
Analysed as				
Current	2,888,139	2,929,340	3,415,407	3,490,986
Non-current	<u>8,102</u>	<u>20,373</u>	<u>5,126</u>	<u>3,985</u>
	<u>2,896,241</u>	<u>2,949,713</u>	<u>3,420,533</u>	<u>3,494,971</u>

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Non-current				
Deposits	8,102	17,633	2,855	2,683
Current				
Trade receivables	223,289	281,670	398,620	367,170
Bills receivables	51,330	54,183	61,510	52,778
Trade and bills receivables, gross . .	274,619	335,853	460,130	419,948
Less: ECL allowance	(8,672)	(9,578)	(18,595)	(17,621)
Trade and bills receivables, net. . . .	265,947	326,275	441,535	402,327
Other receivables, deposits and prepayments				
Value-added tax recoverable.	97,658	156,137	156,717	245,376
Prepayments	86,181	89,564	63,422	59,082
Deposit	5,197	3,579	3,397	3,880
Other receivables	244,125	325,766	450,489	408,316
	433,161	575,046	674,025	716,654
Less: ECL allowance	(193)	(151)	(94)	(103)
	432,968	574,895	673,931	716,551
	<u>707,017</u>	<u>918,803</u>	<u>1,118,321</u>	<u>1,121,561</u>
Analysed as				
Current	698,915	901,170	1,115,466	1,118,878
Non-current	8,102	17,633	2,855	2,683
	<u>707,017</u>	<u>918,803</u>	<u>1,118,321</u>	<u>1,121,561</u>

The directors of the Company consider that the fair values of trade and other receivables which are expected to be recovered during the Track Record Period are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

Trade receivables include bills received amounting to RMB62,003,000, RMB86,513,000, RMB119,222,000 and RMB95,037,000, held by the Group for future settlement of trade receivables as at 31 December 2022, 2023 and 2024 and as at April 30, 2025 respectively and net of loss allowance of RMBNil, RMBNil, RMB328,000 and RMB439,000 respectively, of which certain bills issued by third parties are further endorsed by the Group with recourse for settlement of payables. The Group continues to recognise their full carrying amount at the end of both reporting periods. All bills received by the Group are with a maturity period of less than 1 year.

Based on the invoice dates, the ageing analysis of the trade and bill receivables, net of ECL allowances, were as follows:

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
0-365 days	2,250,444	1,995,813	1,970,701	2,021,094
1-2 years	4,638	30,018	91,630	93,077
2-3 years	—	—	2,965	2,988
	<u>2,255,082</u>	<u>2,025,831</u>	<u>2,065,296</u>	<u>2,117,159</u>

The movement in the ECL allowance of trade receivables and bill receivables during the Track Record Period were as follows:

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>
Balance at 1 January	32,794	42,613	35,464	47,277
ECL allowance recognised during the year	9,880	—	12,219	1,950
ECL allowance reversed during the year	(1,329)	(7,585)	—	—
Disposal of subsidiaries	—	—	(571)	—
Exchange differences	1,268	436	165	23
Balance at 31 December	<u>42,613</u>	<u>35,464</u>	<u>47,277</u>	<u>49,250</u>

The movement in the ECL allowance of other receivables during the Track Record Period were as follows:

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>
Balance at 1 January	3,392	1,186	481	392
ECL allowance recognised during the year	210	—	336	41
ECL allowance reversed during the year	(3,440)	(747)	(428)	—
Written off	—	(9)	—	—
Exchange differences	1,024	51	3	1
Balance at 31 December	<u>1,186</u>	<u>481</u>	<u>392</u>	<u>434</u>

Based on date of invoice date, the ageing analysis of the trade and bill receivables, net of ECL allowances, were as follows:

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>	<i>RMB '000</i>
0-365 days	265,947	376,275	534,401	399,740
1-2 years	—	—	2,134	2,587
	<u>265,947</u>	<u>376,275</u>	<u>536,535</u>	<u>402,327</u>

The movement in the ECL allowance of trade receivables and bill receivables during the Track Record Period were as follows:

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January	8,130	8,672	9,578	18,595
ECL allowance recognised during the year	592	906	9,017	(974)
ECL allowance reversed during the year	(50)	—	—	—
Balance at 31 December	<u>8,672</u>	<u>9,578</u>	<u>18,595</u>	<u>17,621</u>

The movement in the ECL allowance of other receivables during the Track Record Period were as follows:

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January	318	193	151	94
ECL allowance reversed during the year	(125)	(42)	(57)	9
Balance at 31 December	<u>193</u>	<u>151</u>	<u>94</u>	<u>103</u>

25. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash at bank and in hand	775,468	978,262	980,120	807,073
Pledged deposits	1,874	35,378	67,980	51,874
	<u>777,342</u>	<u>1,013,640</u>	<u>1,048,100</u>	<u>858,947</u>
Less: Pledged deposits	(1,874)	(35,378)	(67,980)	(51,874)
Cash and cash equivalents per the consolidated statement of cash flows	<u>775,468</u>	<u>978,262</u>	<u>980,120</u>	<u>807,073</u>

As at 31 December 2022, 2023 and 2024 and as at 30 April 2025, included in bank and cash balances of the Group of approximately RMB251,951,000, RMB559,567,000, RMB498,794,000 and RMB307,392,000 are bank balances denominated in Renminbi ("RMB"). 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.

In respect of the legal case between Faiot Co., Ltd and 深圳蓮偶科技有限公司, certain bank deposits of Faiot Co., Ltd were temporarily not available for use by the Group. The amount of cash and cash equivalents inaccessible to the Group as at 31 December 2024 and 30 April 2025 is RMB1,617,000 and RMB8,520,000 respectively.

26. TRADE AND OTHER PAYABLES

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	1,707,827	1,726,225	1,718,555	1,922,855
Bills payables	185,198	249,754	345,723	259,700
Salaries payables	144,330	185,807	136,864	62,105
Value-added tax payables	25,316	64,494	30,395	49,007
Other payables	182,782	121,146	175,851	194,485
	<u>2,245,453</u>	<u>2,347,426</u>	<u>2,407,388</u>	<u>2,488,152</u>

Majority amounts are short term and hence the carrying amounts of the Group's trade payables, bills payables, salaries payables and other payables are considered to be a reasonable approximation of fair value.

During the Track Record Period, 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 (the "Endorsement"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties.

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	942,575	1,017,980	1,331,905	1,588,428
Bills payables	174,276	184,429	309,893	241,735
Salaries payables	41,116	52,598	53,624	21,312
Value-added tax payable	5,406	23,582	6,861	9,058
Other payables	50,590	59,663	78,132	61,538
	<u>1,213,963</u>	<u>1,338,252</u>	<u>1,780,415</u>	<u>1,922,071</u>

The Group

The Group is granted by its suppliers a credit period of 0 – 90 days. Based on the invoice date, the ageing analysis of the trade payables is as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	1,684,473	1,725,886	1,717,220	1,917,836
Over 1 year.	23,354	339	1,335	5,019
	<u>1,707,827</u>	<u>1,726,225</u>	<u>1,718,555</u>	<u>1,922,855</u>

The Company

The Company is granted by its suppliers a credit period of 0 – 90 days. Based on the invoice date, the ageing analysis of the trade payables is as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	942,366	1,017,980	1,331,031	1,587,331
Over 1 year.	209	—	874	1,097
	<u>942,575</u>	<u>1,017,980</u>	<u>1,331,905</u>	<u>1,588,428</u>

27. CONTRACT LIABILITIES

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities.	<u>67,057</u>	<u>49,376</u>	<u>27,943</u>	<u>44,000</u>

Contract liabilities comprise advanced payments received from customers as well as the Company's right to receive consideration in advance pursuant to the terms of the relevant contracts. Revenue recognised during the year ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025 relating to contract liabilities arising from receipts in advance from customers at the beginning of the respective year is approximately RMB16,057,000, RMB67,057,000, RMB49,376,000 and RMB16,045,000.

The contracts are for periods of one year or less or are billed based on time incurred. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities.	<u>42,818</u>	<u>51,619</u>	<u>584,496</u>	<u>1,012,059</u>

28. BANK BORROWINGS

The Group

As at 31 December 2022, 2023 and 2024 and as at 30 April 2025, the Group's bank loans were repayable as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount repayable				
Within one year	798,240	790,901	1,079,682	1,211,979
In the second to fifth years	<u>599,920</u>	<u>394,472</u>	<u>189,970</u>	<u>50,000</u>

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Total carrying amount	1,398,160	1,185,373	1,269,652	1,261,979
Amount due within one year	(798,240)	(790,901)	(1,079,682)	(1,211,979)
Carrying amount shown under non-current liabilities	599,920	394,472	189,970	50,000
Analysed as:				
Fixed-rate borrowings	1,398,160	1,185,373	1,269,652	1,261,979

Certain bank borrowings of the Group were guaranteed by the director and controlling shareholder of the Company, Mr. Zhang Tianyu.

The guarantee amount is USD99,000,000 as at 31 December 2022, 2023, and 2024 respectively and USDNil as at four months ended 30 April 2025, with a guarantee period from 13 November 2020 to 13 November 2025. Mr. Zhang Tianyu's guarantee of USD99,000,000 was released on 29 April 2025 and all guarantees Mr. Zhang Tianyu provided to the Group have been released.

Bank borrowing amounting to RMB510,227,000, RMB406,689,000, RMB298,894,000 and RMBNil as at 31 December 2022, 2023, and 2024 and as at 30 April 2025 is guaranteed by Mr. Zhang Tianyu, respectively.

Except for the loans of RMB1,038,160,000, RMB544,375,000, RMB557,676,000 and RMB738,720,000 which are denominated in USD as at 31 December 2022, 2023 and 2024 and as at 30 April 2025, respectively, all loans are denominated in RMB as at 31 December 2022, 2023 and 2024 and as at 30 April 2025.

As at 31 December 2022, 2023 and 2024 and as at 30 April 2025, the loans are interest bearing at ranging from 1.00% to 4.96%, 2.45% to 5.82%, 2.30% to 4.65% and 2.12% to 4.73% per annum respectively.

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount repayable				
Within one year	647,917	658,706	635,547	837,545
In the second year.	200,000	99,980	189,970	50,000
Total carrying amount	847,917	758,686	825,517	887,545
Amount due within one year	(647,917)	(658,706)	(635,547)	(837,545)
Carrying amount shown under non-current liabilities	200,000	99,980	189,970	50,000
Analysed as:				
Fixed-rate borrowings	847,917	758,686	825,517	887,545

29. DEFERRED INCOME

Deferred income represents the government subsidies received from the People's Republic of China in relation to the acquisition of certain property, plant and equipment. These subsidies were amortized over 1-8 years in accordance with the depreciable life of the assets. Movements in deferred income during the Track Record Period were as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Balance at 1 January	2,176	953	13,288	11,338
Additions	—	15,240	4,684	—
Amortizations	(1,223)	(2,905)	(6,634)	(2,128)
Balance at 31 December	<u>953</u>	<u>13,288</u>	<u>11,338</u>	<u>9,210</u>

30. LEASE LIABILITIES

The Group

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Total minimum lease payments				
Due within one year	20,187	19,589	11,652	73,540
Due in the second to fifth year	28,562	24,097	11,085	62,879
	<u>48,749</u>	<u>43,686</u>	<u>22,737</u>	<u>136,419</u>
Future finance charges on leases liabilities	(2,986)	(2,622)	(1,070)	(3,279)
Present value of leases liabilities. . .	<u>45,763</u>	<u>41,064</u>	<u>21,667</u>	<u>133,140</u>
Present value of minimum lease payments				
Due within one year	18,473	18,142	10,984	71,008
Due in the second to fifth year	27,290	22,922	10,683	62,132
	<u>45,763</u>	<u>41,064</u>	<u>21,667</u>	<u>133,140</u>
Less: Portion due within one year included under current liabilities .	(18,473)	(18,142)	(10,984)	(71,008)
Portion due after one year included under non-current liabilities	<u>27,290</u>	<u>22,922</u>	<u>10,683</u>	<u>62,132</u>

During the years ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025, the total cash outflows for the leases amounted to RMB13,233,000, RMB25,242,000, RMB20,757,000 and RMB6,904,000 respectively.

As at 31 December 2022, 2023 and 2024 and four months ended 30 April 2025, the Group has entered into leases agreements for use of premises with terms ranging from 1 to 5 years, 1 to 5 years, 1 to 5 years and 1 to 5 years respectively. These leases do not contain option to renew the lease and are subjected to monthly fixed rental payment.

The Company

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Total minimum lease payments				
Due within one year	5,992	5,806	3,702	47,932
Due in the second to fifth year	10,143	4,223	967	39,854
	16,135	10,029	4,669	87,786
Future finance charges on leases liabilities	(1,022)	(438)	(119)	(1,866)
Present value of leases liabilities. . .	15,113	9,591	4,550	85,920
Present value of minimum lease payments				
Due within one year	5,414	5,494	3,616	46,443
Due in the second to fifth year	9,699	4,097	934	39,477
	15,113	9,591	4,550	85,920
Less: Portion due within one year included under current liabilities .	(5,414)	(5,494)	(3,616)	(46,443)
Portion due after one year included under non-current liabilities	9,699	4,097	934	39,477

31. DEFERRED TAX

The Group

The movements in the deferred tax assets during the Track Record Period and its components as at 31 December 2022, 2023 and 2024 and as at 30 April 2025 were as follows:

	Deferred revenue	Accrued other expenses	Tax losses	Lease liabilities	Unrealized profits	Provision for assets	Withholding tax	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	326	—	26,659	188	15,689	4,531	5,895	53,288
(Charged)/Credited to profit or loss.	(183)	2,820	44,080	372	(10,731)	992	(5,162)	32,188
Business combinations	—	8,346	1,279	—	—	—	—	9,625
At 31 December 2022 and 1 January 2023	143	11,166	72,018	560	4,958	5,523	733	95,101
Credited/(Charged) to profit or loss.	1,850	14,951	5,288	(189)	2,569	(1,433)	1,591	24,627
At 31 December 2023 and 1 January 2024	1,993	26,117	77,306	371	7,527	4,090	2,324	119,728
(Charged)/Credited to profit or loss.	(292)	1,298	65,107	(371)	(3,799)	5,822	(1,753)	66,012
Disposal of subsidiaries . . .	—	(27,415)	(994)	—	—	(768)	—	(29,177)
At 31 December 2024. . . .	1,701	—	141,419	—	3,728	9,144	571	156,563
(Charged)/Credited to profit or loss.	(319)	—	(4,824)	1,642	(712)	(1,673)	115	(5,771)
At 30 April 2025	1,382	—	136,595	1,642	3,016	7,471	686	150,792

The Company

The movements in the deferred tax assets during the Track Record Period and its components as at 31 December 2022, 2023 and 2024 and as at 30 April 2025 were as follows:

	Deferred revenue	Tax losses	Lease liabilities	Provision for assets	Withholding tax	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	326	—	188	1,947	4,004	6,465
(Charged)/Credited to profit or loss . . .	(183)	16,266	9	704	(3,408)	13,388
At 31 December 2022 and						
1 January 2023.	143	16,266	197	2,651	596	19,853
Credited/(Charged) to profit or loss . . .	1,850	821	(58)	(233)	1,108	3,488
At 31 December 2023 and						
1 January 2024.	1,993	17,087	139	2,418	1,704	23,341
(Charged)/Credited to profit or loss . . .	(292)	17,218	(139)	3,760	(1,303)	19,244
At 31 December 2024	1,701	34,305	—	6,178	401	42,585
(Charged)/Credited to profit or loss . . .	(319)	(3,279)	1,187	(2,084)	167	(4,328)
At 30 April 2025	1,382	31,026	1,187	4,094	568	38,257

The Group

The movements in the deferred tax liabilities during the Track Record Period and its components as at 31 December 2022, 2023 and 2024 and as at 30 April 2025 were as follows:

	Fair value adjustment arising from business combination	Fair value adjustments arising from financial assets	Gain on disposal of subsidiary	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	377	11,304	—	11,681
Charged to profit or loss	(2,074)	—	—	(2,074)
Business combinations	13,084	—	—	13,084
Exchange difference	4,183	683	—	4,866
At 31 December 2022 and				
1 January 2023.	15,570	11,987	—	27,557
Charged to profit or loss	(2,317)	—	—	(2,317)
Exchange difference	(3,248)	17,286	—	14,038
At 31 December 2023 and				
1 January 2024.	10,005	29,273	—	39,278
Charged to profit or loss	(1,648)	—	24,391	22,743
Disposal of subsidiaries	(8,803)	—	—	(8,803)
Exchange difference	629	23,575	—	24,204
At 31 December 2024	183	52,848	24,391	77,422
Charged to profit or loss	(22)	—	—	(22)
Exchange difference	—	5,797	—	5,797
At 30 April 2025	161	58,645	24,391	83,197

As at 31 December 2022, 2023 and 2024 and as at 30 April 2025, no deferred tax liability had been provided for the PRC withholding tax that would be payable on the unremitted earnings. Such earnings are expected to be retained in the PRC subsidiaries to operate and expand its business in the PRC and not to be remitted to a foreign investor in the foreseeable future.

As at 31 December 2022, 2023 and 2024 and as at 30 April 2025, the Group did not recognised deferred tax assets arising from tax losses of RMB498,257,000, RMB846,157,000, RMB655,606,000 and RMB661,748,000 respectively. Under the current tax legislation, tax losses of RMB498,257,000, RMB809,973,000, RMB618,243,000 and RMB661,748,000 can be carried forward for future years from the year when the loss is incurred, while tax losses of RMBNil, RMB36,184,000, RMB37,363,000 and RMBNil have no expiry date under the current tax legislation. All tax losses are subject to the agreement from the relevant tax bureau.

32. EMPLOYEE BENEFITS OBLIGATIONS

Rolling Wireless France operates an unfunded defined benefit plan for all eligible employees in France. Under this plan, employees are entitled to retirement benefits upon reaching the retirement age of 67. The plan is subject to interest rate risk and the risk of changes in the life expectancy of pension beneficiaries.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit plan obligations were determined by Cabinet GROSS-HUGEL as of years ended 31 December 2022 and 2023 using the projected unit credit method.

The defined benefit plan obligations were disposed along with the disposal of Rolling Wireless S.à r.l. and its subsidiaries on 25 July 2024.

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January	–	7,041	7,886	–
Current service cost	511	95	1,243	–
Interest expenses	170	268	265	–
Total amount recognised in profit or loss	681	363	1,508	–
Actuarial gain	1,709	56	391	–
Currency translation difference	199	426	(95)	–
Total amount recognised in other comprehensive income	1,908	482	296	–
Business combinations	4,452	–	–	–
Disposal of subsidiaries	–	–	(9,690)	–
	<u>7,041</u>	<u>7,886</u>	<u>–</u>	<u>–</u>

Actuarial assumptions	As at 31 December		As at 30 April	
	2022	2023	2024	2025
Discount Rate	3.75%	3.70%	–	–
Mortality Rate	INSEE 2022 age-related mortality rate	INSEE 2023 age-related mortality rate	–	–
Employee Turnover Rate	Turnover rate statistics table	Turnover rate statistics table	–	–
Expected Salary Growth Rate	5.00%	5.00%	–	–

33. PROVISIONS

	As at 31 December			As at 30 April	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Services warranties	22,535	64,560	—	—	
Legal matters.	79,905	109,260	—	—	
	<u>102,440</u>	<u>173,820</u>	—	—	

34. SHARE CAPITAL

	Number of shares	RMB'000
Ordinary shares of RMB1		
Authorized, issued and fully paid:		
As at 1 January 2022	414,188,321	414,188
Issuance of shares and share option exercised (<i>Note (i)</i>)	10,726,249	10,726
Repurchase of shares	(237,448)	(237)
Scrip dividend	207,044,013	207,044
As at 31 December 2022 and 1 January 2023	631,721,135	631,721
Issuance of shares (<i>Note (ii)</i>)	9,946,572	9,947
Repurchase of shares	(2,143,474)	(2,144)
Scrip dividend	126,281,551	126,282
As at 31 December 2023 and 1 January 2024	765,805,784	765,806
Repurchase of shares	(240,921)	(241)
As at 31 December 2024	765,564,863	765,565
Share option exercised (<i>Note (iii)</i>)	481,263	481
Repurchase of shares	(592,584)	(593)
At 30 April 2025	<u>765,453,542</u>	<u>765,453</u>

Notes:

- (i) During the year ended 31 December 2022, 1,820,900 ordinary shares of RMB1 each were issued at par and 8,370,475 ordinary shares of RMB1 each were issued at RMB19.33 for the acquisition of Rolling Wireless S.à r.l. and its subsidiaries. 534,874 ordinary shares were from share option exercised (*Note 36(b)*).
- (ii) During the year ended 31 December 2023, 9,946,572 ordinary shares of RMB1 each were issued at par.
- (iii) During the four months ended 30 April 2025, 481,263 ordinary shares were from share option exercised (*Note 36(b)*).

35. SHARE CAPITAL AND RESERVES

The Group

During the Track Record Period, the amounts of the Group's reserves and the changes therein are presented in the consolidated statements of changes in equity.

The Company

The movement of the Company's reserves during the Track Record Period are as follows:

	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 1 January 2022 . . .	414,188	628,026	(9,717)	—	87,453	660,888	1,780,838
Transactions with owners:							
Statutory reserves	—	—	—	—	30,498	(30,498)	—
Issuance of shares	10,191	170,136	—	(21,523)	—	—	158,804
Share option exercised	535	10,200	—	—	—	—	10,735
Repurchase of shares	(237)	(2,441)	—	2,678	—	—	—
Share based payment	—	—	3,393	—	—	—	3,393
Restricted shares exercised	—	—	—	8,722	—	—	8,722
Scrip dividend	207,044	(207,044)	—	—	—	—	—
Dividend	—	—	—	—	—	(82,818)	(82,818)
Profit for the year	—	—	—	—	—	304,985	304,985
Other comprehensive income	—	—	—	—	15,257	—	15,257
Total comprehensive income	217,533	(29,149)	3,393	(10,123)	45,755	191,669	419,078
Balance as at 31 December 2022 and 1 January 2023	631,721	598,877	(6,324)	(10,123)	133,208	852,557	2,199,916

	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 31 December 2022 and 1 January 2023	631,721	598,877	(6,324)	(10,123)	133,208	852,557	2,199,916
Transactions with owners:							
Statutory reserves	—	—	—	—	40,144	(40,144)	—
Issuance of shares	9,947	178,635	—	(22,946)	—	—	165,636
Repurchase of shares	(2,144)	(17,312)	—	(31,542)	—	—	(50,998)
Share based payment	—	—	8,367	—	—	—	8,367
Scrip dividend	126,282	(126,282)	—	—	—	—	—
Dividend	—	—	—	635	—	(63,142)	(62,507)
Profit for the year	—	—	—	—	—	401,445	401,445
Other comprehensive income	—	—	—	—	—	—	—
Total comprehensive income	134,085	35,041	8,367	(53,853)	40,144	298,159	461,943
Balance as at 31 December 2023 and 1 January 2024	765,806	633,918	2,043	(63,976)	173,352	1,150,716	2,661,859

	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 31 December 2023							
and 1 January 2024	765,806	633,918	2,043	(63,976)	173,352	1,150,716	2,661,859
Transactions with owners:							
Statutory reserves	—	—	—	—	27,995	(27,995)	—
Repurchase of shares	(241)	(2,009)	—	2,250	—	—	—
Share based payment	—	—	117	—	—	—	117
Restricted shares exercised	—	—	—	15,202	—	—	15,202
Dividend	—	—	—	1,682	—	(289,984)	(288,302)
Profit for the year	—	—	—	—	—	279,956	279,956
Other comprehensive income	—	—	—	—	—	—	—
Total comprehensive income	(241)	(2,009)	117	19,134	27,995	(38,023)	6,973
Balance as at 31 December 2024							
and 1 January 2025	765,565	631,909	2,160	(44,842)	201,347	1,112,693	2,668,832

	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
(Unaudited)							
Balance as at 31 December 2023							
and 1 January 2024	765,806	633,918	2,043	(63,976)	173,352	1,150,716	2,661,859
Transactions with owners:							
Repurchase of shares	(62)	(518)	—	580	—	—	—
Share based payment	—	—	4,312	—	—	—	4,312
Dividend	—	—	—	—	—	(289,984)	(289,984)
Profit for the period	—	—	—	—	—	58,586	58,586
Other comprehensive income	—	—	—	—	—	—	—
Total comprehensive income	(62)	(518)	4,312	580	—	(231,398)	(227,086)
Balance as at 30 April 2024	765,744	633,400	6,355	(63,396)	173,352	919,318	2,434,773

	Share capital	Share premium	Capital reserve	Treasury share	Other reserve	Retained earnings	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 31 December 2024							
and 1 January 2025	765,565	631,909	2,160	(44,842)	201,347	1,112,693	2,668,832
Transactions with owners:							
Share option exercised	481	7,345	—	—	—	—	7,826
Repurchase of shares	(593)	(5,091)	—	5,684	—	—	—
Share based payment	—	—	879	—	—	—	879
Profit for the period	—	—	—	—	—	91,102	91,102
Other comprehensive income	—	—	—	—	—	—	—
Total comprehensive income	(112)	2,254	879	5,684	—	91,102	99,807
Balance as at 30 April 2025	765,453	634,163	3,039	(39,158)	201,347	1,203,795	2,768,639

The Group

Share premium

Share premium represents the excess of the net proceeds from issuance of shares of the Company over its par value.

Capital reserve

Capital reserve represents the portion of the grant date fair value of unexercised share options granted to employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 2.20.

Other reserve

Other reserve represents the amounts set aside from the retained earnings by certain subsidiaries incorporated in the People's Republic of China ("PRC"). In accordance with the relevant regulations and their articles of association, the Company's subsidiaries incorporated in the PRC are required to allocate at least 10% of their after-tax profit according to the PRC accounting standards and regulations to statutory reserves until such reserves have reached 50% of registered capital. These reserves can only be used for specific purposes and are not distributable or transferable to loans, advances and cash dividends.

36. SHARE-BASED PAYMENT

(a) Restricted shares incentive scheme

Pursuant to the restricted share incentive scheme in 2021 (the "Restricted Share Incentive Scheme 2021"), 2022 (the "Restricted Share Incentive Scheme 2022") and 2023 (the "Restricted Share Incentive Scheme 2023"), 2,112,930, 1,820,900 and 2,061,600 restricted shares were granted to the selected participants in 13 April 2021, 8 July 2022 and 31 July 2023 respectively.

The selected participants are entitled to the related distribution derived from the relevant restricted shares during the period from the date of the issue of the restricted shares to the vesting date (both dates inclusive) of such restricted shares, which shall however only be vested by the selected participants on the vesting date subject to fulfilment of vesting conditions of the restricted shares.

The selected participants include certain directors of the Company, certain members of senior management and employees of the Group who subscribed for the restricted shares at RMB15.07 per share under the terms of the Restricted Share Incentive Scheme 2021, RMB11.82 per share under the terms of the Restricted Share Incentive Scheme 2022 and RMB11.13 per share under the terms of the Restricted Share Incentive Scheme 2023.

Under the terms of the restricted share incentive schemes, if the vesting conditions: (a) performance target of the Company and (b) individual performance evaluation requirement on selected participants are fulfilled, the restricted shares shall be vested by 30%, 30% and 40% on each of the vesting period, respectively. During the years ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025, 837,301, 1,152,659, 1,575,881 and 17,200 unvested restricted shares were forfeited, respectively, as certain vesting conditions were not fulfilled.

For the selected participants who do not meet the vesting conditions, the unvested restricted shares are to be forfeited.

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	<i>Number of restricted shares</i>			
Restricted Share Incentive Scheme				
As at 1 January	1,987,640	2,746,902	4,005,014	724,560
Granted during the year	1,820,900	2,061,600	—	—
Forfeited during the year	(837,301)	(1,152,659)	(1,575,881)	(17,200)
Vested during the year	(868,107)	—	(1,704,573)	—
Adjustment arising from scrip dividend	643,770	349,171	—	—
As at 1 January/30 April	<u>2,746,902</u>	<u>4,005,014</u>	<u>724,560</u>	<u>707,360</u>

The fair value of the restricted shares issued was assessed based on the market price of the Company's shares at the respective grant date. The expected dividends and time value of money for the expected dividends during the vesting period were taken into account when assessing the fair value of the restricted shares. The weighted average fair value of restricted shares granted during the year ended 31 December 2022 and 2023 were approximately RMB11.82 and RMB11.13 per share respectively.

The Group recognised the expense of RMB4,965,000, RMB9,303,000, RMB1,295,000 and RMB1,229,000 for the year ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025 in relation to the restricted share incentive schemes respectively.

(b) Share options

The Company has share option schemes which were adopted in April 2021 (the "Share Option Scheme 2021"). Pursuant to Share Option Scheme 2021, the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options at nil consideration to subscribe for shares of the Company.

30%, 30% and 40% of the options vest at first, second and third anniversary date of grant date and then exercisable within a period of twelve months. Options granted may have certain performance requirements in addition to services. If the performance conditions are not satisfied, the options are forfeited. Each option gives the holder the right to subscribe for one ordinary share in the Company.

All share options will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options other than by issuing the Company's ordinary shares.

The terms and conditions of the grants are as follows:

	Number of options	Vesting period	Contractual life of options
Share Option Scheme 2021			
Options granted to senior management			
13 April 2021	210,000	1 year from the date of grant	2 years
		2 years from the date of grant	3 years
		3 years from the date of grant	4 years
Options granted to employee			
13 April 2021	550,100	1 year from the date of grant	2 years
		2 years from the date of grant	3 years
		3 years from the date of grant	4 years

Share options and weighted average exercise price are as follows for Track Record Period presented:

	As at 31 December						As at 30 April	
	2022		2023		2024		2025	
	Number	Weighted average exercise price RMB	Number	Weighted average exercise price RMB	Number	Weighted average exercise price RMB	Number	Weighted average exercise price RMB
Outstanding at 1 January . .	1,244,570	30.31	656,246	20.07	642,856	16.64	481,263	16.26
Cancelled	(451,740)	30.31	(120,533)	20.07	(161,593)	16.64	—	—
Exercised	(534,874)	30.31	—	—	—	—	(481,263)	16.26
Scrip dividend	398,290	20.07	107,143	16.64	—	—	—	—
Outstanding at								
31 December/30 April. . .	656,246	20.07	642,856	16.64	481,263	16.26	—	—

The fair values of options granted were determined using the Black-Scholes Option Pricing model that takes into account factors specific to the share incentive plans. The following principal assumptions were used in the valuation:

Share Option Scheme 2021	Vesting Period 1	Vesting Period 2	Vesting Period 3
Share price at date of grant	51.96	51.96	51.96
Expected volatility	26.84%	28.13%	28.42%
Expected option life	1	2	3
Dividend yield	0.59%	0.59%	0.59%
Risk-free interest rate	2.56%	2.75%	2.83%
Fair value at grant date	6.04	9.12	11.40
Exercise price at date of grant	51.83	51.83	51.83

The underlying expected volatility was determined by reference to historical data, calculated based on expected life of share options. Expectations of early exercise were incorporated into the Black-Scholes Option Pricing model. No special features pertinent to the options granted were incorporated into measurement of fair value.

In total, RMB407,000, RMB629,000 and RMB1,190,000 and RMBNil of share option expense has been recognised in profit or loss for year ended 31 December 2022, 2023, 2024 and four months ended 30 April 2025, respectively. The corresponding amount of which has been credited to “share option reserve”. No liabilities were recognised due to share options.

37. RELATED PARTY TRANSACTIONS

Except as disclosed elsewhere in the Historical Financial Information, the Group had the following transactions with its related parties:

37.1 Relationships with related parties

Name of related party	Relationship with the Group
Shenzhen Bogesi Communication Technology Co., Ltd.	An associate of the Group
Hubei Linksci Technology Co., Ltd.	An associate of the Group
Rolling Wireless PTE Ltd.	A related company of the Group

37.2 Related party transactions

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Purchase					
Associates of the Group . .	4,531	2,845	382	56	34
Sales of goods					
Associates of the Group . .	103,476	131,279	37,672	10,616	6,569
A related company of the					
Group	—	—	8,978	—	32,417

Compensation of key management personnel

The remuneration of executive and non-executive directors and other members of key management during the Track Record Period were as follows:

	Year ended 31 December			Four months ended 30 April	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Wages, salaries and bonuses	9,988	10,022	14,022	6,395	5,587
Termination benefits	516	511	444	156	142
Share based payment expenses	550	1,613	1,813	1,413	362
Contribution to retirement benefit schemes	330	322	325	109	123
	<u>11,384</u>	<u>12,468</u>	<u>16,604</u>	<u>8,073</u>	<u>6,215</u>

37.3 Balances with related party

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Amount due from related parties:				
Trade				
Associates of the Group	108,219	166,000	129,719	122,146
A related company of the Group	—	—	8,532	31,251
Non-Trade				
Associates of the Group	4,036	—	—	—
	<u>112,255</u>	<u>166,000</u>	<u>138,251</u>	<u>153,397</u>

	Year ended 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Amount due to related parties:				
Trade				
Associates of the Group	2,107	1,264	2,677	2,484

In the opinion of the directors of the Company, the related transactions carried out between the Group and its related parties during the Track Record Period were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

38. COMMITMENTS

38.1 Capital Commitments

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
<i>Contracted but not provided for:</i>				
Property, plant and equipment	101,029	98,795	72,632	75,722
Capital Commitment	<u>175,784</u>	<u>155,250</u>	<u>43,468</u>	<u>34,386</u>

38.2 Operating lease Commitments

As a lessee

At the end of the reporting period, the lease commitments for non-cancellable short-term leases are as follows:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Within 1 year.	<u>806</u>	<u>693</u>	<u>496</u>	<u>459</u>

The total future cash outflows for operating leases amounting to RMB860,000, RMB793,000, RMB514,000 and RMB475,000 as at years ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025.

39. SUPPLIER FINANCE ARRANGEMENT ("SFA")

The Group introduces third party supply chain information service platform to provide services to its suppliers holding the Group's electronic debt certificates. The Group's payment obligations under the electronic debt certificates are unconditional and irrevocable, and unaffected by any commercial disputes between the parties involved in the transfer of the electronic debt certificates. The Group shall not claim set-off or raise any defense against the payment obligations. According to the business rules, the Group shall transfer the amounts stated in the electronic debt certificates on the payment date. The electronic debt certificates are transferable and financially viable.

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Carrying amount of financial liabilities that are part of SFA				
Presented as part of:				
– Trade and other payables	<u>3,371</u>	<u>11,599</u>	<u>13,019</u>	<u>15,701</u>
Payment have been received by the suppliers from the finance provider				
– Trade and other payables	<u>2,998</u>	<u>9,316</u>	<u>8,850</u>	<u>5,847</u>

The range of payment due dates for the liabilities presented as trade and other payables that are part of SFA and those comparable trade payables that are not part of SFA had no significant changes. The payment days are generally 30-150 days.

40. PLEDGED ASSETS

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Bills receivables	29,911	24,941	4,222	3,618
FVTOCI – Bills receivables	–	32,479	–	–
FVTPL – Cash financial products . .	45,270	–	14,376	–
Pledged deposits	<u>1,874</u>	<u>35,378</u>	<u>67,980</u>	<u>51,874</u>
	<u>77,055</u>	<u>92,798</u>	<u>86,578</u>	<u>55,492</u>

The company pledges bills receivables to the bank as collateral for issuing bills payables. These bills payables are mainly used to pay suppliers for procurement.

41. RECONCILIATIONS OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below set out the reconciliation of liabilities arising from financing activities.

	Bank borrowings	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2022	497,481	43,852	541,333
– Cash Flow	325,088	(13,233)	311,855
– Interest paid	(26,467)	–	(26,467)
– Interest expenses	26,623	15,144	41,767
– Other non-cash movements	575,435	–	575,435
At 31 December 2022 and 1 January 2023 . . .	1,398,160	45,763	1,443,923
– Cash Flow	(220,770)	(25,242)	(246,012)
– Interest paid	(43,545)	–	(43,545)
– Interest expenses	42,392	20,543	62,935
– Other non-cash movements	9,136	–	9,136
At 31 December 2023 and 1 January 2024 . . .	1,185,373	41,064	1,226,437
– Cash Flow	78,728	(20,757)	57,971
– Interest paid	(44,880)	–	(44,880)
– Interest expenses	42,774	1,360	44,134
– Other non-cash movements	7,657	–	7,657
At 31 December 2024 and 1 January 2025 . . .	1,269,652	21,667	1,291,319
(Unaudited)			
At 31 December 2023 and 1 January 2024 . . .	1,185,373	41,064	1,226,437
– Cash Flow	126,859	(6,921)	119,938
– Interest paid	(11,868)	–	(11,868)
– Interest expenses	13,673	1,929	15,602
– Other non-cash movements	(1,246)	–	(1,246)
At 30 April 2024	1,312,791	36,072	1,348,863
At 31 December 2024 and 1 January 2025 . . .	1,269,652	21,667	1,291,319
– Cash Flow	(8,213)	(6,904)	(15,117)
– Interest paid	(11,213)	–	(11,213)
– Interest expenses	10,510	118,377	128,887
– Other non-cash movements	1,243	–	1,243
At 30 April 2025	1,261,979	133,140	1,395,119

42. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

42.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at amortised cost				
Trade and other receivables	2,677,973	2,602,672	2,971,104	2,894,685
Pledged deposits	1,874	35,378	67,980	51,874
Cash and cash equivalents	775,468	978,262	980,120	807,073
Financial assets at FVTOCI				
Unlisted equity securities	112,135	217,280	329,578	352,761
Bills receivables	201,940	324,464	363,685	327,093
Financial assets at FVTPL				
Cash financial products	86,468	104,138	254,813	295,383
Contingent consideration	—	—	353,652	280,438
	<u>3,855,858</u>	<u>4,262,194</u>	<u>5,320,932</u>	<u>5,009,307</u>

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Financial liabilities measured at amortised cost				
Trade and other payables	2,075,807	2,097,125	2,240,129	2,377,040
Lease liabilities	45,763	41,064	21,667	133,140
Bank borrowings	1,398,160	1,185,373	1,269,652	1,261,979
	<u>3,519,730</u>	<u>3,323,562</u>	<u>3,531,448</u>	<u>3,772,159</u>

42.2 Foreign currency risk

The Group's subsidiaries mainly operate in the PRC and overseas and majority of the transactions are settled in RMB and USD, being the functional currency of the group entities to which the transactions relate. Foreign currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. As at 31 December 2022, 2023 and 2024 and as at 30 April 2025, the Group did not have significant foreign currency risk from its operations.

42.3 Interest rate risk

Other than the interest-bearing bank deposits, the Group has no other significant interest-bearing assets bearing variable rates. It is not anticipated there is any significant impact to these interest-bearing assets resulted from the changes in interest rates, because the interest rates of bank balances are not expected to change significantly.

The Group's bank and other borrowings bears variable rates expose the Group to cash flow interest rate risk. The Group has not hedged against such a risk as it does not see the benefit in so doing.

Based on the balance of its interest-bearing borrowings as at 31 December 2022, 2023 and 2024 and as at 30 April 2025, it is estimated that should there be a general increase/decrease of 50 basis point change in interest rates would have affected the Group's results of operations profits for the year ended 31 December 2022, 2023, 2024 and as at 30 April 2025 by approximately RMB139,000, RMB123,000, RMB181,000 and RMB217,000, respectively.

42.4 Price risk

The Group is not exposed to significant price risk as there has been no involvement with equity investment on an active market.

42.5 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

The Group's maximum exposure to credit risk for the components of the consolidated statement of financial position as at years ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025 is the carrying amount as disclosed in note 42.1.

Trade receivables

The Group's policy is to deal with credit worthy counterparties. Credit terms are granted to new customers after a credit worthiness assessment. When considered appropriate, customers may be requested to provide proof as to their financial position. Where available at reasonable cost, external credit ratings and/or reports on customers are obtained and used. Customers who are not considered creditworthy are required to pay in advance or on delivery of goods and services. Payment record of customers is closely monitored. It is not the Group's policy to request collateral from its customers.

The Group applied the simplified approach to provide for impairment for ECL prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for impairment of all trade receivables.

For trade receivables, the Group assesses ECL under IFRS 9 based on shared credit risk characteristics and aging as well as the corresponding historical credit losses during that period. The Group also made individual assessment on the recoverability of its trade and bills receivables at amortized cost for certain customer based on historical settlement record. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

The Group's concentration of credit risk by geographical location is located in the Mainland China in majority as at years ended 31 December 2022, 2023 and 2024 and four months ended 30 April 2025.

On the above basis, the ECL for trade receivables as at years ended 31 December 2022, 2023 and 2024 and as at 30 April 2025 was determined as follows:

	Expected loss rate	Gross carrying amount RMB '000	ECL allowance RMB '000	Net carrying amount RMB '000
As at 31 December 2022				
Collective assessment				
– Within 1 year	1.70%	2,226,100	37,817	2,188,283
Individual assessment.	50.00%	9,592	4,796	4,796
		<u>2,235,692</u>	<u>42,613</u>	<u>2,193,079</u>
As at 31 December 2023				
Collective assessment				
– Within 1 year	1.65%	1,941,428	32,129	1,909,299
– 1-2 year.	10.00%	33,354	3,335	30,019
		<u>1,974,782</u>	<u>35,464</u>	<u>1,939,318</u>
As at 31 December 2024				
Collective assessment				
– Within 1 year	1.52%	1,880,333	28,526	1,851,807
– 1-2 year.	9.82%	101,610	9,980	91,630
– 2-3 year.	20.00%	3,706	741	2,965
Individual assessment.	100.00%	7,702	7,702	–
		<u>1,993,351</u>	<u>46,949</u>	<u>1,946,402</u>

	Expected loss rate	Gross carrying amount	ECL allowance	Net carrying amount
		RMB '000	RMB '000	RMB '000
As at 30 April 2025				
Collective assessment				
– Within 1 year	1.53%	1,956,509	30,013	1,926,496
– 1-2 year	10.00%	103,418	10,341	93,077
– 2-3 year	20.00%	3,735	747	2,988
Individual assessment.	100.00%	7,710	7,710	–
		<u>2,071,372</u>	<u>48,811</u>	<u>2,022,561</u>

Other financial assets at amortised cost and at FVTOCI

Other financial assets at amortised cost and at FVTOCI include deposits, other receivables, pledged deposits and cash at bank. Other financial assets at FVTOCI include unlisted equity securities and bills receivables.

In order to minimise the credit risk of deposits and other receivables, the management would make periodic collective and individual assessment on the recoverability of other receivables based on historical settlement records and past experience as well as current external information, and adjusted to reflect probability-weighted forward-looking information, including the default rate where the relevant debtors operates. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In these regards, the credit risk of deposits and other receivables are considered to be low.

To manage this risk arising from pledged deposits and cash and cash equivalents, the Group mainly transacts with banks with high credit rating. There has been no recent history of default in relation to these financial institutions. The expected credit loss is minimal.

42.6 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the Group aims to maintain flexibility in funding by maintaining adequate cash and cash equivalents.

The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

	Within 1 year or on demand	Over 1 year but within 5 years	Total undiscounted cash flow	Total carrying amount
	RMB '000	RMB '000	RMB '000	RMB '000
As at 31 December 2022				
<u>Non-derivative financial liabilities</u>				
Trade and other payables	2,075,807	–	2,075,807	2,075,807
Lease liabilities	20,187	28,562	48,749	45,763
Bank borrowings	802,067	599,920	1,401,987	1,398,160
	<u>2,898,061</u>	<u>628,482</u>	<u>3,526,543</u>	<u>3,519,730</u>

	Within 1 year or on demand	Over 1 year but within 5 years	Total undiscounted cash flow	Total carrying amount
	RMB '000	RMB '000	RMB '000	RMB '000
As at 31 December 2023				
<u>Non-derivative financial liabilities</u>				
Trade and other payables	2,097,125	–	2,097,125	2,097,125
Lease liabilities	19,589	24,097	43,686	41,064
Bank borrowings	791,933	394,472	1,186,405	1,185,373
	<u>2,908,647</u>	<u>418,569</u>	<u>3,327,216</u>	<u>3,323,562</u>

	Within 1 year or on demand	Over 1 year but within 5 years	Total undiscounted cash flow	Total carrying amount
	RMB '000	RMB '000	RMB '000	RMB '000
As at 31 December 2024				
<u>Non-derivative financial liabilities</u>				
Trade and other payables	2,240,129	–	2,240,129	2,240,129
Lease liabilities	11,652	11,085	22,737	21,667
Bank borrowings	1,080,892	189,970	1,270,862	1,269,652
	<u>3,332,673</u>	<u>201,055</u>	<u>3,533,728</u>	<u>3,531,448</u>

	Within 1 year or on demand	Over 1 year but within 5 years	Total undiscounted cash flow	Total carrying amount
	RMB '000	RMB '000	RMB '000	RMB '000
As at 30 April 2025				
<u>Non-derivative financial liabilities</u>				
Trade and other payables	2,377,040	–	2,377,040	2,377,040
Lease liabilities	73,540	62,879	136,419	133,140
Bank borrowings	1,213,927	50,000	1,263,927	1,261,979
	<u>3,664,507</u>	<u>112,879</u>	<u>3,777,386</u>	<u>3,772,159</u>

42.7 Fair value measurements

Financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability and significance of inputs to the measurements, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs.
- Level 3: significant unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the consolidated statement of financial position on a recurring basis are grouped into the fair value hierarchy as follows:

	As at 31 December 2022		
	Level 2	Level 3	Total
	HK\$ '000	HK\$ '000	HK\$ '000
Financial assets			
Financial assets at FVTPL			
– Cash financial products	–	86,468	86,468
Financial assets at FVTOCI			
– Unlisted equity securities	–	112,135	112,135
– Bills receivables.	201,940	–	201,940
	<u>201,940</u>	<u>198,603</u>	<u>400,543</u>

As at 31 December 2023			
	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000
Financial assets			
Financial assets at FVTPL			
– Cash financial products	–	104,138	104,138
Financial assets at FVTOCI			
– Unlisted equity securities	–	217,280	217,280
– Bills receivables	324,464	–	324,464
	<u>324,464</u>	<u>321,418</u>	<u>645,882</u>

As at 31 December 2024			
	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000
Financial assets			
Financial assets at FVTPL			
– Cash financial products	–	254,813	254,813
– Contingent consideration	–	353,652	353,652
Financial assets at FVTOCI			
– Unlisted equity securities	–	329,578	329,578
– Bills receivables	363,685	–	363,685
	<u>363,685</u>	<u>938,043</u>	<u>1,301,728</u>

As at 30 April 2025			
	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000
Financial assets			
Financial assets at FVTPL			
– Cash financial products	–	295,383	295,383
– Contingent consideration	–	280,438	280,438
Financial assets at FVTOCI			
– Unlisted equity securities	–	352,761	352,761
– Bills receivables	327,093	–	327,093
	<u>327,093</u>	<u>928,582</u>	<u>1,255,675</u>

During the Track Record Period, there was no transfer between Level 2 and Level 3.

The following table presents the changes in Level 2 and 3 fair value hierarchy for the Track Record Period:

	Level 2	Level 3			Total
	Bills receivables at FVTOCI	Cash financial products at FVTPL	Contingent consideration at FVTPL	Unlisted equity securities at FVTOCI	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2022	116,896	22,322	–	73,403	212,621
Additions	1,110,696	830,500	–	38,732	1,979,928
Disposal	(1,025,652)	(776,877)	–	–	(1,802,529)
Exchange differences	–	10,523	–	–	10,523
As at 31 December 2022 and 1 January 2023	201,940	86,468	–	112,135	400,543
Additions	1,545,470	534,223	–	105,145	2,184,838
Disposal	(1,422,946)	(517,260)	–	–	(1,940,206)
Exchange differences	–	707	–	–	707

	Level 2	Level 3			Total
	Bills receivables at FVTOCI	Cash financial products at FVTPL	Contingent consideration at FVTPL	Unlisted equity securities at FVTOCI	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2023 and 1 January 2024 . . .	324,464	104,138	—	217,280	645,882
Additions	1,794,226	806,056	353,652	112,298	3,066,232
Disposal	(1,755,005)	(656,369)	—	—	(2,411,374)
Exchange differences	—	988	—	—	988
As at 31 December 2024 and 1 January 2025 . . .	363,685	254,813	353,652	329,578	1,301,728
Additions	669,224	618,677	—	23,183	1,311,084
Disposal	(705,816)	(577,490)	(73,214)	—	(1,356,520)
Exchange differences	—	(617)	—	—	(617)
As at 30 April 2025	327,093	295,383	280,438	352,761	1,255,675

The information of fair value measurements for Level 3 as at 31 December 2022, 2023 and 2024 and as at 30 April 2025 is as follows:

	As at 31 December			As at 30 April	Valuation technique	Significant Unobservable input	Sensitivity of fair value to the input(s)
	2022	2023	2024	2025			
	RMB'000	RMB'000	RMB'000	RMB'000			
Financial assets at FVTPL:							
Cash financial products .	86,468	104,138	254,813	295,383	Discounted cash flow	Expected interest rate per annum	Should the expected interest rate per annum be increased/decreased by 1%, the fair value of cash financial products would be decreased/increased by approximately RMB24,000, RMB519,000, RMB1,639,000 and RMB1,752,000 as at 31 December 2022, 2023 and 2024 and four months ended 30 April 2025, respectively.
Contingent consideration.	—	—	353,652	280,438	Discounted cash flow	Percentage change of probability for Scenario	Should the percentage change of probability for Scenario be increased/decreased by 1%, the fair value of contingent consideration would be decreased/increased by approximately RMB1,594,000 and RMB1,591,000 as at 31 December 2024 and four months ended 30 April 2025, respectively.
	86,468	104,138	608,465	575,821			

	As at 31 December				As at 30 April	Valuation technique	Significant Unobservable input	Sensitivity of fair value to the input(s)
	2022	2023	2024	2025				
	RMB '000	RMB '000	RMB '000	RMB '000				
Financial assets at FVTOCI:								
Unlisted equity securities	78,847	154,026	252,000	287,224	Recent transaction	Discounts for lack of control	Should the discounts for lack of control be increased/decreased by 1%, the fair value of unlisted equity securities would be decreased/increased by approximately RMB788,000, RMB1,680,000, RMB2,520,000 and RMB2,872,000 as at 31 December 2022, 2023 and 2024 and four months ended 30 April 2025, respectively.	
Unlisted equity securities	33,288	27,154	22,791	20,740	Market approach	Price-to-book ratio	Should the price-to-book ratio be increased/decreased by 1%, the fair value of unlisted equity securities would be decreased/increased by approximately RMB183,000, RMB272,000, RMB228,000 and RMB207,000 as at 31 December 2022, 2023 and 2024 and four months ended 30 April 2025, respectively.	
Unlisted equity securities	–	36,100	54,787	44,797	Market approach	Price-to-sales ratio	Should the price-to-sales ratio be increased/decreased by 1%, the fair value of unlisted equity securities would be decreased/increased by approximately RMB361,000, RMB548,000 and RMB448,000 as at 31 December 2023 and 2024 and four months ended 30 April 2025, respectively.	
	<u>112,135</u>	<u>217,280</u>	<u>329,578</u>	<u>352,761</u>				
	<u>198,603</u>	<u>321,418</u>	<u>938,043</u>	<u>932,905</u>				

43. CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing goods and services commensurately with the level of risk.

The Group actively and regularly reviews its capital structure and makes adjustments in light of changes in economic conditions. The Group monitors its capital structure on the basis of the net debt to equity ratio. For this purpose, net debt is defined as trade and other payables, contract liabilities and borrowings (which includes interest-bearing borrowings and lease liabilities) less cash and cash equivalents, pledged deposits and financial assets at FVTPL. In order to maintain a desirable ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The net debt to equity ratio at the reporting date was:

	As at 31 December			As at 30 April
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Trade and other payables	2,245,453	2,347,426	2,407,388	2,488,152
Contract liabilities.	67,057	49,376	27,943	44,000
Bank borrowings	1,398,160	1,185,373	1,269,652	1,261,979
Lease liabilities	45,763	41,064	21,667	133,140
Less: Cash and cash equivalents . . .	(775,468)	(978,262)	(980,120)	(807,073)
Pledged deposits	(1,874)	(35,378)	(67,980)	(51,874)
Financial assets at FVTPL . . .	(86,468)	(104,138)	(608,465)	(575,821)
Net adjusted debt	2,892,623	2,505,461	2,070,085	2,492,503
Capital: Equity attributable to owners of the Company	2,428,248	3,133,081	3,604,335	3,797,972
Capital and net adjusted debt . . .	5,320,871	5,638,542	5,674,420	6,290,475
Net debt to equity ratio	1.19	0.80	0.57	0.66

44. LEGAL CASE

In 2023, Faiot Co., Ltd, a subsidiary of the Group and 深圳蓮偶科技有限公司, a client of the Group, signed the “Product Development Contract”. In September 2024, 深圳蓮偶科技有限公司 filed a lawsuit at the People’s Court of Nanshan District, Shenzhen, demanding Faiot Co., Ltd to return the paid amount of RMB6,319,606.70 and pay a penalty of RMB2,200,000.

The People’s Court of Nanshan District, Shenzhen, case number (2024) 粵0305民初24956號, froze Faiot Co., Ltd’s account at Bank of Ningbo Co., Ltd. Shanghai Jinan Branch, account number 70060122000491902, with an amount of RMB1,616,639.25 and the court unfreeze the account as at 30 April 2025.

The court also froze Faiot Co., Ltd’s account at China Merchants Bank Shenzhen Nanshan Branch, account number 755954347410102, with an amount of RMB8,519,606.70 as at 30 April 2025.

In December 2024, Faiot Co., Ltd applied to the People’s Court of Nanshan District, Shenzhen, requesting the case to be transferred to the jurisdiction of the People’s Court of Minhang District, Shanghai. As of now, the jurisdictional objection ruling is pending from the court.

After reviewing legal counsel’s opinion and the progress of the case, the Group have concluded that the probability of an unfavourable outcome is low. Therefore, no provision for contingent liabilities is required at this stage.

45. EVENTS AFTER THE REPORTING DATE

The Group has evaluated the events after the reporting date through the date of these Historical Financial Information. The Group is not aware of any significant events after the reporting date that would require recognition or disclosure in the Historical Financial Information.

46. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the Companies now comprising the Group in respect of any period subsequent to 30 April 2025 and up to the date of this report.