VOYAH Automotive Technology Co., Ltd.
(Incorporated in the People's Republic of China)

Audited Financial Statements

For the years ended 31 December 2023, 2024 and 2025

VOYAH AUTOMOTIVE TECHNOLOGY CO., LTD.

CONTENTS

EY 安永

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979 號
太古坊一座 27 樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

Independent auditor's report
To the directors of VOYAH Automotive Technology Co., Ltd.
(Incorporated in People's Republic of China with limited liability)

Opinion

We have audited the consolidated financial statements of VOYAH Automotive Technology Co., Ltd. (the "Company") and its subsidiary (the "Group") set out on pages 4 to 78, which comprise the consolidated statements of financial position and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and statements of cash flows for each of the years ended 31 December 2023 and 2024, and 2025 (the "Relevant Periods"), and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2023 and 2024 and 2025 and of the Group's consolidated financial performance and its consolidated cash flows for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the consolidated financial statements.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the directors for the consolidated financial statements

The directors of the Company are responsible for the preparation of the consolidated financial statements, that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements for the Relevant Periods as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on distribution and use

These consolidated financial statements are prepared for the purpose of preparation of financial information for inclusion in the prospectus of the Company in connection with the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited and accordingly may not be suitable for another purpose.

Our report is intended solely for the information and use by the directors of the Company and should not be distributed to or used by parties other than the Company.

Ernst & Young

Certified Public Accountants
Hong Kong
13 February 2026

VOYAH Automotive Technology Co., Ltd.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2023	2024	2025
		RMB'000	RMB'000	RMB'000
REVENUE	5	12,749,380	19,360,642	34,864,815
Cost of sales		(10,936,045)	(15,295,147)	(27,568,806)
Gross profit		1,813,335	4,065,495	7,296,009
Other income and gains	5	322,929	1,001,987	1,394,307
Selling expenses		(2,862,027)	(3,750,822)	(5,341,305)
Administrative expenses		(457,054)	(633,702)	(825,699)
Impairment losses on financial assets		(13,137)	(924)	(26)
Research and development expenses		(671,697)	(814,572)	(1,359,618)
Other expenses		(40,394)	(4,774)	(8,151)
Finance costs	7	(41,546)	(103,558)	(88,320)
(LOSS)/PROFIT BEFORE TAX	6	(1,949,591)	(240,870)	1,067,197
Income tax credit /(expense)	10	454,060	150,411	(49,819)
(LOSS)/PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE (LOSS)/INCOME		(1,495,531)	(90,459)	1,017,378
Attributable to:				
Owners of the parent		(1,495,531)	(90,459)	1,017,378
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT				
Basic and diluted (RMB)	11	(0.48)	(0.03)	0.30

VOYAH Automotive Technology Co., Ltd.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	2023 RMB'000	2024 RMB'000	2025 RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	13	3,752,616	4,268,748	7,996,350
Right-of-use assets	14	1,036,174	1,197,012	2,487,780
Other intangible assets	15	3,149,169	4,438,549	6,876,323
Prepayments	19	58,566	52,662	146,324
Contract assets	20	-	-	176,183
Deferred tax assets	28	1,084,009	1,234,420	1,184,601
Total non-current assets		9,080,534	11,191,391	18,867,561
CURRENT ASSETS				
Inventories	17	2,188,735	3,118,894	8,133,459
Trade and bills receivables	18	836,909	809,767	3,016,003
Contract assets	20	-	-	60,000
Prepayments, other receivables and other assets	19	793,002	968,000	1,828,079
Pledged deposits	21	78,791	64,241	3,823
Cash and cash equivalents	21	5,603,666	5,797,073	7,971,928
Total current assets		9,501,103	10,757,975	21,013,292
CURRENT LIABILITIES				
Trade and bills payables	22	7,283,796	9,689,016	16,990,297
Other payables and accruals	23	3,074,793	3,669,814	5,141,306
Contract liabilities	24	847,652	841,130	1,499,416
Interest-bearing bank and other borrowings	25	146,453	145,106	60,297
Lease liabilities	14	124,013	129,899	283,637
Provision	27	65,518	119,051	116,111
Total current liabilities		11,542,225	14,594,016	24,091,064
NET CURRENT LIABILITIES		(2,041,122)	(3,836,041)	(3,077,772)
TOTAL ASSETS LESS CURRENT LIABILITIES		7,039,412	7,355,350	15,789,789
NON-CURRENT LIABILITIES				
Interest-bearing bank and other borrowings	25	2,829,000	2,731,000	3,542,750
Government grants	26	201,107	150,212	83,677
Lease liabilities	14	148,022	273,916	683,912
Provision	27	192,098	391,802	446,250
Contract liabilities	24	362,002	525,859	472,559
Total non-current liabilities		3,732,229	4,072,789	5,229,148
NET ASSETS		3,307,183	3,282,561	10,560,641
EQUITY				
Equity attributable to owners of the parent:				
Paid-in capital	29	3,085,444	3,085,444	-
Share capital	29	-	-	3,680,000
Reserves	31	4,215,323	4,281,160	9,947,306
Accumulated losses	31	(3,993,584)	(4,084,043)	(3,066,665)
TOTAL EQUITY		3,307,183	3,282,561	10,560,641

Director: Chief Financial Officer:

VOYAH Automotive Technology Co., Ltd.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent			
	Paid-in capital RMB'000 (note 29)	Other reserves RMB'000 (note 31)	Accumulated losses RMB'000	Total Equity RMB'000
At 1 January 2023	3,085,444	4,176,495	(2,498,053)	4,763,886
Loss for the year	-	-	(1,495,531)	(1,495,531)
Equity settled share-based payment	-	38,828	-	38,828
At 31 December 2023	3,085,444	4,215,323	(3,993,584)	3,307,183

Year ended 31 December 2024

	Attributable to owners of the parent			
	Paid-in capital RMB'000 (note 29)	Other reserves RMB'000 (note 31)	Accumulated losses RMB'000	Total equity RMB'000
At 1 January 2024	3,085,444	4,215,323	(3,993,584)	3,307,183
Loss for the year	-	-	(90,459)	(90,459)
Equity settled share-based payment	-	65,837	-	65,837
At 31 December 2024	3,085,444	4,281,160	(4,084,043)	3,282,561

Year ended 31 December 2025

	Attributable to owners of the parent				
	Paid-in capital RMB'000 (note 29)	Share capital RMB'000 (note 29)	Other reserves RMB'000 (note 31)	Accumulated losses RMB'000	Total Equity RMB'000
At 1 January 2025	3,085,444	-	4,281,160	(4,084,043)	3,282,561
Profit for the year	-	-	-	1,017,378	1,017,378
Shareholders' capital contributions	585,646	-	5,581,207	-	6,166,853
Conversion to a joint stock limited company	(3,671,090)	3,680,000	(8,910)	-	-
Equity settled share-based payment	-	-	93,849	-	93,849
At 31 December 2025	-	3,680,000	9,947,306	(3,066,665)	10,560,641

VOYAH Automotive Technology Co., Ltd.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	2023 RMB'000	2024 RMB'000	2025 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit before tax:		(1,949,591)	(240,870)	1,067,197
Adjustments for:				
Finance costs	7	38,757	94,403	81,084
Interest income	5	(54,759)	(64,866)	(65,693)
Depreciation of property, plant and equipment	13	572,911	966,699	1,294,785
Depreciation of right-of-use assets	14	157,378	191,122	287,042
Amortisation of other intangible assets	15	417,897	623,403	1,102,342
Gain on disposal of items of property, plant and equipment and other long-term assets	5	(9,042)	(47,589)	(83,793)
Share-based payment	31	38,828	65,837	93,849
Amortisation of government grants	26	(65,286)	(65,286)	(66,535)
Impairment of items of property, plant and equipment	13	7,139	3,001	-
Impairment of intangible assets	15	32,444	-	-
Write-down of inventories to net realisable value	6	50,431	13,015	14,005
Impairment losses on financial assets		13,137	924	26
Impairment losses on contract assets	20	-	-	3,817
		(749,756)	1,539,793	3,728,126
Increase in inventories		(129,246)	(943,174)	(5,028,569)
Decrease/(increase) in trade and bills receivables		(813,065)	26,235	(2,205,636)
Decrease/(increase) in prepayments, other receivables and other assets		504,810	(155,310)	(812,707)
(Increase)/decrease in pledged deposits		(76,492)	14,550	60,418
Increase in contract assets		-	-	(240,000)
Increase in trade and bills payables		2,952,675	2,205,529	7,616,273
Increase in other payables and accruals		1,224,344	205,536	946,054
Increase in contract liabilities		615,887	157,335	604,986
Increase in provision		103,076	253,237	51,508
Net cash flows from operating activities		3,632,233	3,303,731	4,720,453

VOYAH Automotive Technology Co., Ltd.
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Notes	2023 RMB'000	2024 RMB'000	2025 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of items of property, plant and equipment		(2,217,060)	(1,642,551)	(2,848,151)
Purchases of other intangible assets		(1,319,420)	(1,502,418)	(2,833,017)
Additions to right-of-use assets		(861,803)	-	(22,057)
Proceeds from disposal of items of property, plant and equipment		47,972	391,328	763,014
Government grants received related to assets		9,250	14,391	-
Interest received		54,759	64,866	65,693
Net cash flows used in investing activities		(4,286,302)	(2,674,384)	(4,874,518)
CASH FLOWS FROM FINANCING ACTIVITIES				
Capital paid up		-	-	2,000,000
New bank and other borrowings		3,000,000	1,200,000	3,985,000
Repayment of bank and other borrowings		(27,000)	(1,299,000)	(3,260,750)
Interest paid		(22,575)	(78,221)	(56,471)
Repayment of lease payments	14	(170,937)	(239,013)	(290,860)
Other payments related to financing activities		(48,577)	(19,706)	(47,999)
Net cash flows from/(used in) financing activities		2,730,911	(435,940)	2,328,920
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,076,842	193,407	2,174,855
Cash and cash equivalents at beginning of year		3,526,824	5,603,666	5,797,073
CASH AND CASH EQUIVALENTS AT END OF YEAR	21	5,603,666	5,797,073	7,971,928
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and bank balances		5,603,666	5,797,073	7,971,928
Cash and cash equivalents as stated in the statement of financial position		5,603,666	5,797,073	7,971,928
Cash and cash equivalents as stated in the statement of cash flows		5,603,666	5,797,073	7,971,928

VOYAH Automotive Technology Co., Ltd.
STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	2023 RMB'000	2024 RMB'000	2025 RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	13	2,881,310	2,991,951	6,527,299
Right-of-use assets		790,964	771,554	1,561,649
Other intangible assets	15	3,149,169	4,438,549	6,874,755
Investment in a subsidiary	16	-	2,900,000	2,900,000
Prepayments	19	58,565	52,662	146,323
Contract assets	20	-	-	176,183
Deferred tax assets	28	427,547	404,759	342,453
Total non-current assets		7,307,555	11,559,475	18,528,662
CURRENT ASSETS				
Inventories	17	651,473	1,172,450	3,743,327
Trade and bills receivables	18	5,417,060	3,269,576	7,795,296
Contract assets	20	-	-	60,000
Prepayments, other receivables and other assets	19	444,842	564,493	1,096,916
Pledged deposits	21	78,791	63,841	40
Cash and cash equivalents	21	2,724,088	3,624,818	5,571,121
Total current assets		9,316,254	8,695,178	18,266,700
CURRENT LIABILITIES				
Trade and bills payables	22	6,878,724	9,261,939	16,284,848
Other payables and accruals	23	1,203,197	1,736,678	3,088,563
Contract liabilities	24	181,417	284,037	364,462
Interest-bearing bank and other borrowings	25	146,453	145,106	60,297
Lease liabilities		-	-	21,542
Provision	27	66,846	123,106	73,055
Total current liabilities		8,476,637	11,550,866	19,892,767
NET CURRENT ASSETS/(LIABILITIES)		839,617	(2,855,688)	(1,626,067)
TOTAL ASSETS LESS CURRENT LIABILITIES		8,147,172	8,703,787	16,902,595
NON-CURRENT LIABILITIES				
Interest-bearing bank and other borrowings	25	2,829,000	2,731,000	3,542,750
Government grants	26	201,107	150,212	83,677
Lease liabilities		-	-	41,636
Provision	27	195,993	405,149	471,830
Total non-current liabilities		3,226,100	3,286,361	4,139,893
NET ASSETS		4,921,072	5,417,426	12,762,702
EQUITY				
Paid in capital	29	3,085,444	3,085,444	-
Share Capital	29	-	-	3,680,000
Reserves	31	4,115,323	4,181,160	9,847,306
Accumulated losses	31	(2,279,695)	(1,849,178)	(764,604)
TOTAL EQUITY		4,921,072	5,417,426	12,762,702

1. CORPORATE AND GROUP INFORMATION

VOYAH Automotive Technology Co., Ltd. (hereinafter the "Company") was established and registered in the People's Republic of China (hereinafter referred to as "PRC") as a limited liability company on 26 June 2021. On 29 August 2025, the Company was converted into a joint stock limited company. The registered office of the Company is located at the No. 8 Yunfeng Avenue, Junshan Street, Wuhan Economic & Technological Development Zone, Wuhan City, Hubei.

During the Relevant Periods, the Company and its subsidiary (collectively, the "Group") were principally engaged in the manufacturing and sales of new energy vehicles, automotive parts and components.

In the opinion of the directors, the holding company of the Company is Dongfeng Motor Group Company Limited ("DFG"), a joint stock limited company incorporated in the PRC, and the ultimate holding company of the Company is Dongfeng Motor Corporation ("DFM"), a state-owned enterprise established in the PRC.

<u>Information about subsidiaries</u>
As at the end of the Relevant Periods, the particulars of the Company's subsidiary are set out below:

Name	Place and date of registration and place of business	Registered capital	Percentage of equity attributable to the Company Direct	Indirect	Principal activities
VOYAH Automobile Sales & Service Co., Ltd.* ("Voyah Sales")	Chinese mainland 10 October 2020	RMB 3,000,000,000	100	-	Sales of electric vehicles and components and provision of after-sales services

* The statutory financial statements of VOYAH Sales for the years ended 31 December 2023 and 2024 prepared in accordance with Chinese Accounting Standards for Business Enterprises ("CASBE") as issued by the Ministry of Finance of the People's Republic of China and were audited by Ernst & Young Hua Ming LLP (安永華明會計師事務所(特殊普通合夥)), certified public accountants registered in Chinese mainland.

The English name of the subsidiary above represents management's best efforts in translating the Chinese name of the subsidiary as no English name has been registered.

2.1 BASIS OF PREPARATION

The financial statements are prepared for the purpose of preparation of financial information for inclusion in the listing documents of the Company in connection with the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited. They have been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (“IASB”).

All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the financial statements throughout the years ended 31 December 2023, 2024 and 2025 (the "Relevant Periods"). The Group has previously prepared financial statements under Chinese Accounting Standards for Business Enterprises ("CASBE") as issued by the Ministry of Finance of the People's Republic of China. These financial statements are the first financial statements prepared by the Group in accordance with IFRS Accounting Standards. Accordingly, IFRS 1 (Revised) "First-time adoption of International Financial Reporting Standards" has been applied in preparing these financial statements and the transition date is 1 January 2022. There were no material adjustments to the financial information arising from the transition from CASBE to IFRS Accounting Standards.

The financial statements have been prepared under the historical cost convention, except for bills receivable which have been measured at fair value.

Despite that the Group had net current liabilities of approximately RMB3,077.8 million and capital commitments of approximately RMB25.5 million as at 31 December 2025, the directors of the Company is of the opinion that the Group will have adequate funds available to enable it to operate as a going concern basis after taking into account the historical operating performance and future forecasted operating cashflow of the Group and its available credit facilities from Group's banks to meet its financial obligations as they fall due for the following twelve months from the reporting date. Accordingly, these financial statements have been prepared on a going concern basis.

2.1 BASIS OF PREPARATION (continued)

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

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

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

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

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

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

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

2.2 FIRST-TIME ADOPTION OF IFRS ACCOUNTING STANDARDS

In preparing these consolidated financial statements, the Group's opening statement of financial position was prepared as at 1 January 2022, being the date of transition to IFRS Accounting Standards.

Reconciliation of equity
As at 1 January 2022 (date of transition to IFRS Accounting Standards) and 31 December 2021 (the end of the latest period of the most recent annual financial statements under CASBE), there were no reclassifications or remeasurements to equity arising from the transition from CASBE to IFRS Accounting Standards.

Reconciliation of total comprehensive income
During the year ended 31 December 2021 (the latest period of the most recent annual financial statements under CASBE), there were no reclassifications or remeasurements to total comprehensive income arising from the transition from CASBE to IFRS Accounting Standards.

Reconciliation of cash flows
The transition of CASBE to IFRS Accounting Standards did not have any adjustments to the cash flows.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

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

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

1 No mandatory effective date yet determined but available for adoption
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual/reporting periods beginning on or after 1 January 2027

The Group is in the process of making an assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. IFRS 18 introduces new requirements on presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. It also requires disclosure of management-defined performance measures in a note and includes new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation in the statement of profit or loss and other comprehensive income and disclosures of the Group's financial performance. Currently, the Group considers that these new and revised IFRS Accounting Standards are unlikely to have a significant impact on the Group's financial performance and financial position.

2.4 MATERIAL ACCOUNTING POLICIES

Fair value measurement

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

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

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

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

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

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

2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

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

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

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

(a) the party is a person or a close member of that person’s family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; *(If the Group is itself such a plan)* and the sponsoring employers of the post-employment benefit plan;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

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

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

Buildings	2.50% to 5.88%
Plant and machinery	8.33% to 20.00%
Motor vehicles	12.50% to 33.00%
Electronics and telecom devices	12.50% to 20.00%
Leasehold improvements	11.11% to 50.00%

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

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

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

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

Software
Purchased software are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 5 to 10 years.

Know-how, licenses and trademarks
Know-how, licenses and trademarks are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 3 to 10 years.

Deferred development costs
All research costs are charged to profit or loss as incurred.

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

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five to ten years, commencing from the date when the products are put into commercial production.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Leases

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

Group as a lessee

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

(a) Right-of-use assets

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

Leasehold land	41 to 43 years
Buildings	2 to 9 years

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

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

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

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

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

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

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

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

2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

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

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

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

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

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

At the end of each of the Relevant Periods, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

The Group assesses on a forward-looking basis the expected credit losses and the impairment methodology applied depends on whether there has been a significant increase in credit risk.

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

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

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

2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

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

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

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

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

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

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

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

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

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

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Cash and cash equivalents

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

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

Provisions

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

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

The Group provides for warranties in relation to the sale of passenger vehicles for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns. The warranty-related cost is revised annually.

Income tax

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

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

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

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

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

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

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

2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

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

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

Government grants
Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

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

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

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

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Sale of goods

The Group manufactures and sells a range of passenger vehicles, automotive parts and components. Revenue from sales of goods is recognised when control of the goods has been transferred to the customers, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Passenger vehicles are often sold with volume rebates. To estimate the variable consideration for the expected future rebates, the most likely amount method is used for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The requirements on constraining estimates of variable consideration are applied and a refund liability for the expected future rebates is recognised.

Rendering of services

The Group provides multiple embedded services mainly including extended lifetime warranty, vehicle internet connection service, free lifetime roadside assistance service, over-the-air upgrades (or "OTA upgrades"), as stated in a series of contracts for sales of vehicles, and automobile repair and maintenance services, technology development services. Should one of the following conditions is satisfied, services provided by the Group is a performance obligation performed within a certain period of time and the Group recognises revenue within a period of time in accordance with the progress of contract performance. The conditions are: (1) the customer obtains and consumes the economic benefits brought by the contract at the same time performing the contract; (2) the customer is able to control the products under construction during the Group's performance; (3) the products of the Group have irreplaceable uses, and the Group has the right to ask for payment for the cumulative part that has been completed so far during the entire contract period. Otherwise, the Group recognises revenue at the point that the customer obtains control of the relevant services.

Other income

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

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

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

Share-based payments

The Company operates an employee incentive scheme in order to incentivize the Group's eligible Directors, senior management and core employees, for their contributions to the Group and to attract and retain suitable personnel to the Group.

The fair value of employee incentive scheme is measured by reference to the fair value of the shares less the costs borne by the participants. The fair value of the shares on grant date is determined by an external valuer which takes into account the terms and conditions and recent transaction price upon which the shares were granted.

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

2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

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

Where the terms of employee incentive scheme are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an employee incentive scheme is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

Other employee benefits
Pension scheme
The employees of the Group entities which operates in Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The Group is required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing funds, medical insurance and other social insurances
The employees of the Group are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plans. 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 contribution payable in each period.

Termination benefits
Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

Critical Judgements in allocating the transaction price
The contracts for sales of vehicles and parts mainly include extended one-year or lifetime warranty, vehicle internet connection service, free lifetime roadside assistance service and OTA upgrades recognized as separate performance obligations. Because the contracts include multiple performance obligations, the transaction price must be allocated to the performance obligations on a relative stand-alone selling price basis. Management estimates the stand-alone selling price at contract inception based on the cost of the services likely to be provided and the services rendered in similar circumstances to similar customers. If a discount is granted, it is allocated to all performance obligations based on their relative stand-alone selling prices.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Deferred tax assets

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in note 28 to the Historical Financial Information.

Estimation uncertainty

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

Leases – Estimating the incremental borrowing rate

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

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of the Relevant Periods. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm’s length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Development costs

Development costs are capitalised in accordance with the accounting policy for research and development costs in note 2.3 to the Historical Financial Information. Determining the amounts to be capitalised requires management to make assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

Warranty provisions

Provisions for warranties granted by the Group for the passenger vehicles sold are recognized based on sales volumes and reference costs for repairs and replacement. The estimate of unit warranty cost may not be equal to the actual warrant costs in the future. The Group reassesses the unit warranty cost at least annually and the unit warranty cost is revised when appropriate.

Write-down of inventory to net realizable value

Inventories are stated at the lower of cost and net realizable value at the end of each of the reporting periods. The net realisable value is the estimated selling price in the current course of business, less applicable costs, selling expenses and tax charges. Management of the Group makes the best estimate on the net realizable value and the corresponding impairment of inventory, while the impairment assessment may still be significantly changed due to the change of market conditions.

4. OPERATING SEGMENT INFORMATION

During the Relevant Periods, the Group was principally engaged in the manufacturing and sales of passenger vehicles and automotive parts and components in the Chinese mainland. The executive directors of the Company review the operating results of the business as one operating segment to make strategic decisions and resources allocation. Therefore, the Group regards that there is only one segment which is used to make strategic decisions.

Geographical Information

The operating entities are domiciled in the Chinese mainland. Revenues of the Group from external customers are generated in the Chinese mainland. Besides, all the assets of the Group are located in the Chinese mainland. Thus, no geographic information is presented.

The revenue information above is based on the locations of the group's customers.

Information about major customer

External customer from which the revenue amounted to over 10% of the total revenue of the Group for each of the Relevant Periods were as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	1,926,905	2,610,304	5,701,453

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Revenue from contracts with customers	12,749,380	19,360,642	34,864,815

(a) Disaggregated revenue information

Types of goods or services	2023 RMB'000	2024 RMB'000	2025 RMB'000
Passenger vehicles	12,249,871	18,371,998	32,685,607
Automotive parts and components	329,308	600,267	1,345,501
Others	170,201	388,377	833,707
Total	12,749,380	19,360,642	34,864,815

Timing of revenue recognition	2023 RMB'000	2024 RMB'000	2025 RMB'000
Goods transferred at a point in time	12,711,230	19,263,894	34,408,925
Services transferred at a point in time	33,314	92,597	448,706
Services transferred over time	4,836	4,151	7,184
Total	12,749,380	19,360,642	34,864,815

The following table shows the amounts of revenue recognised in each reporting period that were included in the contract liabilities at the beginning of each of the Relevant Periods.

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Sales of goods or services	233,991	723,101	739,649

5. REVENUE, OTHER INCOME AND GAINS (continued)

(b) Performance obligations

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

Sale of passenger vehicles, automotive parts and components
The Group mainly manufactures and sells a range of passenger vehicles, automotive parts and components to its customers. Sales revenue is recognised when control of the goods is transferred to the customers, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Payment in advance is normally required, except for some long-standing customers with bulk purchases and good credit standing, where payment is generally due from 90 days from delivery.

Others
Others mainly represent automobile repair and maintenance services, technology development services, and multiple embedded services (including lifetime warranty, vehicle internet connection service, free lifetime roadside assistance service, OTA upgrades, etc.), the revenues from which are recognized when the controls are transferred.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at the end of the Relevant Periods are as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Amounts expected to be recognised as revenue:			
Within one year	847,652	841,130	1,499,416
After one year	362,002	525,859	472,559
Total	1,209,654	1,366,989	1,971,975

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to extended lifetime warranty, vehicle internet connection service and OTA upgrades, of which the performance obligations are typically to be satisfied over a period exceeding one year. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

Other income and gains	2023 RMB'000	2024 RMB'000	2025 RMB'000
Other income			
Bank interest income	54,759	64,866	65,693
Government grants related to income	138,525	706,685	1,012,941
Government grants related to assets	65,286	65,286	66,535
Additional deduction for value-added tax	52,261	113,532	133,300
Others	3,056	4,029	32,045
Total other income	313,887	954,398	1,310,514
Gains			
Gains on disposal of items of property, plant and equipment	9,042	47,589	83,793
Total gains	9,042	47,589	83,793
Total other income and gains	322,929	1,001,987	1,394,307

6. PROFIT/(LOSS) BEFORE TAX

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

	Notes	2023 RMB'000	2024 RMB'000	2025 RMB'000
Cost of inventories sold and services provided*		10,936,045	15,295,147	27,568,806
Depreciation of property, plant and equipment	13	572,911	966,699	1,294,785
Amortisation of other intangible assets	15	417,897	623,403	1,102,342
Depreciation of right-of-use assets	14	157,378	191,122	287,042
Research and development expenses		671,697	814,572	1,359,618
Lease payments not included in the measurement of lease liabilities	14	77,082	136,631	248,570
Employee benefit expense (including directors' emoluments):				
Wages and salaries		984,898	1,230,709	1,562,969
Pension scheme contributions		113,330	163,104	222,879
Share-based payment expenses	31	38,828	65,837	93,849
Impairment/(reversal of impairment) provision of trade receivables, net	18	12,596	907	(600)
Impairment of other receivables		541	17	626
Impairment of contract assets	20	-	-	3,817
Write-down of inventories to net realisable value, net		50,431	13,015	14,005
Warranty provisions, net	27	286,334	397,299	232,841
Impairment of items of property, plant and equipment	13	7,139	3,001	-
Impairment of intangible assets	15	32,444	-	-
Gain on disposal of items of property, plant and equipment and other long-term assets, net	5	(9,042)	(47,589)	(83,793)
Government grants related to income**	5	(138,525)	(706,685)	(1,012,941)
Government grants related to assets***	5	(65,286)	(65,286)	(66,535)

* Cost of inventories sold and services provided included the depreciation of property, plant and equipment, depreciation of right-of-use assets, amortization of other intangible assets and the employees' costs (including equity-settled shared-based compensation).

** Government grants related to income represent subsidies received from the local governments for the purpose of compensation of operating cost and expenses incurred by the Group, including production and procurement, sales channel development and marketing activities, and certain employee related costs such as talents attraction and relocation costs.

*** Government grants related to assets are those received from the local governments for the purpose of compensation of capitalised development costs. The grants received are included in government grants in the consolidated statements of financial position and subsequently released to profit or loss over the expected useful lives of the relevant assets (note 26) when the relevant development costs are commenced to be amortised.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Interest on bank and other borrowings	25,028	77,874	59,162
Interest on lease liabilities	13,729	18,833	33,204
Other finance costs	2,789	9,155	7,236
	41,546	105,862	99,602
Less: Interest capitalised	-	(2,304)	(11,282)
Total	41,546	103,558	88,320

8. DIRECTORS' AND SUPERVISORS' REMUNERATION

Directors' and supervisors' remuneration as recorded in each of the Relevant Periods, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Fees	-	-	-
Other emoluments:			
Salaries, allowances and benefits in kind	1,197	1,887	1,797
Performance-based bonuses*	2,598	2,393	2,966
Pension scheme contributions	157	188	272
Subtotal	3,952	4,468	5,035
Share-based payment	4,608	4,608	4,608
Total	8,560	9,076	9,643

* Certain executive directors and supervisors of the Company are entitled to bonus payments which are related to the operating results of the Group.

During the Relevant Periods, certain directors were granted share awards, in respect of their services to the Group under the Company's share incentive plan, further details of which are set out in note 30 to the historical financial statements. The fair values of such share-based compensations, which are recognised in profit or loss over the vesting period, were determined as at the date of grant.

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Mr. Qin Sheng *(i)*	-	-	-
Mr. Yang Yuankui *(i)*	-	-	-
Mr. Liao Longlong *(ii)*	-	-	-
Mr. Ding Shaobin *(iii)*	-	-	-
Mr. Fu Bingfeng *(iv)*	-	-	-
Mr. Yang Yong *(v)*	-	-	-
Mr. Xin Dinghua *(vi)*	-	-	-
Total	-	-	-

(i) Mr. Qin Sheng and Mr. Yang Yuankui were appointed as independent non-executive directors of the Company in November 2022 and they resigned in September 2025 and August 2025, respectively.
(ii) Mr. Liao Longlong was appointed as an independent non-executive director of the Company in November 2022 and resigned in July 2025.
(iii) Mr. Ding Shaobin was appointed as an independent non-executive director of the Company in July 2025 and resigned in September 2025.
(iv) Mr. Fu Bingfeng was appointed as an independent non-executive director of the Company in September 2025.
(v) Mr. Yang Yong was appointed as an independent non-executive director of the Company in September 2025.
(vi) Mr. Xin Dinghua was appointed as an independent non-executive director of the Company in September 2025.

There were no other emoluments payable to the independent non-executive directors during the Relevant Periods.

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

(b) Executive directors, non-executive directors and supervisors

Year ended 31 December 2023

	Fees	Salaries, allowances and benefits in kind	Performance-based bonus	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors:					
Mr. Lu Fang *(i)*	-	500	1,329	40	1,869
Mr. Qin Jie *(ii)*	-	474	1,180	77	1,731
Subtotal	-	974	2,509	117	3,600
Non-executive directors:					
Mr. You Zheng *(xvii)*	-	-	-	-	-
Mr. Feng Changjun *(xviii)*	-	-	-	-	-
Mr. Yang Yanding	-	-	-	-	-
Mr. Zhou Feng *(iv)*	-	-	-	-	-
Subtotal	-	-	-	-	-
Supervisors:					
Mr. Hu Weidong *(vi)*	-	-	-	-	-
Mr. Kang Li *(v)*	-	-	-	-	-
Mr. Zhang Yonghong *(viii)*	-	-	-	-	-
Ms. Huang Juan *(ix)*	-	223	89	40	352
Ms. Wang Qian *(x)*	-	-	-	-	-
Mr. Liu Tao *(xi)*	-	-	-	-	-
Subtotal	-	223	89	40	352
Total	-	1,197	2,598	157	3,952

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

(b) Executive directors, non-executive directors and supervisors (continued)

Year ended 31 December 2024

	Fees	Salaries, allowances and benefits in kind	Performance-based bonus	Pension scheme contributions	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Executive directors:					
Mr. Lu Fang *(i)*	-	711	1,200	42	1,953
Mr. Qin Jie *(ii)*	-	736	1,053	78	1,867
Subtotal	-	1,447	2,253	120	3,820
Non-executive directors:					
Mr. You Zheng *(xvii)*	-	-	-	-	-
Mr. Feng Changjun *(xviii)*	-	-	-	-	-
Mr. Zhou Feng *(iv)*	-	-	-	-	-
Mr. Yang Yanding	-	-	-	-	-
Mr. Qin Xuanyuan *(iii)*	-	-	-	-	-
Subtotal	-	-	-	-	-
Supervisors:					
Mr. Hu Weidong *(vi)*	-	-	-	-	-
Mr. Hou Hongsheng *(vii)*	-	-	-	-	-
Mr. Zhang Yonghong *(viii)*	-	-	-	-	-
Ms. Wang Lijuan (*xii*)	-	166	74	27	267
Ms. Huang Juan *(ix)*	-	274	66	41	381
Ms. Wang Qian *(x)*	-	-	-	-	-
Mr. Liu Tao *(xi)*	-	-	-	-	-
Subtotal	-	440	140	68	648
Total	-	1,887	2,393	188	4,468

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

(b) Executive directors, non-executive directors and supervisors (continued)

Year ended 31 December 2025

	Fees	Salaries, allowances and benefits in kind	Performance-based bonus	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors:					
Mr. Lu Fang *(i)*	-	741	1,000	43	1,784
Mr. Qin Jie *(ii)*	-	426	944	81	1,451
Mr. Jiang Tao *(xiii)*	-	547	1,000	129	1,676
Subtotal	-	1,714	2,944	253	4,911
Non-executive directors:					
Mr. You Zheng *(xvii)*	-	-	-	-	-
Mr. Feng Changjun *(xviii)*	-	-	-	-	-
Mr. Yang Yanding	-	-	-	-	-
Mr. Qin Xuanyuan *(iii)*	-	-	-	-	-
Mr. Ju Hua *(xiv)*	-	-	-	-	-
Mr. Liao Xianzhi *(xv)*	-	-	-	-	-
Ms. Hu Xiao *(xvi)*	-	-	-	-	-
Subtotal	-	-	-	-	-
Supervisors:					
Mr. Hou Hongsheng *(vii)*	-	-	-	-	-
Mr. Zhang Yonghong *(viii)*	-	-	-	-	-
Ms. Wang Lijuan(*xii*)	-	83	22	19	124
Ms. Wang Qian *(x)*	-	-	-	-	-
Mr. Liu Tao *(xi)*	-	-	-	-	-
Subtotal	-	83	22	19	124
Total	-	1,797	2,966	272	5,035

(i) Mr. Lu Fang also serves as the chief executive officer from June 2021 to December 2025.
(ii) Mr. Qin Jie was appointed as executive director of the Company in November 2022.
(iii) Mr. Qin Xuanyuan was appointed as non-executive director of the Company in July 2024 and resigned in September 2025.
(iv) Mr. Zhou Feng was appointed as non-executive director of the Company in June 2021 and resigned in July 2024.
(v) Mr. Kang Li was appointed as a supervisor of the Company in June 2021 and resigned in September 2023.
(vi) Mr. Hu Weidong was appointed as a supervisor of the Company in September 2023 and resigned in July 2024.
(vii) Mr. Hou Hongsheng was appointed as a supervisor of the Company in July 2024 and resigned in June 2025.
(viii) Mr. Zhang Yonghong was appointed as a supervisor of the Company in June 2021 and resigned in June 2025.
(ix) Ms. Huang Juan was appointed as a supervisor of the Company in June 2021 and resigned in July 2024.
(x) Ms. Wang Qian was appointed as a supervisor of the Company in November 2022 and resigned in June 2025.
(xi) Mr. Liu Tao was appointed as a supervisor of the Company in November 2022 and resigned in June 2025.
(xii) Mr. Wang Lijuan was appointed as a supervisor of the Company in July 2024 and resigned in June 2025.
(xiii) Mr. Jiang Tao was appointed as an executive director of the Company in September 2025.
(xiv) Mr. Ju Hua was appointed as a non-executive director of the Company in August 2025 and resigned in September 2025.
(xv) Mr. Liao Xianzhi was appointed as non-executive director of the Company in September 2025.
(xvi) Ms. Hu Xiao was appointed as a non-executive director of the Company in September 2025.
(xvii) Mr. You Zheng was appointed as a non-executive director of the Company in June 2021 and resigned in September 2025.
(xviii) Mr. Feng Changjun was appointed as a non-executive director of the Company in June 2021 and resigned in September 2025.

There was no arrangement under which a director or a supervisor waived or agreed to waive any remuneration during the Relevant Periods.

9. FIVE HIGHEST PAID EMPLOYEES

The five individuals whose remunerations were the highest in the Company for the years ended 31 December 2023, 2024, and 2025 include 2, 2, and 2 director respectively, details of whose remuneration are set out in note 8(b) above. Details of the remunerations of the remaining 3, 3 and 3 individuals who are neither directors nor supervisors of the Company during the years ended 31 December2023 ,2024 and 2025, respectively, are as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Salaries, allowances and benefits in kind	2,789	4,315	4,298
Performance-based bonuses	4,556	6,151	5,445
Pension scheme contributions	343	279	330
Subtotal	7,688	10,745	10,073
Equity-settled share award expenses	8,089	8,123	2,282
Total	15,777	18,868	12,355

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	2023	2024	2025
Nil to HK$1,000,000	-	-	-
HK$1,000,001 to HK$1,500,000	2	-	-
HK$1,500,001 to HK$2,000,000	1	-	2
HK$2,000,001 to HK$3,000,000	-	3	1
Total	3	3	3

During the Relevant Periods, shares were granted to non-director and non-chief executive highest paid employee in respect of their services to the Group, under the share-based compensation plan of the Company, further details of which are included in the disclosures in note 30 to the financial statements. The fair value of the share-based compensation, which has been recognised in profit or loss over the vesting period, were determined as at the date of grant and the amounts included in the financial statements for the Relevant Periods are not included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10. INCOME TAX

Chinese mainland enterprise income tax

Under the Enterprise Income Tax Law and the respective regulations of Chinese mainland, the enterprise income tax for the Company and its subsidiary is calculated at a statutory rate of 25% or a preferential rate of 15% where applicable, on their estimated taxable profits for the year based on the existing legislations, interpretations and practices in respect thereof. In 2022, the Company was recognized as a "High and New Technology Enterprise" ("HNTE") and enjoyed a preferential income tax rate of 15% for each of the Relevant Periods.

The Group has no enterprise income tax in jurisdictions other than Chinese mainland.

10. INCOME TAX (continued)

The income tax expense of the Group is analyzed as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Current –Chinese mainland	-	-	-
Deferred (note 28)	(454,060)	(150,411)	49,819
Total tax charge	(454,060)	(150,411)	49,819

A reconciliation of the tax credit applicable to (loss)/profit before tax at the statutory tax rates for the jurisdictions in which the Company and its subsidiary are domiciled and/or operate to the tax expense at the effective tax rates, and a reconciliation of the statutory tax rates to the effective tax rates, are as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
(Loss)/profit before tax	(1,949,591)	(240,870)	1,067,197
Tax at the statutory tax rates	(487,398)	(60,218)	266,799
Effect of preferential tax rate	112,891	(14,867)	(34,152)
Additional tax deduction for research and development expenses	(80,907)	(75,756)	(184,653)
Expenses not deductible for tax	1,354	430	1,825
Tax (credit)/charge at the Group's effective rate	(454,060)	(150,411)	49,819

11. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic(losses)/earnings per share amounts is based on the (loss)/profit for the Relevant Periods attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the Relevant Periods, assuming the joint stock limited company conversion had been completed on 1 January 2023, as further detailed in note 29 to the Historical Financial Information.

The Group had no potentially dilutive ordinary shares in issue during each of the Relevant Periods.

The calculations of basic and diluted earnings per share are based on:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
(Losses)/earnings			
(Loss)/profit attributable to ordinary equity holders of the parent	(1,495,531)	(90,459)	1,017,378
Shares			
Weighted average number of ordinary shares in issue during the year in the basic and diluted earnings per share calculation	3,092,933	3,092,933	3,359,928
(Loss)/earnings per share - RMB per share (basic and diluted)	(0.48)	(0.03)	0.30

12. DIVIDENDS

No dividend was declared or paid by the Company in respect of the Relevant Periods.

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Electronics and telecom devices RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2023:							
Cost	1,178	1,840,308	291,945	86,631	139,531	420,920	2,780,513
Accumulated depreciation and impairment	(10)	(398,851)	(88,089)	(18,115)	(44,581)	-	(549,646)
Net carrying amount	1,168	1,441,457	203,856	68,516	94,950	420,920	2,230,867
At 1 January 2023, net of accumulated depreciation and impairment	1,168	1,441,457	203,856	68,516	94,950	420,920	2,230,867
Additions	665,304	74,694	727,520	-	25,732	638,299	2,131,549
Transfers	34,067	621,359	1,142	39,623	-	(696,191)	-
Disposals	-	(6,913)	(22,796)	(41)	-	-	(29,750)
Depreciation provided during the year	(2,374)	(355,067)	(158,200)	(16,674)	(40,596)	-	(572,911)
Impairment	-	(7,139)	-	-	-	-	(7,139)
At 31 December 2023, net of accumulated depreciation and impairment	698,165	1,768,391	751,522	91,424	80,086	363,028	3,752,616
At 31 December 2023:							
Cost	700,549	2,525,632	967,370	126,124	165,263	363,028	4,847,966
Accumulated depreciation and impairment	(2,384)	(757,241)	(215,848)	(34,700)	(85,177)	-	(1,095,350)
Net carrying amount	698,165	1,768,391	751,522	91,424	80,086	363,028	3,752,616

13. PROPERTY, PLANT AND EQUIPMENT (continued)

The Group (continued)

	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Electronics and telecom devices RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2024:							
Cost	700,549	2,525,632	967,370	126,124	165,263	363,028	4,847,966
Accumulated depreciation and impairment	(2,384)	(757,241)	(215,848)	(34,700)	(85,177)	-	(1,095,350)
Net carrying amount	698,165	1,768,391	751,522	91,424	80,086	363,028	3,752,616
At 1 January 2024, net of accumulated depreciation and impairment	698,165	1,768,391	751,522	91,424	80,086	363,028	3,752,616
Additions	14,253	32,906	1,059,928	-	105,238	572,227	1,784,552
Transfers	-	695,750	2,664	34,899	-	(733,313)	-
Disposals	(988)	(1,754)	(294,795)	(1,183)	-	-	(298,720)
Depreciation provided during the year	(27,573)	(442,846)	(427,667)	(20,626)	(47,987)	-	(966,699)
Impairment	-	(3,001)	-	-	-	-	(3,001)
At 31 December 2024, net of accumulated depreciation and impairment	683,857	2,049,446	1,091,652	104,514	137,337	201,942	4,268,748
At 31 December 2024:							
Cost	713,785	3,250,331	1,458,182	159,571	270,501	201,942	6,054,312
Accumulated depreciation and impairment	(29,928)	(1,200,885)	(366,530)	(55,057)	(133,164)	-	(1,785,564)
Net carrying amount	683,857	2,049,446	1,091,652	104,514	137,337	201,942	4,268,748

	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Electronics and telecom devices RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2025:							
Cost	713,785	3,250,331	1,458,182	159,571	270,501	201,942	6,054,312
Accumulated depreciation and impairment	(29,928)	(1,200,885)	(366,530)	(55,057)	(133,164)	-	(1,785,564)
Net carrying amount	683,857	2,049,446	1,091,652	104,514	137,337	201,942	4,268,748
At 1 January 2025, net of accumulated depreciation and impairment	683,857	2,049,446	1,091,652	104,514	137,337	201,942	4,268,748
Additions	1,866,463	1,374,350	1,185,542	50,964	133,424	1,014,276	5,625,019
Transfers	37,528	862,859	238	22,091	-	(922,716)	-
Disposals	(503)	(3,390)	(598,498)	(241)	-	-	(602,632)
Depreciation provided during the year	(56,593)	(654,674)	(482,528)	(32,525)	(68,465)	-	(1,294,785)
At 31 December 2025, net of accumulated depreciation and impairment	2,530,752	3,628,591	1,196,406	144,803	202,296	293,502	7,996,350
At 31 December 2025:							
Cost	2,617,245	5,479,078	1,574,005	231,982	403,925	293,502	10,599,737
Accumulated depreciation and impairment	(86,493)	(1,850,487)	(377,599)	(87,179)	(201,629)	-	(2,603,387)
Net carrying amount	2,530,752	3,628,591	1,196,406	144,803	202,296	293,502	7,996,350

13. PROPERTY, PLANT AND EQUIPMENT (continued)

The Company

	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Electronics and telecom devices RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2023:						
Cost	1,178	1,833,973	2,919	60,643	420,726	2,319,439
Accumulated depreciation and impairment	(10)	(398,442)	(675)	(17,204)	-	(416,331)
Net carrying amount	1,168	1,435,531	2,244	43,439	420,726	1,903,108
At 1 January 2023, net of accumulated depreciation and impairment	1,168	1,435,531	2,244	43,439	420,726	1,903,108
Additions	665,304	74,691	-	-	623,709	1,363,704
Transfers	34,067	619,218	1,136	34,838	(689,259)	-
Disposals	-	(6,913)	(16)	(40)	-	(6,969)
Depreciation provided during the year	(2,374)	(354,308)	(585)	(14,127)	-	(371,394)
Impairment	-	(7,139)	-	-	-	(7,139)
At 31 December 2023, net of accumulated depreciation and impairment	698,165	1,761,080	2,779	64,110	355,176	2,881,310
At 31 December 2023:						
Cost	700,549	2,517,152	3,996	95,352	355,176	3,672,225
Accumulated depreciation and impairment	(2,384)	(756,072)	(1,217)	(31,242)	-	(790,915)
Net carrying amount	698,165	1,761,080	2,779	64,110	355,176	2,881,310

	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Electronics and telecom devices RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2024:						
Cost	700,549	2,517,152	3,996	95,352	355,176	3,672,225
Accumulated depreciation and impairment	(2,384)	(756,072)	(1,217)	(31,242)	-	(790,915)
Net carrying amount	698,165	1,761,080	2,779	64,110	355,176	2,881,310
At 1 January 2024, net of accumulated depreciation and impairment	698,165	1,761,080	2,779	64,110	355,176	2,881,310
Additions	14,253	32,887	103	-	556,010	603,253
Transfers	-	688,358	2,659	23,911	(714,928)	-
Disposals	(988)	(1,704)	(294)	(520)	-	(3,506)
Depreciation provided during the year	(27,573)	(441,708)	(773)	(16,051)	-	(486,105)
Impairment	-	(3,001)	-	-	-	(3,001)
At 31 December 2024, net of accumulated depreciation and impairment	683,857	2,035,912	4,474	71,450	196,258	2,991,951
At 31 December 2024:						
Cost	713,785	3,234,490	6,056	118,726	196,258	4,269,315
Accumulated depreciation and impairment	(29,928)	(1,198,578)	(1,582)	(47,276)	-	(1,277,364)
Net carrying amount	683,857	2,035,912	4,474	71,450	196,258	2,991,951

13. PROPERTY, PLANT AND EQUIPMENT (continued)

The Company (continued)

	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Electronics and telecom devices RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2025:						
Cost	713,785	3,234,490	6,056	118,726	196,258	4,269,315
Accumulated depreciation and impairment	(29,928)	(1,198,578)	(1,582)	(47,276)	-	(1,277,364)
Net carrying amount	683,857	2,035,912	4,474	71,450	196,258	2,991,951
At 1 January 2025, net of accumulated depreciation and impairment	683,857	2,035,912	4,474	71,450	196,258	2,991,951
Additions	1,866,463	1,373,814	6,261	48,502	982,162	4,277,202
Transfers	37,528	858,042	238	21,141	(916,949)	-
Disposals	(502)	(3,390)	(146)	(236)	-	(4,274)
Depreciation provided during the year	(56,593)	(652,830)	(1,136)	(27,021)	-	(737,580)
At 31 December 2025, net of accumulated depreciation and impairment	2,530,753	3,611,548	9,691	113,836	261,471	6,527,299
At 31 December 2025:						
Cost	2,617,246	5,457,884	12,290	187,733	261,471	8,536,624
Accumulated depreciation and impairment	(86,493)	(1,846,336)	(2,599)	(73,897)	-	(2,009,325)
Net carrying amount	2,530,753	3,611,548	9,691	113,836	261,471	6,527,299

The Group recognised an impairment provision for property, plant and equipment of approximately RMB7 million, RMB3 million and RMB nil million for the year ended 31 December 2023, 2024, and 2025, respectively, in respect of assets with production ceased.

According to IAS 36, the Group determines whether there is any indication that a non-financial asset (including the property, plant and equipment, right-of-use assets and intangible assets) may be impaired at the end of each of the Relevant Periods. If there is an indication of impairment, the Group estimates its recoverable amount and performs an impairment test. The recoverable amount is the higher of the fair value of the cash-generating unit, net of disposal costs, and the present value of the cash-generating unit's estimated future cash flow.

The carrying amounts of non-financial assets included property, plant and equipment, right-of-use assets and intangible assets were RMB7,938 million, RMB9,904 million and RMB17,360 million as at 31 December 2023, 2024, and 2025, respectively. The recoverable amounts of the cash-generating units have been determined based on value in use calculation using cash flow projections covering the expected useful life of those non-financial assets.

According to the assessment performed by the Company's management, except for impairment made for assets with production ceased, no further impairment provision was required as at 31 December 2023, 2024 and 2025.

14. LEASES

The Group as a lessee

The Group has lease contracts for various items of leasehold lands and buildings. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 41 years, and no ongoing payments will be made under the terms of these land leases. Leases of stores generally have lease terms between 2 and 7 years. Other stores generally have lease terms of 12 months or less and/or is individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

14. LEASES (continued)

The Group as a lessee (continued)

(a) Right-of-use assets

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

	Leasehold land* RMB'000	Buildings RMB'000	Total RMB'000
As at 1 January 2023	-	242,680	242,680
Additions	792,582	193,987	986,569
Lease modifications	-	(35,697)	(35,697)
Depreciation charge	(1,618)	(155,760)	(157,378)
As at 31 December 2023 and 1 January 2024	790,964	245,210	1,036,174
Additions	-	361,138	361,138
Lease modifications	-	(9,178)	(9,178)
Depreciation charge	(19,410)	(171,712)	(191,122)
As at 31 December 2024 and 1 January 2025	771,554	425,458	1,197,012
Additions	745,230	843,372	1,588,602
Lease modifications	-	(10,792)	(10,792)
Depreciation charge	(28,009)	(259,033)	(287,042)
As at 31 December 2025	1,488,775	999,005	2,487,780

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Carrying amount at beginning of year	267,291	272,035	403,815
New leases	193,987	361,138	843,372
Lease modifications	(32,035)	(9,178)	(21,982)
Accretion of interest recognised during the year	13,729	18,833	33,204
Payments	(170,937)	(239,013)	(290,860)
Carrying amount at end of year	272,035	403,815	967,549
Analysed into:			
Current portion	124,013	129,899	283,637
Non-current portion	148,022	273,916	683,912

The maturity analysis of lease liabilities is disclosed in note 39 to the financial statements.

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

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Interest on lease liabilities (note 7)	13,729	18,833	33,204
Depreciation charge of right-of-use assets (note 6)	157,378	191,122	287,042
Expense relating to short-term leases (note 6)	77,082	136,631	248,570
Loss/(gain) relating to lease modifications	3,662	-	(11,190)
Total amount recognised in profit or loss	251,851	346,586	557,626

15. OTHER INTANGIBLE ASSETS

The Group

	Software RMB'000	Know-how, licenses and trademarks RMB'000	Deferred development costs RMB'000	Total RMB'000
As at 31 December 2023				
At 1 January 2023:				
Cost	115,588	1,806,904	1,111,299	3,033,791
Accumulated amortisation	(9,963)	(337,088)	-	(347,051)
Net carrying amount	105,625	1,469,816	1,111,299	2,686,740
Cost at 1 January 2023, net of accumulated amortisation and impairment	105,625	1,469,816	1,111,299	2,686,740
Additions	44,370	3,492	864,908	912,770
Transfers	-	1,368,783	(1,368,783)	-
Amortisation provided during the year	(9,738)	(408,159)	-	(417,897)
Impairment	-	(32,444)	-	(32,444)
At 31 December 2023	140,257	2,401,488	607,424	3,149,169
At 31 December 2023:				
Cost	159,958	3,179,179	607,424	3,946,561
Accumulated amortisation and impairment	(19,701)	(777,691)	-	(797,392)
Net carrying amount	140,257	2,401,488	607,424	3,149,169

15. OTHER INTANGIBLE ASSETS (continued)

The Group (continued)

	Software RMB'000	Know-how, licenses and trademarks RMB'000	Deferred development costs RMB'000	Total RMB'000
As at 31 December 2024				
At 1 January 2024:				
Cost	159,958	3,179,179	607,424	3,946,561
Accumulated amortisation	(19,701)	(777,691)	-	(797,392)
Net carrying amount	140,257	2,401,488	607,424	3,149,169
Cost at 1 January 2024, net of accumulated amortisation and impairment	140,257	2,401,488	607,424	3,149,169
Additions	59,871	46,695	1,806,217	1,912,783
Transfers	-	1,508,421	(1,508,421)	-
Amortisation provided during the year	(17,999)	(605,404)	-	(623,403)
At 31 December 2024	182,129	3,351,200	905,220	4,438,549
At 31 December 2024:				
Cost	219,829	4,734,295	905,220	5,859,344
Accumulated amortisation	(37,700)	(1,383,095)	-	(1,420,795)
Net carrying amount	182,129	3,351,200	905,220	4,438,549
As At 31 December 2025				
At 1 January 2025:				
Cost	219,829	4,734,295	905,220	5,859,344
Accumulated amortisation	(37,700)	(1,383,095)	-	(1,420,795)
Net carrying amount	182,129	3,351,200	905,220	4,438,549
Cost at 1 January 2025, net of accumulated amortisation and impairment	182,129	3,351,200	905,220	4,438,549
Additions	104,783	187,546	3,247,787	3,540,116
Transfers	-	3,135,654	(3,135,654)	-
Amortisation provided during the year	(31,864)	(1,070,478)	-	(1,102,342)
At 31 December 2025	255,048	5,603,922	1,017,353	6,876,323
At 31 December 2025:				
Cost	324,612	8,057,495	1,017,353	9,399,460
Accumulated amortisation	(69,564)	(2,453,573)	-	(2,523,137)
Net carrying amount	255,048	5,603,922	1,017,353	6,876,323

15. OTHER INTANGIBLE ASSETS (continued)

The Company

	Software RMB'000	Know-how, licenses and trademarks RMB'000	Deferred development costs RMB'000	Total RMB'000
As at 31 December 2023				
At 1 January 2023:				
Cost	115,588	1,806,904	1,111,299	3,033,791
Accumulated amortisation	(9,963)	(337,088)	-	(347,051)
Net carrying amount	105,625	1,469,816	1,111,299	2,686,740
Cost at 1 January 2023, net of accumulated amortisation and impairment	105,625	1,469,816	1,111,299	2,686,740
Additions	44,370	3,492	864,908	912,770
Transfers	-	1,368,783	(1,368,783)	-
Amortisation provided during the year	(9,738)	(408,159)	-	(417,897)
Impairment	-	(32,444)	-	(32,444)
At 31 December 2023	140,257	2,401,488	607,424	3,149,169
At 31 December 2023:				
Cost	159,958	3,179,179	607,424	3,946,561
Accumulated amortisation and impairment	(19,701)	(777,691)	-	(797,392)
Net carrying amount	140,257	2,401,488	607,424	3,149,169

15. OTHER INTANGIBLE ASSETS (continued)

The Company (continued)

	Software RMB'000	Know-how, licenses and trademarks RMB'000	Deferred development costs RMB'000	Total RMB'000
As at 31 December 2024				
At 1 January 2024:				
Cost	159,958	3,179,179	607,424	3,946,561
Accumulated amortisation	(19,701)	(777,691)	-	(797,392)
Net carrying amount	140,257	2,401,488	607,424	3,149,169
Cost at 1 January 2024, net of accumulated amortisation and impairment	140,257	2,401,488	607,424	3,149,169
Additions	59,871	46,695	1,806,217	1,912,783
Transfers	-	1,508,421	(1,508,421)	-
Amortisation provided during the year	(17,999)	(605,404)	-	(623,403)
At 31 December 2024	182,129	3,351,200	905,220	4,438,549
At 31 December 2024:				
Cost	219,829	4,734,295	905,220	5,859,344
Accumulated amortisation	(37,700)	(1,383,095)	-	(1,420,795)
Net carrying amount	182,129	3,351,200	905,220	4,438,549
As at 31 December 2025				
At 1 January 2025:				
Cost	219,829	4,734,295	905,220	5,859,344
Accumulated amortisation	(37,700)	(1,383,095)	-	(1,420,795)
Net carrying amount	182,129	3,351,200	905,220	4,438,549
Cost at 1 January 2025, net of accumulated amortisation and impairment	182,129	3,351,200	905,220	4,438,549
Additions	104,069	186,486	3,247,787	3,538,342
Transfers	-	3,135,654	(3,135,654)	-
Amortisation provided during the year	(31,864)	(1,070,272)	-	(1,102,136)
At 31 December 2025	254,334	5,603,068	1,017,353	6,874,755
At 31 December 2025:				
Cost	323,898	8,056,435	1,017,353	9,397,686
Accumulated amortisation	(69,564)	(2,453,367)	-	(2,522,931)
Net carrying amount	254,334	5,603,068	1,017,353	6,874,755

The Group determines whether there is any indication that an asset may be impaired at the balance sheet date. If there is an indication of impairment, the Group estimates its recoverable amount and performs an impairment test. The recoverable amount is the higher of the fair value of the cash-generating unit, net of disposal costs, and the present value of the cash-generating unit’s estimated future cash flows.

The Group recognized an impairment provision for intangible assets of RMB32 million, RMB nil million and RMB nil million for the year ended 31 December 2023, 2024, and 2025 respectively, in respect of assets with production ceased.

15. OTHER INTANGIBLE ASSETS (continued)

The Company (continued)

The Group's deferred development costs which have not yet commenced to amortise are tested for impairment annually or whenever events or circumstances indicate that the carrying amount of the deferred development costs may no longer be recoverable. The recoverable amount of the cash generating unit ("CGU") to which the intangible assets are related has been determined based on a value in use calculation using cash flow projections based on financial forecast approved by management. The forecast revenue of the products to which the intangible assets are related is based on management's forecast on timing of products commercialization and future market plan. The costs and operating expenses are estimated over the revenue forecast period based on the current margin levels and percentage of revenue with historical experience. The discount rates used are pre-tax and reflect specific risks associating to the relevant products.

The key assumptions adopted for impairment assessments for each reporting period are as follows:

	2023	2024	2025
Discount rate	20%	20%	21%
Revenue growth rate	3%~48%	9%~42%	1%~29%
Recoverable amount	1,817,007	2,317,516	2,823,178

Impairment test-sensitivity

The Company performed sensitivity analysis by increasing 1 percentage for discount rate or decreasing 10% for revenue in absolute amounts, which are the key assumptions to determine the recoverable amount of each intangible asset, with all other variables held constantly. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Headroom	1,209,583	1,412,296	1,235,816
Impact by increasing discount rate	(132,893)	(105,463)	(90,360)
Impact by decreasing revenue	(383,924)	(502,600)	(466,095)

Considering there was sufficient headroom based on the assessment, management believes that a reasonably possible change in key assumptions on which management has based its determination of each intangible asset's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

16. INVESTMENT IN A SUBSIDIARY

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Investments, at cost	-	2,900,000	2,900,000

Management of the Company performed an impairment assessment on the investment in its subsidiary and no impairment provision was required as at 31 December 2023, 2024 and 2025.

17. INVENTORIES

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Raw materials	627,376	691,161	1,261,873
Work in progress	5,441	6,895	21,732
Finished goods	1,555,918	2,420,838	6,849,854
Total	2,188,735	3,118,894	8,133,459

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Raw materials	627,376	691,161	1,261,873
Work in progress	5,441	6,895	21,732
Finished goods	18,656	474,394	2,459,722
Total	651,473	1,172,450	3,743,327

18. TRADE AND BILLS RECEIVABLES

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	2,475	970	112,151
DFM's joint ventures and associates	12,700	12,700	12,700
Third parties	25,220	81,497	20,662
Trade receivables	40,395	95,167	145,513
Bills receivable	809,581	728,355	2,883,645
Trade and bills receivables	849,976	823,522	3,029,158
Impairment	(13,067)	(13,755)	(13,155)
Net carrying amount	836,909	809,767	3,016,003

Advance payment is normally required for sales of passenger vehicles, except for some long-standing customers with bulk purchases and good credit standing, where payment is generally due from 90 days from delivery. Trade receivables are non-interest bearing.

Bills receivable are measured at fair value through other comprehensive income. Bills receivable are bank acceptance bills that are unconditionally accepted by banks within the maturity period. All bills receivable are all aged within 12 months. The Group considers that there is no material credit risk in the bank acceptance bills held by the Group.

18. TRADE AND BILLS RECEIVABLES (continued)

The Group (continued)

An aging analysis of the trade receivables at the end of each reporting period, based on the time of revenue recognition and net of loss allowance, is as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within 3 months	26,769	80,480	132,014
Over 3 months but within 12 months	559	932	344
Total	27,328	81,412	132,358

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

	2023 RMB'000	2024 RMB'000	2025 RMB'000
At beginning of year	471	13,067	13,755
Impairment losses, net	12,596	907	(600)
Amount written off as uncollectible	-	(219)	-
At end of year	13,067	13,755	13,155

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2023

	Expected credit loss rate	Gross carrying amount RMB'000	Expected credit losses RMB'000	Net carrying amount RMB'000
Provision on a collective basis				
Aging within 12 months	1.3%	27,695	367	27,328
Provision on an individual basis- Others	100%	12,700	12,700	-
Total		40,395	13,067	27,328

As at 31 December 2024

	Expected credit loss rate	Gross carrying amount RMB'000	Expected credit losses RMB'000	Net carrying amount RMB'000
Provision on a collective basis				
Aging within 12 months	1.3%	82,467	1,055	81,412
Provision on an individual basis- Others	100%	12,700	12,700	-
Total		95,167	13,755	81,412

As at 31 December 2025

	Expected credit loss rate	Gross carrying amount RMB'000	Expected credit losses RMB'000	Net carrying amount RMB'000
Provision on a collective basis				
Aging within 12 months	0.3%	132,813	455	132,358
Provision on an individual basis- Others	100%	12,700	12,700	-
Total		145,513	13,155	132,358

18. TRADE AND BILLS RECEIVABLES (continued)

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
VOYAH Automobile Sales & Service Co., Ltd.	5,428,257	2,860,880	6,210,586
DFM and its subsidiaries	180	926	-
DFM's joint ventures and associates	12,700	12,700	12,700
Trade receivables	5,441,137	2,874,506	6,223,286
Bills receivable	14,680	417,214	1,608,311
	5,455,817	3,291,720	7,831,597
Impairment	(38,757)	(22,144)	(36,301)
Net carrying amount	5,417,060	3,269,576	7,795,296

An aging analysis of the trade receivables as at the end of each reporting period, based on the time of revenue recognition and net of loss allowance, is as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within 3 months	3,505,063	2,851,439	5,965,750
Over 3 months but within 12 months	1,897,317	923	221,235
Total	5,402,380	2,852,362	6,186,985

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

	2023 RMB'000	2024 RMB'000	2025 RMB'000
At beginning of year	3,587	38,757	22,144
Impairment/(reversal of impairment provision), net	35,170	(16,613)	14,157
At end of year	38,757	22,144	36,301

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than three years and are not subject to enforcement activity.

18. TRADE AND BILLS RECEIVABLES (continued)

The Company (continued)

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

As at 31 December 2023

	Expected credit loss rate	Gross carrying amount RMB'000	Expected credit losses RMB'000	Net Carrying amount RMB'000
Provision on a collective basis				
Aged within 12 months	0.5%	5,428,437	26,057	5,402,380
Provision on an individual basis-				
Others	100%	12,700	12,700	-
Total		5,441,137	38,757	5,402,380

As at 31 December 2024

	Expected credit loss rate	Gross carrying amount RMB'000	Expected credit losses RMB'000	Net Carrying amount RMB'000
Provision on a collective basis				
Aged within 12 months	0.3%	2,861,806	9,444	2,852,362
Provision on an individual basis-				
Others	100%	12,700	12,700	-
Total		2,874,506	22,144	2,852,362

As at 31 December 2025

	Expected credit loss rate	Gross carrying amount RMB'000	Expected credit losses RMB'000	Net Carrying amount RMB'000
Provision on a collective basis				
Aged within 12 months	0.4%	6,210,586	23,601	6,186,985
Provision on an individual basis-				
Others	100%	12,700	12,700	-
Total		6,223,286	36,301	6,186,985

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Current			
Prepayments	344,559	526,514	909,867
Value-added-tax recoverable	330,572	303,422	732,934
Deposits and other receivables	119,141	139,352	187,191
	794,272	969,288	1,829,992
Impairment allowance	(1,270)	(1,288)	(1,913)
Total	793,002	968,000	1,828,079
Non-Current			
Prepayments for acquisition of property, plant and equipment	58,566	52,662	146,324

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at the end of each of the Relevant Periods, the loss allowance was assessed to be minimal.

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Current			
Prepayments	122,693	249,032	430,417
Value-added-tax recoverable	264,478	163,264	318,824
Deposits and other receivables	58,435	154,126	352,530
	445,606	566,422	1,101,771
Impairment allowance	(764)	(1,929)	(4,855)
Total	444,842	564,493	1,096,916
Non-Current			
Prepayments for acquisition of property, plant and equipment	58,565	52,662	146,323

The balance of prepayments, other receivables and other assets are all trade in nature, unsecured, interest-free and repayable on the settlement date of the relevant transactions.

20. CONTRACT ASSETS

The Group and the Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Contract assets arising from:			
Revenue relating to technology licensing	-	-	240,000
Impairment allowance	-	-	(3,817)
Net carrying amount	-	-	236,183

The balance of contract assets are all trade in nature.

The expected timing of recovery or settlement for contract assets as at 31 December is as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within one year	-	-	60,000
After one year	-	-	176,183
Total contract assets	-	-	236,183

The movements in the loss allowance for impairment of contract assets are as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
At beginning of year	-	-	-
Impairment provided	-	-	3,817
At end of year	-	-	3,817

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases.

21. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Cash and bank balances	5,682,457	5,861,314	7,975,751
Less: Pledged cash balances:			
Pledged for bills payable	(78,791)	(63,841)	-
Others	-	(400)	(3,823)
	(78,791)	(64,241)	(3,823)
Cash and cash equivalents	5,603,666	5,797,073	7,971,928
Cash and bank balances denominated in:			
RMB	5,682,457	5,861,314	7,975,751

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Cash and bank balances	2,802,879	3,688,659	5,571,161
Less: Pledged cash balances:			
Pledged for bills payable	(78,791)	(63,841)	-
Others	-	-	(40)
	(78,791)	(63,841)	(40)
Cash and cash equivalents	2,724,088	3,624,818	5,571,121
Cash and bank balances denominated in:			
RMB	2,802,879	3,688,659	5,571,161

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

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

22. TRADE AND BILLS PAYABLES

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Trade payables	6,091,286	8,090,171	13,640,512
Bills payable	1,192,510	1,598,845	3,349,785
Total	7,283,796	9,689,016	16,990,297

An aging analysis of the trade and bills payables as at the end of each reporting period, based on the time of purchase, is as follows:

Trade payables

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within 1 year	6,072,135	8,052,665	13,586,985
1 to 2 years	18,759	33,353	42,532
Over 2 years	392	4,153	10,995
Total	6,091,286	8,090,171	13,640,512

Bills payable

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within 6 months	1,192,510	1,598,845	3,349,785

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Trade payables	5,697,131	7,682,648	13,003,380
Bills payable	1,181,593	1,579,291	3,281,468
Total	6,878,724	9,261,939	16,284,848

An aging analysis of the trade and bills payables as at the end of each reporting period, based on the time of purchase, is as follows:

Trade payables

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within 1 year	5,678,058	7,646,807	12,953,286
1 year to 2 years	18,681	32,082	39,719
Over 2 years	392	3,759	10,375
Total	5,697,131	7,682,648	13,003,380

Bills payable

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within 6 months	1,181,593	1,579,291	3,281,468

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

23. OTHER PAYABLES AND ACCRUALS

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Research and development costs payables	725,803	1,074,315	1,686,129
Marketing and advertising expenses payables	1,116,386	1,194,845	1,188,618
Sales network support expenses payables	193,881	215,920	306,284
Transportation fee payables	80,617	102,177	186,574
Accrued wages and salaries	191,823	323,449	609,435
Other taxes payable	133,650	51,598	162,773
Others	632,633	707,510	1,001,493
Total	3,074,793	3,669,814	5,141,306

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Research and development costs payables	725,803	1,074,315	1,686,129
Transportation fee payables	25,456	45,862	93,555
Accrued wages and salaries	148,272	266,600	537,286
Other tax payable	127,165	10,589	129,045
Other payables	176,501	339,312	642,548
Total	1,203,197	1,736,678	3,088,563

Other payables are non-interest-bearing and have an average term of 90 days.

24. CONTRACT LIABILITIES

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
<u>Current portion</u>			
Advance payments from customers	275,995	210,658	613,326
Unfulfilled performance obligations	571,657	630,472	886,090
	847,652	841,130	1,499,416
<u>Non-current portion</u>			
Unfulfilled performance obligations	362,002	525,859	472,559
	1,209,654	1,366,989	1,971,975

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
<u>Current portion</u>			
Advance payments from customers	3,259	6,733	35,279
Unfulfilled performance obligations	178,158	277,304	329,183
	181,417	284,037	364,462

A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. The Group's contract liabilities primarily resulted from the multiple performance obligations identified in the customer contract, which is recorded as deferred revenue and advances from customers.

25. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group and the Company

	As at 31 December 2023		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Current portion of long-term bank and other borrowings - unsecured	2.70	2024	146,453
Non-Current			
Bank and other borrowings - unsecured	2.70	2025-2026	2,829,000
Total			2,975,453

	As at 31 December 2024		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Current portion of long-term bank and other borrowings - unsecured	2.19-2.44	2025	145,106
Non-Current			
Bank and other borrowings - unsecured	2.19-2.44	2026-2029	2,731,000
Total			2,876,106

	As at 31 December 2025		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Current portion of long-term bank and other borrowings - unsecured	2.09-2.51	2026	60,297
Non-Current			
Bank and other borrowings - unsecured	2.09-2.51	2027-2030	3,542,750
Total			3,603,047

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Analysed into:			
Bank and other borrowings:			
Within one year or on demand	146,453	145,106	60,297
In the second year	144,000	1,590,000	704,000
In the third to fifth years, inclusive	2,685,000	1,141,000	2,838,750
Total	2,975,453	2,876,106	3,603,047

26. GOVERNMENT GRANTS

The Group and the Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Government grants	201,107	150,212	83,677

The movements in government grants during the Relevant Periods are as follows:

	Total RMB'000
At 1 January 2023	257,143
Received during the year	9,250
Released to profit or loss	(65,286)
At 31 December 2023 and 1 January 2024	201,107
Received during the year	14,391
Released to profit or loss	(65,286)
At 31 December 2024 and 1 January 2025	150,212
Released to profit or loss	(66,535)
At 31 December 2025	83,677

27. PROVISION

The Group

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Carrying amount at beginning of year	154,540	257,616	510,853
Additional provision	286,334	397,299	232,841
Amounts utilised during the year	(183,258)	(144,062)	(181,333)
Carrying amount at end of year	257,616	510,853	562,361
Analysed into:			
Current portion	65,518	119,051	116,111
Non-current portion	192,098	391,802	446,250

The Group provides warranties in relation to the sales of passenger vehicles, automotive parts and components. Provisions for warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns. The estimation is reviewed on an ongoing basis and is revised when appropriate.

The Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Carrying amount at beginning of year	152,547	262,839	528,255
Additional provision	293,550	409,478	197,963
Amounts utilised during the year	(183,258)	(144,062)	(181,333)
Carrying amount at end of year	262,839	528,255	544,885
Analysed into:			
Current portion	66,846	123,106	73,055
Non-current portion	195,993	405,149	471,830

The Group provides warranties to its customers for certain vehicles products sold and undertakes the obligation to repair or replace items that fail to perform satisfactorily within certain years after purchase or mileage utilized ("warranty periods"), whichever reached first. Provisions for warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns. The estimation is reviewed on an ongoing basis and is revised when appropriate.

28. DEFERRED TAX

The Group

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

Deferred tax assets

	Unrealised loss from intra-group transactions RMB'000	Lease liabilities RMB'000	Tax losses RMB'000	Accrued expenses RMB'000	Contract liabilities RMB'000	Government grants RMB'000	Warranty provisions RMB'000	Assets impairment RMB'000	Others RMB'000	Total RMB'000
1 January 2023	-	66,823	156,558	316,119	73,605	38,571	23,181	17,465	15,699	708,021
Deferred tax credited/(charged) to profit or loss during the year	15,017	1,186	219,515	108,030	28,358	(8,405)	15,461	17,059	41,070	437,291
Gross deferred tax assets at 31 December 2023 and 1 January 2024	15,017	68,009	376,073	424,149	101,963	30,166	38,642	34,524	56,769	1,145,312
Deferred tax credited/(charged) to profit or loss during the year	23,296	32,945	42,803	24,486	(14,648)	(7,634)	37,986	2,558	53,681	195,473
Gross deferred tax assets at 31 December 2024 and 1 January 2025	38,313	100,954	418,876	448,635	87,315	22,532	76,628	37,082	110,450	1,340,785
Deferred tax (charged)/ credited to profit or loss during the year	(38,313)	134,616	(218,662)	105,563	148,792	(9,980)	5,105	4,851	24,877	156,849
Gross deferred tax assets at 31 December 2025	-	235,570	200,214	554,198	236,107	12,552	81,733	41,933	135,327	1,497,634

28. DEFERRED TAX (continued)

The Group (continued)

The movements in deferred tax liabilities and assets during each of the Relevant Periods are as follows: (continued)

Deferred tax liabilities

	Unrealised loss from intra-group transactions RMB'000	Right-of-use assets RMB'000	Total RMB'000
At 1 January 2023	17,402	60,670	78,072
Deferred tax (credited)/charged to profit or loss during the year	(17,402)	633	(16,769)
Gross deferred tax liabilities at 31 December 2023 and 1 January 2024	-	61,303	61,303
Deferred tax charged to profit or loss during the year	-	45,062	45,062
Gross deferred tax liabilities at 31 December 2024 and 1 January 2025	-	106,365	106,365
Deferred tax charged to profit or loss during the year	70,569	136,099	206,668
Gross deferred tax liabilities at 31 December 2025	70,569	242,464	313,033

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

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Net deferred tax assets recognised in the consolidated statements of financial position	1,084,009	1,234,420	1,184,601
Net deferred tax liabilities recognised in the consolidated statements of financial position	-	-	-

28. DEFERRED TAX (continued)

The Company

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

Deferred tax assets

	Lease liabilities RMB'000	Tax losses RMB'000	Accrued expenses RMB'000	Government grants RMB'000	Warranty provisions RMB'000	Assets impairment RMB'000	Others RMB'000	Total RMB'000
At 1 January 2023	-	145,333	22,317	38,571	22,882	16,674	7,926	253,703
Deferred tax credited to profit or loss during the year	-	104,226	13,250	(8,405)	16,544	16,469	31,760	173,844
Gross deferred tax assets at 31 December 2023 and 1 January 2024	-	249,559	35,567	30,166	39,426	33,143	39,686	427,547
Deferred tax credited to profit or loss during the year	-	(104,612)	1,405	(7,634)	39,812	50	48,191	(22,788)
Gross deferred tax assets at 31 December 2024 and 1 January 2025	-	144,947	36,972	22,532	79,238	33,193	87,877	404,759
Deferred tax credited to profit or loss during the year	9,477	(125,948)	47,078	(9,980)	2,495	1,985	23,518	(51,375)
Gross deferred tax assets at 31 December 2025	9,477	18,999	84,050	12,552	81,733	35,178	111,395	353,384

28. DEFERRED TAX (continued)

The Company (continued)

The movements in deferred tax liabilities and assets during each of the Relevant Periods are as follows: (continued)

Deferred tax liabilities

	Right-of-use assets RMB'000	Total RMB'000
At 1 January 2023	-	-
Deferred tax charged to profit or loss during the year	-	-
Gross deferred tax liabilities at 31 December 2023 and 1 January 2024	-	-
Deferred tax charged to profit or loss during the year	-	-
Gross deferred tax liabilities at 31 December 2024 and 1 January 2025	-	-
Deferred tax charged to profit or loss during the year	10,931	10,931
Gross deferred tax liabilities at 31 December 2025	10,931	10,931

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

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Net deferred tax assets recognised in the consolidated statements of financial position	427,547	404,759	342,453
Net deferred tax liabilities recognised in the consolidated statements of financial position	-	-	-

29. PAID IN/SHARE CAPITAL

The Group and the Company

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Registered and paid up	3,085,444	3,085,444	3,680,000

A summary of movements in the Company's paid-in/share capital is as follows:

Paid in capital

	2023 RMB'000	2024 RMB'000	2025 RMB'000
At the beginning of the year	3,085,444	3,085,444	3,085,444
Shareholders' capital contributions	-	-	585,646
Conversion into a joint stock limited company	-	-	(3,671,090)
At the end of the year	3,085,444	3,085,444	-

Share capital

	2025 RMB'000
At the beginning of the year	-
Conversion into a joint stock limited company	3,680,000
At the end of the year	3,680,000

Shareholders' capital contributions
In July 2025, Dongfeng Asset Management Co., Ltd.("DFAM") subscribed for the increased registered capital of RMB94,967,000 of the Company at a consideration of RMB1,000,000,000 and DFG subscribed for the registered capital of RMB94,967,000 of the Company at a consideration of RMB1,000,000,000. In July 2025, the Company also entered into an acquisition agreement with DFG, pursuant to which the Company agreed to acquire Yunfeng Factory, including its land use rights, plant and equipment, from DFG, at a total consideration of RMB4,166,853,000, which was settled by the issue of the registered capital of RMB395,712,000 of the Company to DFG. The consideration was determined with reference to the asset valuation report of Yunfeng Factory as of 31 December 2024.

As a result of the above transactions, the Company's registered and paid up capital increased by RMB585,646,000 and its capital reserve increased by RMB5,581,207,000 accordingly.

Conversion into a joint stock limited company
On August 22, 2025, the Board passed resolutions approving, among other matters, the conversion of the Company from a limited liability company into a joint stock limited company and the change of name of the Company from VOYAH Automotive Technology Co., Ltd. (嵐圖汽車科技有限公司) to VOYAH Automotive Technology Co., Ltd. (嵐圖汽車科技股份有限公司). Pursuant to the promoters' agreement dated 29 August 2025 entered into by all the then shareholders, all promoters approved the conversion of the net assets value of the Company as of 31 July 2025 into 3,680,000,000 shares of the Company with a nominal value of RMB1.00 each, with the accumulated losses assumed by the joint stock limited company and the excess of the net assets converted over nominal value of the shares included as other reserves of the Company.

On 29 August 2025, the Company convened the inaugural shareholder's meeting and passed related resolutions approving the conversion of the Company into a joint stock limited company, the articles of association and the relevant procedures. Upon completion of the conversion, the registered capital of the Company became RMB3,680,000,000 divided into 3,680,000,000 shares with a nominal value of RMB1.00 each, which were subscribed by all the then shareholders in proportion to their respective interests in the Company before the conversion.

30. SHARE-BASED PAYMENT

An employee share ownership plan was set up in June 2021 in order to incentivize the Group's eligible directors, senior management and core employees, for their contributions to the Group and to attract and retain suitable personnel to the Group.

Wuhan Woya Enterprise Management and Consulting Partnership Enterprise (Limited Partnership)* (武漢沃雅企業管理諮詢合夥企業(有限合夥), "Woya") was established in Chinese mainland in June 2021 as the Company's incentive platform for the above eligible employees to indirectly hold equity interests in the Company. Under the employee stock ownership plan, the general partner of Woya is 武漢沃雅企業管理有限公司 ("Woya Ltd."), a limited liability company established by certain of the Company's management. Other participating employees also established limited partnerships to join Woya as limited partners.

Up to 31 December 2025, a total of 270,000,000 share award have been granted to eligible participants with subscription prices varying from RMB1.00 to RMB1.60 per share and Woya holds the foregoing granted shares on behalf of those eligible participants. Each grant of share requires eligible participants to meet a service requirement from the date of grant to 36 months after the successful listing of the Company's shares. The vesting periods of the Company's shares granted have been determined after taking into consideration the best estimation of the successful listing of the Company's shares, together with the service requirement. Share-based payment expenses are amortised during the vesting period.

The fair values of the Company's shares on grant date have been determined by an external valuer which took into account the terms and conditions and recent transaction price with other investors upon which the Company's shares were granted.

Share-based payment expenses of approximately RMB38,828,000, RMB65,837,000 and RMB93,849,000 representing the amortised amount for fair value of the Company's shares granted less the costs borne by the participants, were recognized in the consolidated profit or loss of the Group for the year ended 31 December 2023, 2024 and 2025, respectively.

Set out below are details of the movements of the outstanding share awards granted via Woya during the Relevant Periods.

	Number of shares RMB'000
At 1 January 2023	243,540
Granted during the year	24,800
Forfeited during the year	(20,980)
At 31 December 2023 and 1 January 2024	247,360
Granted during the year	28,880
Forfeited during the year	(12,080)
At 31 December 2024 and 1 January 2025	264,160
Granted during the year	16,090
Forfeited during the year	(10,250)
At 31 December 2025	270,000

31. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statement of changes in the financial statements.

(i) Other reserve

Other reserve comprises the capital reserve of the Group arising from capital injection from then equity holders of the Company and the impacts of equity-settled share-based payment with details included in note 30 to the financial statements.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods are presented as follows:

	Other reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2023	4,076,495	(1,613,903)	2,462,592
Equity-settled share-based payment	38,828	-	38,828
Loss for the year	-	(665,792)	(665,792)
At 31 December 2023 and 1 January 2024	4,115,323	(2,279,695)	1,835,628
Equity-settled share-based payment	65,837	-	65,837
Profit for the year	-	430,517	430,517
At 31 December 2024 and 1 January 2025	4,181,160	(1,849,178)	2,331,982
Contributions from equity holders (note 29)	5,581,207	-	5,581,207
Conversion into a joint stock limited company	(8,910)	-	(8,910)
Equity-settled share-based payment	93,849	-	93,849
Profit for the year	-	1,084,574	1,084,574
At 31 December 2025	9,847,306	(764,604)	9,082,702

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods, the Group had non-cash transactions in relation to additions to-right-of-use assets and lease liabilities correspondingly of approximately RMB194.0 million, RMB361.1 million and RMB843.4 million, respectively, in respect of lease arrangements for buildings.

In July 2025, DFG contributed capital to the Company for RMB4,166,853,000 in kind with certain factory facilities located in Wuhan City, the PRC as set out in note 29 which did not result in any cash flow.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings RMB'000 (note 25)	Lease liabilities RMB'000 (note 14(b))	Total RMB'000
At 1 January 2023	-	267,291	267,291
Changes from financing cash flow	2,950,425	(170,937)	2,779,488
New leases	-	193,987	193,987
Lease modifications	-	(32,035)	(32,035)
Interest expenses	25,028	13,729	38,757
At 31 December 2023 and 1 January 2024	2,975,453	272,035	3,247,488
Changes from financing cash flow	(177,221)	(239,013)	(416,234)
New leases	-	361,138	361,138
Lease modifications	-	(9,178)	(9,178)
Interest expenses	77,874	18,833	96,707
At 31 December 2024 and 1 January 2025	2,876,106	403,815	3,279,921
Changes from financing cash flow	667,779	(290,860)	376,919
New leases	-	843,372	843,372
Lease modifications	-	(21,982)	(21,982)
Interest expenses	59,162	33,204	92,366
At 31 December 2025	3,603,047	967,549	4,570,596

(c) Total cash outflow for leases

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

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Within operating activities	90,191	149,997	248,570
Within financing activities	170,937	239,013	290,860
Total	261,128	389,010	539,430

33. CONTINGENT LIABILITIES

At the end of each of the Relevant Periods, the Group had no significant contingent liabilities.

34. PLEDGE OF ASSETS

Details of the Group's assets pledged are included in note 21 to the Historical Financial Information.

35. COMMITMENTS

The Group had the following contractual commitments at the end of each reporting period:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Acquisition of plant and machinery	18,562	44,619	25,507

36. RELATED PARTY TRANSACTIONS

The Group had the following transactions with its related parties:

(a) Purchase and sales

Purchases of goods	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	1,396,727	2,299,534	4,206,136
DFM's joint ventures and associates	352,532	456,765	1,051,181
Total	1,749,259	2,756,299	5,257,317

Purchases of property, plant and equipment	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	1,424,723	68,200	191,832
DFM's joint ventures and associates	215,551	108,950	388,906
Total	1,640,274	177,150	580,738

Purchases of logistics and warehousing services	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	165,151	219,886	486,737

Purchases of travel booking service	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM's joint ventures and associates	21,226	28,822	38,092

Purchases of market development services	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	27,541	51,041	90,658
DFM's joint ventures and associates	-	260	11,049
Total	27,541	51,301	101,707

36. RELATED PARTY TRANSACTIONS (continued)

(a) Purchase and sales (continued)

Purchases of employee dispatch services	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	14,174	11,226	61
DFM's joint ventures and associates	2,729	14,165	257
Total	16,903	25,391	318

Purchases of human resources and training services	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	9,060	11,314	12,156

Purchases of engineering consulting services	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM's joint ventures and associates	-	1,249	130

Purchases of technical development services	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	120,049	120,225	213,953
DFM's joint ventures and associates	34,906	51,072	112,355
Total	154,955	171,297	326,308

Sales of goods	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	1,922,427	2,572,738	5,372,797
DFM's joint ventures and associates	883	106,622	164,507
Total	1,923,310	2,679,360	5,537,304

Provision of technical development services	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	4,478	37,566	328,656
DFM's joint ventures and associates	390	3,547	-
Total	4,868	41,113	328,656

Sales of new energy credits	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM's joint ventures and associates	14,541	-	4,865

36. RELATED PARTY TRANSACTIONS (continued)

(b) Other related party transactions

(i) Automobile financing subsidies to DFM's subsidiary on behalf of the Group's customers

The Group entered into an automobile financing cooperation agreement (the "Automobile Financing Cooperation Agreement") with DFM Group, pursuant to which the Group will recommend its retail customers to use retail financing from DFM Group. The Group will pay automobile financing subsidies to DFM Group on behalf of its customers to subsidy interest rates for the purpose of promoting the whole vehicles sales of the Group. The automobile financing subsidies to DFM's subsidiary on behalf of the Group's customers for the Relevant Periods amounted to RMB155,583,000, RMB241,263,000 and RMB544,466,000, respectively.

(ii) During the Relevant Periods, the Group obtained a loan from DF Auto Finance amounting to RMB500,000,000 for daily operating purposes with maturity period of 3 years commencing on 26 June 2024. Up to 31 December 2025, the Group has repaid RMB6,000,000 in principal. The remaining amount of RMB2,000,000, RMB2,000,000, and RMB490,000,000 will be repaid on 21 June 2026, 21 December 2026, and 25 June 2027, respectively. The loan is unsecured, bears interest at 2.4% per annum initially and was adjusted to 2.1% per annum subsequently in May 2025. The interest rate is subject to further adjustment in accordance with terms of the loan contract.

The interests for the above loan paid/payable for the year ended 31 December 2024 and 2025 were RMB6,299,000 and RMB11,345,000, respectively.

The above transactions were conducted in accordance with the terms and conditions agreed between the Group and its related parties.

(c) Outstanding balances with related parties:

The Group

Trade receivable	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	2475	970	112,006
DFM's joint ventures and associates	12,700	12,700	13,194
	15,175	13,670	125,200
Impairment	(12,701)	(12,700)	(12,846)
Net carrying amount	2,474	970	112,354

Bill receivable	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	396,185	417,214	1,390,616
DFM's joint ventures and associates	-	-	4,283
Total	396,185	417,214	1,394,899

Prepayments, other receivables	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	14,706	20,253	9,962
DFM's joint ventures and associates	3,800	10,279	17,499
Total	18,506	30,532	27,461

Contract assets	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	-	-	240,000
Impairment	-	-	(3,817)
Net carrying amount	-	-	236,183

36. RELATED PARTY TRANSACTIONS (continued)

(c) Outstanding balances with related parties: (continued)

The Group (continued)

Trade payables	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	810,512	532,783	1,555,535
DFM's joint ventures and associates	195,900	263,846	613,943
Total	1,006,412	796,629	2,169,478

Bills payables	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	226,209	273,073	367,193
DFM's joint ventures and associates	47,350	34,003	123,075
Total	273,559	307,076	490,268

Other payables and accruals	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	2,016	2,432	5,119
DFM's joint ventures and associates	10,281	10,363	9,882
Total	12,297	12,795	15,001

Contract liabilities	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	165,889	242,747	296,397
DFM's joint ventures and associates	-	5,590	3,161
Total	165,889	248,337	299,558

Other borrowings due to	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	-	498,000	494,000

36. RELATED PARTY TRANSACTIONS (continued)

(c) Outstanding balances with related parties: (continued)

The Company

Trade receivable	2023 RMB'000	2024 RMB'000	2025 RMB'000
VOYAH Automobile Sales & Service Co., Ltd.	5,428,257	2,860,880	6,210,586
DFM and its subsidiaries	180	926	-
DFM's joint ventures and associates	12,700	12,700	12,700
Trade receivables	5,441,137	2,874,506	6,223,286
Impairment	(38,757)	(22,144)	(12,700)
Net carrying amount	5,402,380	2,852,362	6,210,586

Bill receivable	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	-	417,214	1,390,616
DFM's joint ventures and associates	-	-	4,283
Total	-	417,214	1,394,899

Prepayments, other receivables and other assets	2023 RMB'000	2024 RMB'000	2025 RMB'000
VOYAH Automobile Sales & Service Co., Ltd.	43,319	140,396	317,825
DFM and its subsidiaries	10,536	15,511	6,092
DFM's joint ventures and associates	3,800	10,022	13,656
Total	57,655	165,929	337,573

Contract assets	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	-	-	240,000
Impairment	-	-	(3,817)
Total	-	-	236,183

Trade payables	2023 RMB'000	2024 RMB'000	2025 RMB'000
VOYAH Automobile Sales & Service Co., Ltd.	2,141	3,993	62,766
DFM and its subsidiaries	767,978	421,983	1,672,256
DFM's joint ventures and associates	192,304	252,753	334,182
Total	962,423	678,729	2,069,204

Bills payables	2023 RMB'000	2024 RMB'000	2025 RMB'000
DFM and its subsidiaries	225,635	270,895	335,479
DFM's joint ventures and associates	46,982	32,582	119,645
Total	272,617	303,477	455,124

36. RELATED PARTY TRANSACTIONS (continued)

(c) Outstanding balances with related parties: (continued)

The Company (continued)

Other payables and accruals	2023 RMB'000	2024 RMB'000	2025 RMB'000
VOYAH Automobile Sales & Service Co., Ltd.	3,871	160,065	355,515
DFM and its subsidiaries	1,181	1,514	2,311
DFM's joint ventures and associates	8,337	3,377	3,013
Total	13,389	164,956	360,839

Contract liabilities	2023 RMB'000	2024 RMB'000	2025 RMB'000
VOYAH Automobile Sales & Service Co., Ltd.	-	-	-
DFM and its subsidiaries	2,808	5,590	285,851
DFM's joint ventures and associates	163,081	242,747	20,020
Total	165,889	248,337	305,871

Other than the other borrowings due to a related company, the above balances due from/to related companies are all trade in nature, unsecured, interest-free.

Trade receivables due from related parties are repayable on credit terms similar to those offered to the major customers of the Group and trade payables due to related parties are payable on credit terms similar to those offered by its related parties to their major customers.

(d) Compensation of key management personnel of the Group:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Salaries, allowances and benefits in kind	3,437	4,443	4,160
Performance-based bonuses	7,126	7,878	5,216
Equity-settled share award expenses	10,348	13,783	14,928
Pension scheme contributions	521	563	609
Total	21,432	26,667	24,913

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

37. FINANCIAL INSTRUMENTS BY CATEGORY

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

As at 31 December 2023

Financial assets

	Financial assets at amortised cost RMB'000	Financial assets at fair value through other comprehensive income RMB'000	Total RMB'000
Trade and bills receivables	27,328	809,581	836,909
Financial assets included in prepayments, other receivables and other assets	117,871	-	117,871
Pledged deposits	78,791	-	78,791
Cash and cash equivalents	5,603,666	-	5,603,666
Total	5,827,656	809,581	6,637,237

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Interest-bearing bank and other borrowings	2,975,453
Trade and bills payables	7,283,796
Financial liabilities included in other payables and accruals	2,749,320
Lease liabilities	272,035
Total	13,280,604

As at 31 December 2024

Financial assets

	Financial assets at amortised cost RMB'000	Financial assets at fair value through other comprehensive income RMB'000	Total RMB'000
Trade and bills receivables	81,412	728,355	809,767
Financial assets included in prepayments, other receivables and other assets	138,064	-	138,064
Pledged deposits	64,241	-	64,241
Cash and cash equivalents	5,797,073	-	5,797,073
Total	6,080,790	728,355	6,809,145

37. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the Relevant Periods are as follows: (continued)

As at 31 December 2024(continued)

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Interest-bearing bank and other borrowings	2,876,106
Trade and bills payables	9,689,016
Financial liabilities included in other payables and accruals	3,294,767
Lease liabilities	403,815
Total	16,263,704

As At 31 December 2025

Financial assets

	Financial assets at amortised cost RMB'000	Financial assets at fair value through other comprehensive income RMB'000	Total RMB'000
Trade and bills receivables	132,358	2,883,645	3,016,003
Financial assets included in prepayments, other receivables and other assets	185,278	-	185,278
Pledged deposits	3,823	-	3,823
Cash and cash equivalents	7,971,928	-	7,971,928
Total	8,293,387	2,883,645	11,177,032

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Interest-bearing bank and other borrowings	3,603,047
Trade and bills payables	16,990,297
Financial liabilities included in other payables and accruals	4,369,098
Lease liabilities	967,549
Total	25,929,991

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the Relevant Periods, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee at the end of each of the Relevant Periods for interim and annual financial reporting.

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

The fair value of the bills receivable classified as financial assets at fair value through other comprehensive income have been calculated by discounting the expected future cash flows. In addition, the bills receivable will mature within one year, and thus their fair value approximate to their carrying values.

The fair values of the non-current portion of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values of the non-current portion of interest-bearing bank and other borrowings are assessed to be approximate to its carrying amount. The fair values of the non-current portion of interest-bearing bank and other borrowings approximated to their carrying value.

Fair value hierarchy

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

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Bills receivable	-	809,581	-	809,581

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Bills receivable	-	728,355	-	728,355

As At 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Bills receivable	-	2,883,645	-	2,883,645

There were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets during each of the Relevant Periods.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Interest rate risk
The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s long term interest-bearing bank and other borrowings with a floating interest rate. The Group’s policy is to manage its interest cost using a mix of fixed and variable rate debts. As at 31 December 2023, 2024 and 2025 approximately 33.6%, 17.4% and nil of the Group’s interest-bearing borrowings bore interest at fixed rates.

If the interest rate of bank and other borrowings had increased/decreased by 10 basis points and all other variables were held constant, the profit before tax of the Group, through the impact on floating rate borrowings, would have decreased/increased by approximately RMB2.0 million, RMB2.4million, and RMB3.6 million for the years ended 31 December 2023, 2024, and 2025, respectively.

Credit risk
The Group trades only with recognised and creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group’s exposure to bad debts is not significant.

As at 31 December 2023, and 2024 and 2025, the Group had certain concentrations of credit risk as 6.1%, 1.0% and 77.0% of the Group’s trade receivables were due from the Group’s largest customer, and 11.4%, 1.6% and 93.1% of the Group’s trade receivables were due from the Group’s five largest customers, respectively. The Group seeks to maintain strict control over its outstanding receivables to minimize credit risk.

Maximum exposure and year-end staging
The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1 RMB’000	Stage 2 RMB’000	Stage 3 RMB’000	Simplified approach RMB’000	Total RMB’000
Trade receivables	-	-	-	40,395	40,395
Financial assets included in prepayments, other receivables and other assets	119,141	-	-	-	119,141
Pledged deposits					
- Not yet past due	78,791	-	-	-	78,791
Cash and cash equivalents					
- Not yet past due	5,603,666	-	-	-	5,603,666
Total	5,801,598	-	-	40,395	5,841,993

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	Total RMB'000
Trade receivables	-	-	-	95,167	95,167
Financial assets included in prepayments, other receivables and other assets	139,352	-	-	-	139,352
Pledged deposits - Not yet past due	64,241	-	-	-	64,241
Cash and cash equivalents - Not yet past due	5,797,073	-	-	-	5,797,073
Total	6,000,666	-	-	95,167	6,095,833

As At 31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	Total RMB'000
Contract assets	-	-	-	236,183	236,183
Trade receivables	-	-	-	145,513	145,513
Financial assets included in prepayments, other receivables and other assets	187,191	-	-	-	187,191
Pledged deposits - Not yet past due	3,823	-	-	-	3,823
Cash and cash equivalents - Not yet past due	7,971,928	-	-	-	7,971,928
Total	8,162,942	-	-	381,696	8,544,638

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk
The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

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

As at 31 December 2023

	Within one year or on demand RMB'000	In the second year RMB'000	In the third to fifth year RMB'000	Beyond five years RMB'000	Total RMB'000
Lease Liabilities	133,594	74,893	77,937	1,089	287,513
Interest-bearing bank and other borrowings	223,683	219,741	2,735,596	-	3,179,020
Trade and bills payables	7,283,796	-	-	-	7,283,796
Financial liabilities included in other payables and accruals	2,749,320	-	-	-	2,749,320
Total	10,390,393	294,634	2,813,533	1,089	13,499,649

As at 31 December 2024

	Within one year or on demand RMB'000	In the second year RMB'000	In the third to fifth year RMB'000	Beyond five years RMB'000	Total RMB'000
Lease Liabilities	148,462	106,776	170,543	14,451	440,232
Interest-bearing bank and other borrowings	211,337	1,642,281	1,176,208	-	3,029,826
Trade and bills payables	9,689,016	-	-	-	9,689,016
Financial liabilities included in other payables and accruals	3,294,767	-	-	-	3,294,767
Total	13,343,582	1,749,057	1,346,751	14,451	16,453,841

As At 31 December 2025

	Within one year or on demand RMB'000	In the second year RMB'000	In the third to fifth year RMB'000	Beyond five years RMB'000	Total RMB'000
Lease Liabilities	394,083	276,783	359,747	64,713	1,095,326
Interest-bearing bank and other borrowings	139,188	779,098	2,914,969	-	3,833,255
Trade and bills payables	16,990,297	-	-	-	16,990,297
Financial liabilities included in other payables and accruals	5,169,413	-	-	-	5,169,413
Total	22,692,981	1,055,881	3,274,716	64,713	27,088,291

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)
Capital management
The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Group monitors its capital structure on the basis of asset-liability ratio. The asset-liability ratios as at the end of the reporting periods were as follows:

	2023 RMB'000	2024 RMB'000	2025 RMB'000
Total assets	18,581,637	21,949,366	39,880,853
Total liabilities	15,274,454	18,666,805	29,320,212
Asset-liability ratio	82%	85%	74%

40. EVENTS AFTER THE REPORTING PERIOD

The Group has no significant events subsequent to the end of the Relevant Periods.

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 13 February 2026.