

Company Registration No. 02169624 (England and Wales)

TRIO MOTION TECHNOLOGY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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TRIO MOTION TECHNOLOGY LIMITED

COMPANY INFORMATION

Directors Mr R D Bamforth
Mr B Han
Mr K Wu
Mr W Qian
Mr T M Alexander

Company number 02169624

Registered office Shannon Way
Ashchurch
Tewkesbury
Gloucestershire
United Kingdom
GL20 8ND

Auditor Azets Audit Services
Epsilon House
The Square
Gloucester Business Park
Gloucester
United Kingdom
GL3 4AD

TRIO MOTION TECHNOLOGY LIMITED

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TRIO MOTION TECHNOLOGY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Fair review of the business

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

The Directors are pleased to report the following highlights for the financial year ended 31st December 2021

- 27% sales growth to £7.4m through the acquisition of new customers and expanding our solution offering to existing customers;
- Operating profit increased >700% to £1.1M;
- Core product growth has exceeded the company average growth, indicating a strong base company.

The company completed the acquisition of Motion Technology Center (MTC) in Pune, India in 2021 to strengthen its position in this strategically important market. The acquisition strengthens the company's sales and application engineering capability in the region and increases the sales of servo drive packages.

The company strengthened its solution offering and Motion 1st strategy in 2021, through the introduction of a new AC servo drive and motor package (DX4). The company intends to further strengthen this offering in 2022 through the addition of a multi-axis AC servo drive (DX5).

Despite post COVID economic uncertainties the company has a strong order backlog as it enters 2022 supporting the forecast of increased sales and operating profit for the financial period ending 31st December 2022.

Principal risks and uncertainties

The board has assessed the key risks to the business as follows:

Semiconductor component availability

The market is experiencing unprecedented component availability challenges with extended manufacturing lead-times and allocation of semiconductor components. Uncertainty over component availability can impact financial performance and customer confidence. The company is managing this risk through maintaining close relationships with suppliers, developing new suppliers, component and product substitution to improve availability.

Raw material prices

The company's products primarily contain various electronic components together with metal and plastic enclosures. Increased volatility in component prices can impact financial performance. The company manages this risk through maintaining close relationships with suppliers, timely payments and ongoing development of best cost suppliers globally.

Market competition

The company competes in an increasingly competitive global market for motion control products. The company manages this risk through continued investment in product innovation, expansion of product portfolio, improved quality and a competitive pricing policy.

Financial risks are detailed below.

The company's financial instruments comprise cash at bank and various items such as trade debtors, trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise adequate finance for the company's operations.

The main risks arising from the company's financial instruments are interest rate fluctuations and liquidity risk. It is the company's policy to finance its operations through a mixture of cash and borrowings and to review periodically the mix of these instruments with regard to the projected cash flow requirements of the company and an acceptable level of risk exposure.

TRIO MOTION TECHNOLOGY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Development and performance

The company continues to invest in product innovation to expand its solution offering and Motion 1st strategy. The company intends to launch a new range of Selective Compliance Assembly Robot Arm (SCARA) in 2022 to support this strategy. The company will also focus on the integration of MTC into Trio Motion Technology India Private Limited in 2022 to establish a strong base for future growth and profitability in the region.

Key performance indicators

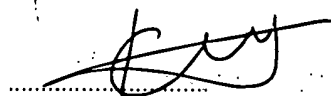
Sales for the year were £7,403,798 whilst profit before tax has risen from £130,512 to £1,156,870 for the period. This has helped contribute towards an increase in net assets from £3,385,874 to £5,300,360.

The company also uses non-financial key performance indicators to monitor and measure the success of various operational metrics such as employee safety, product quality and customer service levels.

Other information and explanations

Research and development activities are ongoing to develop new products.

On behalf of the board



Mr K Wu
Director

Date: 07-July 2022



Mr T M Alexander
Director

Date: 07 July 2022

TRIO MOTION TECHNOLOGY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of design and sale of computerized motion controllers for industrial automation.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr C Backhouse

(Resigned 15 January 2021)

Mr R D Bamforth

Mr B Han

Mr K Wu

Mr W Qian

Mr T M Alexander

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

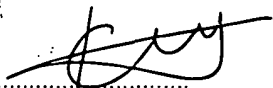
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

TRIO MOTION TECHNOLOGY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

On behalf of the board



Mr K Wu
Director



Mr T M Alexander
Director

Date:

07 - July - 2022

TRIO MOTION TECHNOLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRIO MOTION TECHNOLOGY LIMITED

Opinion

We have audited the financial statements of Trio Motion Technology Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

TRIO MOTION TECHNOLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TRIO MOTION TECHNOLOGY LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company'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 either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

TRIO MOTION TECHNOLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TRIO MOTION TECHNOLOGY LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Claire Clift (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 14/07/22

Chartered Accountants
Statutory Auditor

Epsilon House
The Square
Gloucester Business Park
Gloucester
United Kingdom
GL3 4AD

TRIO MOTION TECHNOLOGY LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 £ | 2020 £ |
|----------------------------------------|-------|------------------|------------------|
| Turnover | 2 | 7,403,798 | 5,788,874 |
| Cost of sales | | (3,456,768) | (2,415,078) |
| Gross profit | | 3,947,030 | 3,373,796 |
| Distribution costs | | - | (223,547) |
| Administrative expenses | | (2,844,142) | (3,019,839) |
| Other operating income | | 87,296 | - |
| Exceptional item | 3 | (33,314) | - |
| Operating profit | 4 | 1,156,870 | 130,410 |
| Interest receivable and similar income | 7 | - | 102 |
| Profit before taxation | | 1,156,870 | 130,512 |
| Tax on profit | 8 | (17,993) | 38,769 |
| Profit for the financial year | | 1,138,877 | 169,281 |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

TRIO MOTION TECHNOLOGY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|----------------------------------------------------------------|-------|------------------|---|------------------|---|
| Fixed assets | | | | | |
| Intangible assets | 9 | - | - | 1,998 | |
| Tangible assets | 10 | 1,089,740 | | 1,119,898 | |
| Investments | 11 | 181,640 | | 181,640 | |
| | | <u>1,271,380</u> | | <u>1,303,536</u> | |
| Current assets | | | | | |
| Stocks | 13 | 2,087,051 | | 1,661,309 | |
| Debtors | 14 | 2,177,621 | | 1,033,219 | |
| Cash at bank and in hand | | 1,323,389 | | 557,239 | |
| | | <u>5,588,061</u> | | <u>3,251,767</u> | |
| Creditors: amounts falling due within one year | 15 | (1,478,774) | | (954,622) | |
| Net current assets | | <u>4,109,287</u> | | <u>2,297,145</u> | |
| Total assets less current liabilities | | <u>5,380,667</u> | | <u>3,600,681</u> | |
| Creditors: amounts falling due after more than one year | 16 | - | | (121,500) | |
| Provisions for liabilities | | | | | |
| Provisions | 17 | 70,307 | | 70,307 | |
| Deferred tax liability | 18 | 10,000 | | 23,000 | |
| | | <u>(80,307)</u> | | <u>(93,307)</u> | |
| Net assets | | <u>5,300,360</u> | | <u>3,385,874</u> | |
| Capital and reserves | | | | | |
| Called up share capital | | 882,609 | | 107,000 | |
| Share premium account | | 65,800 | | 65,800 | |
| Profit and loss reserves | | 4,351,951 | | 3,213,074 | |
| Total equity | | <u>5,300,360</u> | | <u>3,385,874</u> | |

The financial statements were approved by the board of directors and authorised for issue on 07 July 2022 and are signed on its behalf by:

Mr K Wu
Director

Mr T M Alexander
Director

Company Registration No. 02169624

TRIO MOTION TECHNOLOGY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | Share capital £ | Share premium account £ | Profit and loss reserves £ | Total £ |
|----------------------------------------------------|-------|--------------------|----------------------------|-------------------------------|------------|
| Balance at 1 January 2020 | | 107,000 | 65,800 | 3,043,793 | 3,216,593 |
| Year ended 31 December 2020: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 169,281 | 169,281 |
| Balance at 31 December 2020 | | 107,000 | 65,800 | 3,213,074 | 3,385,874 |
| Year ended 31 December 2021: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 1,138,877 | 1,138,877 |
| Issue of share capital | | 775,609 | - | - | 775,609 |
| Balance at 31 December 2021 | | 882,609 | 65,800 | 4,351,951 | 5,300,360 |

TRIO MOTION TECHNOLOGY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--------------------------------------------------|-------|-------------------------|---|-----------------------|---|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 22 | 816,276 | | 306,627 | |
| Income taxes paid | | (95) | | (67,531) | |
| Net cash inflow from operating activities | | <u>816,181</u> | | <u>239,096</u> | |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (15,640) | | (26,162) | |
| Refund of overpayment on investments | | - | | 623 | |
| Interest received | | - | | 102 | |
| Net cash used in investing activities | | <u>(15,640)</u> | | <u>(25,437)</u> | |
| Financing activities | | | | | |
| Proceeds from issue of shares | | 775,609 | | - | |
| Loans to group undertakings | | (810,000) | | - | |
| Net cash used in financing activities | | <u>(34,391)</u> | | <u>-</u> | |
| Net increase in cash and cash equivalents | | <u>766,150</u> | | <u>213,659</u> | |
| Cash and cash equivalents at beginning of year | | 557,239 | | 343,580 | |
| Cash and cash equivalents at end of year | | <u><u>1,323,389</u></u> | | <u><u>557,239</u></u> | |

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Trio Motion Technology Limited is a private company limited by shares incorporated in England and Wales. The registered office is Shannon Way, Ashchurch, Tewkesbury, Gloucestershire, United Kingdom, GL20 8ND.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Trio Motion Technology Limited is a wholly owned subsidiary and the results of Trio Motion Technology Limited are included in the consolidated financial statements of its ultimate parent, Estun Automation Co Limited, which are available from 16 Shuige Road, Nanjing, China, 211106.

1.2 Going concern

At the time of approving the financial statements, the company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to continue to operate without the requirement for external facilities. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (when goods are delivered and legal title has passed), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-------------------------|----------------------------|
| Other Intangible Assets | Straight line over 3 years |
|-------------------------|----------------------------|

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|--------------------------------|
| Freehold land and buildings | Straight line over 50 years |
| Plant and machinery etc. | Straight line over 3 - 8 years |
| Fixtures and fittings | Straight line over 3 years |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value; which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.17 Related parties

The company has taken advantage of exemption under Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

2 Turnover and other revenue

| | 2021 £ | 2020 £ |
|-------------------------------------------------|-------------------|-------------------|
| Turnover analysed by class of business | | |
| Sale of goods | 7,403,798 | 5,788,874 |
| | <u> </u> | <u> </u> |
| | 2021 £ | 2020 £ |
| Other significant revenue | | |
| Interest income | - | 102 |
| | <u> </u> | <u> </u> |
| | 2021 £ | 2020 £ |
| Turnover analysed by geographical market | | |
| United Kingdom | 638,930 | 573,965 |
| Europe | 920,955 | 638,956 |
| Rest of World | 5,843,913 | 4,575,953 |
| | <u>7,403,798</u> | <u>5,788,874</u> |

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Exceptional item

| | 2021 £ | 2020 £ |
|-------------------------------------------------|-----------|-----------|
| Expenditure | | |
| Amounts due from group undertakings written off | 33,314 | - |

4 Operating profit

| | 2021 £ | 2020 £ |
|----------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Operating profit for the year is stated after charging/(crediting): | | |
| Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss | (90,213) | 31,927 |
| Research and development costs | 55,046 | 64,692 |
| Fees payable to the company's auditor for the audit of the company's financial statements | 9,500 | 8,000 |
| Depreciation of owned tangible fixed assets | 45,798 | 43,515 |
| Amortisation of intangible assets | 1,998 | 2,000 |

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2021 Number | 2020 Number |
|-------|----------------|----------------|
| Total | 46 | 47 |

Their aggregate remuneration comprised:

| | 2021 £ | 2020 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 3,249,452 | 2,665,993 |
| Social security costs | 211,454 | 221,900 |
| Pension costs | 80,294 | 111,792 |
| | 3,541,200 | 2,999,685 |

6 Directors' remuneration

| | 2021 £ | 2020 £ |
|---------------------------------------------------------------|-----------|-----------|
| Remuneration for qualifying services | 213,706 | 284,394 |
| Company pension contributions to defined contribution schemes | 10,228 | 18,573 |
| | 223,934 | 302,967 |

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Directors' remuneration

(Continued)

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

| | 2021 £ | 2020 £ |
|---------------------------------------------------------------|-----------|-----------|
| Remuneration for qualifying services | 207,303 | 100,000 |
| Company pension contributions to defined contribution schemes | 10,228 | 10,000 |

7 Interest receivable and similar income

| | 2021 £ | 2020 £ |
|---------------------------|-----------|-----------|
| Interest income | | |
| Interest on bank deposits | - | 102 |

Investment income includes the following:

| | | |
|--------------------------------------------------------------------------------|---|-----|
| Interest on financial assets not measured at fair value through profit or loss | - | 102 |
|--------------------------------------------------------------------------------|---|-----|

8 Taxation

| | 2021 £ | 2020 £ |
|------------------------------------------------------|-----------|-----------|
| Current tax | | |
| UK corporation tax on profits for the current period | 145,000 | - |
| Adjustments in respect of prior periods | (114,007) | (18,769) |
| Total current tax | 30,993 | (18,769) |
| Deferred tax | | |
| Origination and reversal of timing differences | (13,000) | (20,000) |
| Total tax charge/(credit) | 17,993 | (38,769) |

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Taxation (Continued)

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

| | 2021 £ | 2020 £ |
|------------------------------------------------------------------------------------------------------|-----------|-----------|
| Profit before taxation | 1,156,870 | 130,512 |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%) | 219,805 | 24,797 |
| Tax effect of expenses that are not deductible in determining taxable profit | 11,876 | 968 |
| Adjustments in respect of prior years | (114,007) | (18,769) |
| Research and development tax credit | (104,465) | (36,855) |
| Other items, including effect of changes in rate | 4,784 | (8,910) |
| Taxation charge/(credit) for the year | 17,993 | (38,769) |

Factors that may affect future tax charges

A rate of 25% (2020: 19%) was used for purposes of considering the effects of deferred taxation in the current period, as the increase in the main rate of UK Corporation Tax intended to take effect from 1 April 2023 had been substantively enacted at the Balance Sheet date.

9 Intangible fixed assets

| | Other Intangible Assets £ |
|----------------------------------------|------------------------------------|
| Cost | |
| At 1 January 2021 and 31 December 2021 | 5,998 |
| Amortisation and impairment | |
| At 1 January 2021 | 4,000 |
| Amortisation charged for the year | 1,998 |
| At 31 December 2021 | 5,998 |
| Carrying amount | |
| At 31 December 2021 | - |
| At 31 December 2020 | 1,998 |

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Tangible fixed assets

| | Freehold land and buildings £ | Plant and machinery etc. £ | Fixtures and fittings £ | Total £ |
|------------------------------------|-------------------------------------|----------------------------------|-------------------------------|------------|
| Cost | | | | |
| At 1 January 2021 | 1,294,025 | 235,240 | 41,422 | 1,570,687 |
| Additions | - | 8,984 | 6,656 | 15,640 |
| At 31 December 2021 | 1,294,025 | 244,224 | 48,078 | 1,586,327 |
| Depreciation and impairment | | | | |
| At 1 January 2021 | 227,761 | 204,376 | 18,652 | 450,789 |
| Depreciation charged in the year | 22,851 | 16,890 | 6,057 | 45,798 |
| At 31 December 2021 | 250,612 | 221,266 | 24,709 | 496,587 |
| Carrying amount | | | | |
| At 31 December 2021 | 1,043,413 | 22,958 | 23,369 | 1,089,740 |
| At 31 December 2020 | 1,066,264 | 30,864 | 22,770 | 1,119,898 |

Freehold land and buildings are pledged as security for the bank facilities under a fixed charge.

11 Fixed asset investments

| | Notes | 2021 £ | 2020 £ |
|-----------------------------|-------|-----------|-----------|
| Investments in subsidiaries | 12 | 181,640 | 181,640 |

Movements in fixed asset investments

| | Shares in group undertakings £ |
|--------------------------------------|-----------------------------------------|
| Cost or valuation | |
| At 1 January 2021 & 31 December 2021 | 181,640 |
| Carrying amount | |
| At 31 December 2021 | 181,640 |
| At 31 December 2020 | 181,640 |

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Subsidiaries

(Continued)

| Name of undertaking | Registered office | Class of shares held | % Held Direct |
|----------------------------------------------|-------------------|----------------------|---------------|
| Trio Motion Technology LLC | USA | Ordinary | 100.00 |
| Trio (Shanghai) Automation Technology Co Ltd | China | Ordinary | 100.00 |
| Trio Motion Technology India PVT Ltd | India | Ordinary | 100.00 |

13 Stocks

| | 2021 £ | 2020 £ |
|------------------|-----------|-----------|
| Work in progress | 2,087,051 | 1,661,309 |

14 Debtors

| | 2021 £ | 2020 £ |
|---------------------------------------------|------------------|------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 434,910 | 469,310 |
| Corporation tax recoverable | 97,402 | - |
| Amounts owed by group undertakings | 361,652 | 297,821 |
| Other debtors | 240,187 | 49,752 |
| Prepayments and accrued income | 233,470 | 216,336 |
| | <u>1,367,621</u> | <u>1,033,219</u> |

Amounts owed by group undertakings are unsecured, interest free and have no specified date of repayment.

| | 2021 £ | 2020 £ |
|------------------------------------------------------|------------------|------------------|
| Amounts falling due after more than one year: | | |
| Amounts owed by group undertakings | <u>810,000</u> | <u>-</u> |
| Total debtors | <u>2,177,621</u> | <u>1,033,219</u> |

Amounts owed by group undertakings are unsecured, bear interest at 4.5% and are repayable in December 2026.

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|----------------|
| Trade creditors | 614,998 | 372,813 |
| Amounts owed to group undertakings | 183,246 | 186,829 |
| Corporation tax | 145,000 | 16,700 |
| Other taxation and social security | 59,702 | 58,863 |
| Other creditors | 288,774 | 270,453 |
| Accruals and deferred income | 187,054 | 48,964 |
| | <u>1,478,774</u> | <u>954,622</u> |

Amounts owed to group undertakings are unsecured, interest free and have no specified date of repayment.

16 Creditors: amounts falling due after more than one year

| | 2021 £ | 2020 £ |
|-----------------|-----------|----------------|
| Other creditors | - | 121,500 |
| | <u>-</u> | <u>121,500</u> |

17 Provisions for liabilities

| | 2021 £ | 2020 £ |
|------------------|---------------|---------------|
| Other provisions | 70,307 | 70,307 |
| | <u>70,307</u> | <u>70,307</u> |

Movements on provisions:

| | Other provisions £ |
|----------------------------------------|-----------------------|
| At 1 January 2021 and 31 December 2021 | <u>70,307</u> |

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

| | Liabilities 2021 £ | Liabilities 2020 £ |
|--------------------------------|--------------------------|--------------------------|
| Balances: | | |
| Accelerated capital allowances | 67,000 | 49,000 |
| Other timing differences | (57,000) | (26,000) |
| | <u>10,000</u> | <u>23,000</u> |
| Movements in the year: | | 2021 £ |
| Liability at 1 January 2021 | | 23,000 |
| Credit to profit or loss | | (13,000) |
| Liability at 31 December 2021 | | <u>10,000</u> |

The amount of the timing differences expected to reverse during the next accounting period is £Nil (2020: £Nil).

An increase in the main rate of UK Corporation Tax from 19% to 25% from 1 April 2023 was substantively enacted on 10 June 2021, when Finance Act 2021 received Royal Assent. Although this change is not currently in force, a rate of 25% has been used for purposes of providing for the effects of deferred taxation, on the basis that this rate had been enacted at the Balance Sheet date. In the previous period, provision for deferred taxation was made at a rate of 17%, as the legislation reversing the previously announced reduction to 17% was not substantively enacted until 22 July 2020, after the previous Balance Sheet date.

19 Retirement benefit schemes

| | 2021 £ | 2020 £ |
|---------------------------------------------------------------------|---------------|----------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | <u>80,500</u> | <u>106,790</u> |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Financial commitments, guarantees and contingent liabilities

At the balance sheet date the company had total guarantees, contingencies and commitments of £Nil (2020 - £Nil).

TRIO MOTION TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Ultimate controlling party

The immediate parent company is Dynacon Industrial Limited, which is a company registered in Hong Kong.

The ultimate parent company is Estun Automation Co Limited. This is the parent of the smallest and largest group for which consolidated accounts are prepared and of which the company is a member. Estun Automation Co Limited is a company registered in China, and its registered office is 16 Shuige Road, Nanjing, China, 211106.

22 Cash generated from operations

| | 2021 £ | 2020 £ |
|------------------------------------------------------|----------------|----------------|
| Profit for the year after tax | 1,138,877 | 169,281 |
| Adjustments for: | | |
| Taxation charged/(credited) | 17,993 | (38,769) |
| Investment income | - | (102) |
| Amortisation and impairment of intangible assets | 1,998 | 2,000 |
| Depreciation and impairment of tangible fixed assets | 45,798 | 43,515 |
| Increase in provisions | - | 10,733 |
| Movements in working capital: | | |
| (Increase)/decrease in stocks | (425,742) | 425,862 |
| Increase in debtors | (237,000) | (274,963) |
| Increase/(decrease) in creditors | 274,352 | (30,930) |
| Cash generated from operations | 816,276 | 306,627 |

23 Analysis of changes in net funds

| | 1 January 2021 £ | Cash flows £ | 31 December 2021 £ |
|--------------------------|------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 557,239 | 766,150 | 1,323,389 |

NANJING ESTUN AUTOMATION CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

Zhong Hui Kuai Shen (2022) No.2808

TO THE SHAREHOLDERS OF NANJING ESTUN AUTOMATION CO., LTD.

Opinion

We have audited the consolidated financial statements of Nanjing Estun Automation Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated and the company's balance sheet as at 31 December 2021, the consolidated and the company's income statement for the year then ended, the consolidated and the company's cash flow statement for the year then ended and the consolidated and the company's statement of changes in equity for the year then ended and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and the company's financial position as at 31 December 2021, and the consolidated and the company's results of operations and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises ("CASs").

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics for Chinese Certified Public 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters identified in our audit are summarised as follows:

Recognition of income

1. Description

Please referred to the accounting policies described in Notes III "Main Accounting Policies and Accounting Estimates", 34 and the disclosures in Notes V, 48.

In 2021, the Group achieved operating income of RMB 3,020.38 million, a sharp increase compared with the year of 2020. As operating income is an important performance assessment indicator of the Group, and the present equity incentive plan takes the growth of operating income

NANJING ESTUN AUTOMATION CO., LTD.

as an important condition for the lifting of restrictions on restricted stock, we recognize operating income as a key audit matter.

2. How our audit addressed the key audit matter

Our audit procedures to assess the Group's recognition of income included the following:

- Collected and evaluated the rationality of the design of key internal control related to revenue recognition, and tested the effectiveness of its operations;
- In terms of different types of products and services, checked whether the relevant revenue recognition policies are consistent with the provisions of CASs;
- In consideration of the auditing materiality of financial statements level, sampled the sales of important customers for the current period. Collected the list of sales contracts, selected samples and checked the related sales contracts, goods delivery notes, goods receipt notes, bank slips, sales invoices, and other related accounting documents to assess whether the revenue recognition is consistent with the disclosure of accounting policies;
- Selected important customers for the current period according to the sampling principle, and checked the balances of accounts receivable as of December 31, 2021 as well as the sales of 2021 through letter of confirmation;
- Conducted cut-off test on operating income to confirm whether the revenue recognition is recorded in the correct accounting period;
- Carried out analytical review procedures, analysed the fluctuations of revenue and gross margin by customers and products, and compared with comparable companies in the same industry.

Impairment test of goodwill

1. Description

Please referred to the accounting policies described in Notes III "Main Accounting Policies and Accounting Estimates",27 and the disclosures in Notes V,22.

On December 31, 2021, the original book value of goodwill in the consolidated balance sheet of the Group is RMB 1,485.68 million. As described in Notes III,27, the goodwill resulting from mergers shall conduct impairment test at least at the end of each accounting year. The impairment test requires the estimation of the recoverable amount of the relevant asset group containing goodwill, that is, the higher of the net amount of the fair value of the relevant asset group minus the disposal expenses and the present value of the expected future cash flow of the relevant asset group. In determining the present value of the expected future cash flow of the relevant asset groups, the Company required to properly predict the long-term average growth rate of future cash flows on the relevant asset groups and estimate the suitable discount rate. This involves management using significant accounting estimates and judgments. Considering the importance of goodwill to the overall financial statements, therefore, we recognized goodwill impairment as a key audit matter.

2. How our audit addressed the key audit matter

Our audit procedures to assess the Company's goodwill impairment included the following:

- Reviewed the management's recognition of the asset group and the allocation method of goodwill;

NANJING ESTUN AUTOMATION CO., LTD.

- Assessed the competence, professional skills and objectivity of external valuation experts appointed by the management;
- Evaluated the suitability of the impairment test method;
- Assessed the basic data on which the impairment test is based, and evaluated the rationality of the key assumptions and judgments used in impairment test;
- Verified the calculation accuracy of goodwill impairment test model;
- Evaluated whether the disclosure of goodwill in financial statements meets the requirements of CASs.

Other Information

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report for the year 2021 other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The management of the Company is responsible for the preparation of the financial statements that give a true and fair view in accordance with CASs, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company'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 management either intend to liquidate the Company or to cease operations, or have no realistic alternatives but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these financial statements 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs 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 financial statements.

NANJING ESTUN AUTOMATION CO., LTD.

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

- Identify and assess the risks of material misstatement of the financial statements caused by 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 appropriate audit procedures in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of its internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's 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 Company'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 according to the auditing standards or, if such disclosures are inadequate, we should express modified 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for directing, monitoring and implementing the group audit and we take full responsibility for audit opinion.

We communicate with those charged with governance regarding 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

NANJING ESTUN AUTOMATION CO., LTD.

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Zhong Hui Certified Public Accountants LLP
Chinese Certified Public Accountant

Hangzhou, China
April 27th. 2022

The auditors' report and the accompanying financial statements are English translations of the Chinese auditors' report and statutory financial statements prepared under accounting principles and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

NANJING ESTUN AUTOMATION CO., LTD.

**CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2021**

(Expressed in thousands of Renminbi, unless otherwise stated)

| | 2021 | 2020 |
|----------------------------------------|---------------------|---------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and bank balances | 694,612.53 | 609,829.46 |
| Trading financial assets | 634,108.41 | 58,527.53 |
| Financial derivative assets | - | 88.75 |
| Notes receivable | 168,948.61 | 27,196.81 |
| Accounts receivable | 687,732.59 | 678,824.39 |
| Receivables financing | 256,449.62 | 257,935.69 |
| Prepayments | 52,594.62 | 61,675.68 |
| Other receivables | 37,840.52 | 33,298.81 |
| Include: Interests receivable | - | - |
| Dividends receivable | - | - |
| Inventories | 833,513.70 | 638,441.30 |
| Contract assets | 97,920.97 | 128,888.82 |
| Current portion of non-current assets | 2,325.38 | - |
| Other current assets | 96,183.20 | 44,845.65 |
| Total Current Assets | 3,562,230.15 | 2,539,552.89 |
| Non-current Assets: | | |
| Long-term receivables | 7,378.52 | - |
| Long-term equity investments | 94,137.28 | 104,596.83 |
| Investment in other equity instruments | 125,528.43 | 118,395.16 |
| Other non-current financial assets | 50,000.00 | - |
| Fixed assets | 713,557.94 | 540,307.10 |
| Construction in progress | 46,806.38 | 177,160.54 |
| Right of assets | 73,372.11 | - |
| Intangible assets | 499,000.60 | 474,916.45 |
| Development expenditure | 65,614.28 | 35,146.87 |
| Goodwill | 1,485,681.43 | 1,485,681.43 |
| Long-term prepaid expenses | 24,786.34 | 7,440.79 |
| Deferred tax assets | 221,640.01 | 189,457.53 |
| Other non-current assets | 20,370.93 | 12,166.00 |
| Total non-current assets | 3,427,874.25 | 3,145,268.70 |
| TOTAL ASSETS | 6,990,104.40 | 5,684,821.59 |

(Continued)

NANJING ESTUN AUTOMATION CO., LTD.

CONSOLIDATED BALANCE SHEET (CONTINUED)

AT 31 DECEMBER 2021

(Expressed in thousands of Renminbi, unless otherwise stated)

| | 2021 | 2020 |
|------------------------------------------------------------|---------------------|---------------------|
| LIABILITIES AND OWNERS' EQUITY | | |
| Current Liabilities: | | |
| Short-term borrowings | 859,050.60 | 630,392.67 |
| Notes payable | 179,614.48 | 145,213.40 |
| Accounts payable | 491,859.61 | 376,967.46 |
| Contract liabilities | 211,002.14 | 265,138.33 |
| Employee benefits payable | 79,183.51 | 56,858.90 |
| Taxes payable | 72,511.28 | 53,999.55 |
| Other payables | 262,173.09 | 237,869.01 |
| Include: Interests payable | - | - |
| Dividends payable | - | - |
| Current portion of non-current liabilities | 347,658.84 | 281,652.90 |
| Other current liabilities | 55,282.04 | 32,581.26 |
| Total Current Liabilities | 2,558,335.59 | 2,080,673.48 |
| Non-current Liabilities: | | |
| Long-term borrowings | 1,036,955.42 | 1,098,771.08 |
| Lease obligation | 62,824.96 | - |
| Long-term payables | - | 1,796.79 |
| Long-term employee benefits payable | 273,115.27 | 304,567.59 |
| Provisions | 27,412.90 | 35,884.35 |
| Deferred income | 66,075.66 | 75,781.92 |
| Deferred tax liabilities | 65,214.12 | 72,875.48 |
| Other non-current liabilities | 18,837.25 | 27,057.14 |
| Total Non-current Liabilities | 1,550,435.58 | 1,616,734.35 |
| TOTAL LIABILITIES | 4,108,771.17 | 3,697,407.83 |
| OWNERS' EQUITY: | | |
| Share capital | 868,638.37 | 840,264.30 |
| Capital reserve | 1,268,462.76 | 509,795.13 |
| Less: Treasury shares | 107,674.17 | 87,661.35 |
| Other comprehensive income | 8,764.17 | 8,839.10 |
| Special reserve | 3,006.83 | 2,702.45 |
| Surplus reserve | 52,136.67 | 50,890.36 |
| Retained profits | 495,967.17 | 414,123.00 |
| Total equity attributable to equity holders of the Company | 2,589,301.80 | 1,738,952.99 |
| Minority interest | 292,031.43 | 248,460.77 |
| TOTAL OWNERS' EQUITY | 2,881,333.23 | 1,987,413.76 |
| TOTAL LIABILITIES AND OWNERS' EQUITY | 6,990,104.40 | 5,684,821.59 |

The financial statements on pages 6 to 12 were signed by the following:

NANJING ESTUN AUTOMATION CO., LTD.

Head of
The Company

Chief Financial
Officer

Head of Accounting
Department

NANJING ESTUN AUTOMATION CO., LTD.

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

(Expressed in thousands of Renminbi, unless otherwise stated)

| | 2021 | 2020 |
|---------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Operating income | 3,020,377.35 | 2,510,166.56 |
| Gross operating costs | 2,933,090.37 | 2,488,475.44 |
| Include: Operating costs | 2,037,537.03 | 1,653,524.15 |
| Taxes and levies | 14,700.89 | 15,800.51 |
| Selling and distribution expenses | 278,444.02 | 223,017.20 |
| Administrative expenses | 337,940.44 | 326,117.92 |
| Research and development expenses | 236,544.03 | 168,744.78 |
| Financial expenses | 27,923.96 | 101,270.88 |
| Include: Interest expenses | 66,318.02 | 72,698.53 |
| Interest income | 4,959.00 | 3,023.34 |
| Add: Other incomes | 49,061.39 | 42,997.42 |
| Investment income | 8,537.35 | 35,635.47 |
| Include: Investment income from associates and joint-ventures | 5,357.50 | 5,822.02 |
| Gains from changes in fair value | 2,047.59 | 783.04 |
| Impairment losses of credits | (10,877.19) | (17,658.29) |
| Impairment losses of assets | (3,818.54) | (2,295.10) |
| Gains from disposal of assets | 12,368.20 | 51,272.96 |
| Operating profit | 144,605.78 | 132,426.62 |
| Add: Non-operating income | 23,830.36 | 31,382.72 |
| Less: Non-operating expenses | 2,375.37 | 5,354.48 |
| Profit before income tax | 166,060.77 | 158,454.86 |
| Less: Income tax expenses | 9,195.72 | 6,897.69 |
| Net profit | 156,865.05 | 151,557.17 |
| I. Categorized by the nature of continuing operation | | |
| 1.Net profit(loss) from continuing operations | 156,865.05 | 151,557.17 |
| 2.Net profit(loss) from discontinued operations | - | - |
| II. Categorized by ownership | | |
| 1.Net profit(loss) attributable to owners of the Company | 122,030.26 | 128,118.66 |
| 2.Profit or loss attributable to minority interests | 34,834.79 | 23,438.51 |
| Other comprehensive income, net of tax | (1,073.42) | (33,863.90) |
| Other comprehensive income attributable to owners of the Company, net of tax | (74.93) | (32,423.25) |
| I. Other comprehensive income that cannot be subsequently reclassified to profit or loss | 10,543.23 | (15,452.70) |
| Include: Fair value changes in Investment in other equity instruments | 10,543.23 | (15,452.70) |
| II. Other comprehensive income that will be reclassified to profit or loss | (10,618.16) | (16,970.55) |
| Include: Foreign currency translation differences | (14,893.71) | (4,884.00) |
| Others | 4,275.55 | (12,086.55) |
| Other comprehensive income attributable to minority interests, net of tax | (998.49) | (1,440.65) |
| Total comprehensive income | 155,791.63 | 117,693.27 |
| Total comprehensive income attributable to owners of the Company | 121,955.33 | 95,695.40 |
| Total comprehensive income attributable to minority interests | 33,836.30 | 21,997.87 |
| Earnings per share for profit attributable to owners of the Company (expressed in RMB per share) | | |
| - Basic | 0.14 | 0.15 |
| - Diluted | 0.14 | 0.15 |

NANJING ESTUN AUTOMATION CO., LTD.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

(Expressed in thousands of Renminbi, unless otherwise stated)

| | 2021 | 2020 |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| I. Cash Flows from Operating Activities: | | |
| Cash receipts from the sale of goods and the rendering of services | 2,754,754.48 | 2,504,185.80 |
| Receipts of tax refunds | 24,850.98 | 21,010.26 |
| Other cash receipts relating to operating activities | 240,728.23 | 55,833.25 |
| Sub-total of cash inflows from operating activities | 3,020,333.69 | 2,581,029.31 |
| Cash payments for goods purchased and services received | 1,288,000.69 | 1,168,371.61 |
| Cash payments to and on behalf of employees | 814,571.97 | 769,364.23 |
| Payments of various types of taxes | 134,789.90 | 122,895.78 |
| Other cash payments relating to operating activities | 471,446.21 | 199,676.84 |
| Sub-total of cash outflows from operating activities | 2,708,808.77 | 2,260,308.46 |
| Net Cash Flow used in Operating Activities | 311,524.92 | 320,720.85 |
| II. Cash Flows from Investing Activities: | | |
| Cash receipts from disposals and recovery of investments | 142,222.38 | 651,998.95 |
| Cash receipts from investment income | 4,287.63 | 34,362.18 |
| Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets | 22,592.88 | 174,176.47 |
| Net cash receipts from disposals of subsidiaries and other business units | - | - |
| Other cash receipts relating to investing activities | - | - |
| Sub-total of cash inflows from investing activities | 169,102.89 | 860,537.60 |
| Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets | 116,560.73 | 107,394.02 |
| Cash payments to acquire investments | 747,108.35 | 1,031,331.15 |
| Net cash payments for acquisitions of subsidiaries and other business units | 12,250.00 | 36,700.00 |
| Other cash payments relating to investing activities | - | 10,162.05 |
| Sub-total of cash outflows from investing activities | 875,919.08 | 1,185,587.22 |
| Net Cash Flow used in Investing Activities | (706,816.18) | (325,049.62) |
| III. Cash Flows from Financing Activities: | | |
| Cash receipts from capital contributions | 799,997.60 | 496.07 |
| Include: Cash received from issuing shares of minority shareholders | 2,700.00 | - |
| Cash receipts from borrowings | 1,441,503.36 | 1,789,956.38 |
| Other cash receipts relating to financing activities | 59,999.91 | 700,815.98 |
| Sub-total of cash inflows from financing activities | 2,301,500.87 | 2,491,268.43 |
| Cash repayments of borrowings | 1,601,798.07 | 1,999,139.74 |
| Cash payments for distribution of dividends or profits or settlement of interest expenses | 112,053.66 | 78,880.76 |
| Include: Subsidiary companies pay cash to minority shareholders for interest expenses and distribution of dividends or profit | 11,324.80 | 9,627.67 |
| Other cash payments relating to financing activities | 93,126.13 | 536,360.34 |
| Sub-total of cash outflows from financing activities | 1,806,977.86 | 2,614,380.83 |
| Net Cash Flow from Financing Activities | 494,523.01 | (123,112.41) |
| IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents | (27,771.55) | 14,974.00 |
| V. Net Increase in Cash and Cash Equivalents | 71,460.20 | (112,467.18) |
| Add: Opening balance of Cash and Cash Equivalents | 581,476.93 | 693,944.11 |
| VI. Closing Balance of Cash and Cash Equivalents | 652,937.13 | 581,476.93 |

NANJING ESTUN AUTOMATION CO., LTD.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Amount for the current period (Expressed in thousands of Renminbi, unless otherwise stated) | | | | | | | | Total owners' equity |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------|-----------------------|----------------------------|-----------------|------------------|-------------------|-------------------|----------------------|
| | Share capital | Capital reserve | Less: Treasury shares | Other comprehensive income | Special reserve | Surplus reserve | Retained profits | Minority equity | |
| I. Closing balance of the preceding year | 840,264.30 | 509,795.13 | 87,661.35 | 8,839.10 | 2,702.45 | 50,890.36 | 414,123.00 | 248,460.77 | 1,987,413.76 |
| Add: Changes in accounting policies | - | - | - | - | - | - | (174.58) | - | (174.58) |
| Corrections of prior period errors | - | - | - | - | - | - | - | - | - |
| Business combinations under common control | - | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - | - | - |
| II. Opening balance of the current year | 840,264.30 | 509,795.13 | 87,661.35 | 8,839.10 | 2,702.45 | 50,890.36 | 413,948.42 | 248,460.77 | 1,987,239.18 |
| III. Changes for the year | 28,374.07 | 758,667.63 | 20,012.82 | (74.93) | 304.38 | 1,246.31 | 82,018.75 | 43,570.66 | 894,094.05 |
| (I) Total comprehensive income | - | - | - | (74.93) | - | - | 122,030.25 | 33,836.30 | 155,791.62 |
| (II) Owners' contributions and reduction in capital | 28,374.07 | 757,216.55 | 20,012.82 | - | - | - | - | 22,367.01 | 787,944.81 |
| 1. Capital contribution from owners | 28,742.03 | 751,469.47 | - | - | - | - | - | 22,367.01 | 802,578.51 |
| 2. Share-based payment recognized in owners' equity | - | 5,747.08 | - | - | - | - | - | - | 5,747.08 |
| 3. Others | (367.96) | - | 20,012.82 | - | - | - | - | - | (20,380.78) |
| (III) Profit distribution | - | - | - | - | - | 1,246.31 | (40,011.50) | (11,324.80) | (50,089.99) |
| 1. Transfer to surplus reserve | - | - | - | - | - | 1,246.31 | (1,246.31) | - | - |
| 2. Distributions to owners | - | - | - | - | - | - | (38,765.19) | (11,324.80) | (50,089.99) |
| 3. Others | - | - | - | - | - | - | - | - | - |
| (IV) Transfers within owners' equity | - | - | - | - | - | - | - | - | - |
| 1. Capitalization of capital reserve | - | - | - | - | - | - | - | - | - |
| 2. Capitalization of surplus reserve | - | - | - | - | - | - | - | - | - |
| 3. Loss offset by surplus reserve | - | - | - | - | - | - | - | - | - |
| 4. Others | - | - | - | - | - | - | - | - | - |
| (V) Special reserve | - | - | - | - | 304.38 | - | - | 143.23 | 447.61 |
| 1. Transfer to special reserve in the period | - | - | - | - | 748.78 | - | - | 352.36 | 1,101.14 |
| 2. Amount utilized in the period | - | - | - | - | 444.40 | - | - | 209.13 | 653.53 |
| (VI) Others | - | 1,451.08 | - | - | - | - | - | (1,451.08) | - |
| IV. Closing balance of the current year | 868,638.37 | 1,268,462.76 | 107,674.17 | 8,764.17 | 3,006.83 | 52,136.67 | 495,967.17 | 292,031.43 | 2,881,333.23 |

NANJING ESTUN AUTOMATION CO., LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Amount for the last period (Expressed in thousands of Renminbi, unless otherwise stated) | | | | | | | | |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------|-----------------------|----------------------------|-----------------|-----------------|------------------|-----------------|----------------------|
| | Share capital | Capital reserve | Less: Treasury shares | Other comprehensive income | Special reserve | Surplus reserve | Retained profits | Minority equity | Total owners' equity |
| I. Closing balance of the preceding year | 834,931.52 | 511,755.60 | 81,091.58 | 31,313.26 | 2,267.96 | 44,310.55 | 266,415.94 | 108,986.59 | 1,718,889.84 |
| Add: Changes in accounting policies | - | - | - | - | - | - | 29,118.46 | 2,031.25 | 31,149.71 |
| Corrections of prior period errors | - | - | - | - | - | - | - | - | - |
| Business combinations under common control | - | 357,000.00 | - | 9,949.09 | - | - | (2,950.24) | 124,868.27 | 488,867.12 |
| Others | - | - | - | - | - | - | - | - | - |
| II. Opening balance of the current year | 834,931.52 | 868,755.60 | 81,091.58 | 41,262.35 | 2,267.96 | 44,310.55 | 292,584.16 | 235,886.11 | 2,238,906.67 |
| III. Changes for the year | 5,332.78 | (358,960.47) | 6,569.77 | (32,423.25) | 434.49 | 6,579.81 | 121,538.84 | 12,574.66 | (251,492.91) |
| (I) Total comprehensive income | - | - | - | (32,423.25) | - | - | 128,118.65 | 21,997.86 | 117,693.26 |
| (II) Owners' contributions and reduction in capital | 5,332.78 | (358,960.47) | 6,569.77 | - | - | - | - | - | (360,197.46) |
| 1. Capital contribution from owners | 5,787.30 | 19,339.90 | - | - | - | - | - | - | 25,127.20 |
| 2. Share-based payment recognized in owners' equity | - | 32,787.19 | - | - | - | - | - | - | 32,787.19 |
| 3. Others | (454.52) | (411,087.56) | 6,569.77 | - | - | - | - | - | (418,111.85) |
| (III) Profit distribution | - | - | - | - | - | 6,579.81 | (6,579.81) | (9,627.67) | (9,627.67) |
| 1. Transfer to surplus reserve | - | - | - | - | - | 6,579.81 | (6,579.81) | - | - |
| 2. Distributions to owners | - | - | - | - | - | - | - | (9,627.67) | (9,627.67) |
| 3. Others | - | - | - | - | - | - | - | - | - |
| (IV) Transfers within owners' equity | - | - | - | - | - | - | - | - | - |
| 1. Capitalization of capital reserve | - | - | - | - | - | - | - | - | - |
| 2. Capitalization of surplus reserve | - | - | - | - | - | - | - | - | - |
| 3. Loss offset by surplus reserve | - | - | - | - | - | - | - | - | - |
| 4. Others | - | - | - | - | - | - | - | - | - |
| (V) Special reserve | - | - | - | - | - | - | - | - | - |
| 1. Transfer to special reserve in the period | - | - | - | - | 434.49 | - | - | 204.47 | 638.96 |
| 2. Amount utilized in the period | - | - | - | - | 679.14 | - | - | 319.59 | 998.73 |
| (VI) Others | - | - | - | - | 244.65 | - | - | 115.12 | 359.77 |
| IV. Closing balance of the current year | - | - | - | - | - | - | - | - | - |
| | 840,264.30 | 509,795.13 | 87,661.35 | 8,839.10 | 2,702.45 | 50,890.36 | 414,123.00 | 248,460.77 | 1,987,413.76 |