

## DEFINITIONS

*In this Document, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section headed “Glossary of Technical Terms” in this Document.*

“2024 Equity Incentive Plan”	a share option scheme of our Company which was originally adopted and approved by the Board and Shareholders on October 8, 2024 and amended and restated in its entirety on August 7, 2025, the principal terms of which are set out in the section headed “Statutory and General Information — D. [REDACTED] Share Option Schemes” in Appendix IV to this Document
“2025 Equity Incentive Plan”	a share option scheme of our Company which was originally adopted and approved by the Board and Shareholders on August 26, 2025 and September 8, 2025, respectively, the principal terms of which are set out in the section headed “Statutory and General Information — D. [REDACTED] Share Option Schemes” in Appendix IV to this Document
“Accountants’ Report”	the accountants’ report of our Company, the text of which is set out in Appendix I to this Document
“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	Accounting and Financial Reporting Council (會計及財務匯報局)
“Articles” or “Articles of Association”	the fourth amended and restated articles of association of our Company adopted by special resolution on [●], with effect upon the [REDACTED] (as amended from time to time), a summary of which is set out in Appendix III to this Document
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”, “Board of Directors” or “our Board”	the board of Directors

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“Business Day” a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong

“BVI” the British Virgin Islands

[REDACTED]

“China” or “the PRC” the People’s Republic of China, except where the context requires otherwise and only for the purposes of this Document and for geographical reference only, excluding the Hong Kong, Special Administrative Region, the Macao Special Administrative Region and Taiwan Region

“CIC” China Insights Industry Consultancy Limited, the industry consultant of our Company

“CIC Report” an independent market research report commissioned by us and prepared by CIC for the purpose of this Document

“Circular 37” the Notice of the SAFE on Issues Concerning Foreign Exchange Administration of the Overseas Investment and Financing and the Round-Tripping Investment Made by Domestic Residents through Special-Purpose Companies (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》)

“close associate(s)” has the meaning ascribed thereto under the Listing Rules

“Companies (Winding Up and Miscellaneous Provisions) Ordinance” the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

“Companies Act” or “Cayman Companies Act” the Companies Act (Revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time

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“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, or “the Company”	xTool Innovate Limited (formerly known as Makeblock 童心制物集團), an exempted company with limited liability incorporated under the laws of the Cayman Islands on June 13, 2024
“Compliance Adviser”	Rainbow Capital (HK) Limited
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of our Company
“EIT”	enterprise income tax
“EIT Law”	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》)
“ESG”	Environmental, Social and Governance

[REDACTED]

“Extreme Conditions”	extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale seriously affects the working public’s ability to resume work or brings safety concern for a prolonged period
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[REDACTED]

“Future Equity Incentive Plan” a share option scheme of our Company which was originally adopted and approved by the Board and Shareholders on October 8, 2024 and amended and restated in its entirety on August 7, 2025, the principal terms of which are set out in the section headed “Statutory and General Information — D. [REDACTED] Share Option Schemes” in Appendix IV to this Document

[REDACTED]

“Group”, “our Group”, “our”,  
“we” or “us” our Company and its subsidiaries from time to time, and where the context requires, in respect of the period prior to our Company became the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time

“HK\$” or “Hong Kong Dollars”  
or “HK Dollars” and “HK  
cents” Hong Kong dollars, the lawful currency of Hong Kong

[REDACTED]

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[REDACTED]

“Hong Kong” or “HK”

the Hong Kong Special Administrative Region of the People’s Republic of China

[REDACTED]

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## DEFINITIONS

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[REDACTED]

“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong Takeovers Code” or “Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time

[REDACTED]

“IFRSs”	the IFRS Accounting Standards, which include standards, amendments and interpretations promulgated by International Accounting Standards Board
“IIT Law”	the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》)
“Independent Third Party(ies)”	any person(s) or entity(ies) who is not a connected person of the Company within the meaning of the Listing Rules

[REDACTED]

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[REDACTED]

“Joint Sponsors” the joint sponsors as named in the section headed “Directors and Parties Involved in the [REDACTED]” in this Document

“Latest Practicable Date” December 23, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this Document prior to its publication

[REDACTED]

“Listing Committee” the listing committee of the Hong Kong Stock Exchange

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## DEFINITIONS

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[REDACTED]

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“M&A Rules”	the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》)
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange
“Memorandum” or “Memorandum of Association”	the fourth amended and restated memorandum of association of our Company adopted by special resolution on [●], with effect upon the [REDACTED] (as amended from time to time), a summary of which is set out in Appendix III to this Document
“MOFCOM” or “Ministry of Commerce”	the Ministry of Commerce of the PRC (中華人民共和國商務部) (formerly known as the Ministry of Foreign Trade and Economic Cooperation of the PRC (中華人民共和國對外經濟貿易部))
“Mr. Wang”	Mr. Wang Jianjun (王建軍), our founder, chairman of the Board, chief executive officer, executive Director and a Single Largest Shareholder
“NDRC”	the National Development and Reform Commission (中華人民共和國國家發展和改革委員會)
“Nomination Committee”	the nomination committee of the Board
“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)

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[REDACTED]

“Overseas Listing Trial Measures”

The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines (《境內企業境外發行證券和上市管理試行辦法》及五項配套指引) promulgated by the CSRC on February 17, 2023 and became effective on March 31, 2023

“PBOC”

the People’s Bank of China (中國人民銀行), the central bank of the PRC

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“[REDACTED] Share Option Scheme(s)”	the 2024 Equity Incentive Plan, 2025 Equity Incentive Plan and Future Equity Incentive Plan
“PRC Company Law”	the Company Law of the People’s Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
“PRC Legal Adviser”	Jingtian & Gongcheng, our legal adviser on PRC laws in connection with the [REDACTED]
“[REDACTED] Investment(s)”	the investment(s) in our Company undertaken by the [REDACTED] Investors prior to this [REDACTED], details of which are set out in “History, Reorganization and Corporate Structure”
“[REDACTED] Investor(s)”	holder(s) of Shares pursuant to the [REDACTED] Investments, details of which are set out in the section headed “History, Reorganization and Corporate Structure” in this Document
“Preferred Share(s)”	preferred share(s) in the share capital of the Company, namely series Angel-1 preferred share(s), series Angel-2 preferred share(s), series A preferred share(s), series B preferred share(s), series C preferred share(s) and series D preferred share(s)

[REDACTED]

“Document”	this document being issued in connection with the [REDACTED]
“QIB(s)”	a qualified institutional buyer within the meaning of Rule 144A
“Regulation S”	Regulation S under the U.S. Securities Act

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“Remuneration Committee”	the remuneration committee of the Board
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Reorganization”	the reorganization arrangements undertaken by our Group in preparation for the [REDACTED], details of which are set out in the section headed “History, Reorganization and Corporate Structure — Reorganization” in this Document
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“SAMR”	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
“SAT”	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
“Series A Preferred Share(s)”	the series A preferred share(s) of a par value of US\$0.0001 each in the share capital of our Company, which are held by the [REDACTED] Investor(s) as of the date of this Document
“Series Angel-1 Preferred Share(s)”	the series Angel-1 preferred share(s) of a par value of US\$0.0001 each in the share capital of our Company, which are held by the [REDACTED] Investor(s) as of the date of this Document
“Series Angel-2 Preferred Share(s)”	the series Angel-2 preferred share(s) of a par value of US\$0.0001 each in the share capital of our Company, which are held by the [REDACTED] Investor(s) as of the date of this Document
“Series B Preferred Share(s)”	the series B preferred share(s) of a par value of US\$0.0001 each in the share capital of our Company, which are held by the [REDACTED] Investor(s) as of the date of this Document
“Series C Preferred Share(s)”	the series C preferred share(s) of a par value of US\$0.0001 each in the share capital of our Company, which are held by the [REDACTED] Investor(s) as of the date of this Document

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“Series D Preferred Share(s)”	the series D preferred share(s) of a par value of US\$0.0001 each in the share capital of our Company, which are held by the [REDACTED] Investor(s) as of the date of this Document
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of a par value of US\$0.0001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of our Share(s)
“Share Option(s)”	the share option(s) granted or to be granted pursuant to the terms and conditions of the [REDACTED] Share Option Schemes
“Shenzhen xTool”	Makeblock Co., Ltd. (深圳市創客工場科技有限公司), a limited liability company established under the laws of the PRC on June 24, 2013 and our wholly-owned subsidiary
“Single Largest Shareholders(s)”	refers to Mr. Wang, WRC Vitality Eager Limited, Freedom EvoTech Limited and Fly EvoTech Limited
“[REDACTED]”	the [REDACTED] as named in the section headed “Directors and Parties Involved in the [REDACTED]” in this Document
	[REDACTED]
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Track Record Period”	the period comprising two financial years ended December 31, 2024 and nine months ended September 30, 2025

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“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“U.S. persons”	U.S. persons as defined in Regulation S
“U.S. Securities Act”	United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time

[REDACTED]

“United States”, “USA” or “U.S.”	the United States of America, including its territories and possessions, any State of the United States, and the District of Columbia
“USD”, “US\$” or “U.S. dollars”	United States dollar, the lawful currency of the United States
“VAT”	value-added tax
“%”	per cent

*For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including our subsidiary) have been included in this Document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.*