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Application Proof of

Qingdao TGOOD Electric Co., Ltd. 青島特銳德電氣股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

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Qingdao TGOOD Electric Co., Ltd.

青島特銳德電氣股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

[REDACTED]

Number of [REDACTED] under : [REDACTED] H Shares (subject to
the [REDACTED] the [REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED] and the [REDACTED])
[REDACTED] : [REDACTED] per H Share, plus
brokerage of 1.0%, SFC transaction
levy of 0.0027%, AFRC transaction
levy of 0.00015% and Hong Kong
Stock Exchange trading fee of
0.00565% (payable in full on
application in Hong Kong dollars and
subject to refund)
Nominal value : RMB1.00 per H Share
[REDACTED] : [REDACTED]

Joint Sponsors, [REDACTED]



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The [REDACTED] (for themselves and on behalf of the [REDACTED]) may, with the consent of our Company, reduce the number of [REDACTED] and/or the indicative [REDACTED] stated in this document at any time on or prior to the morning of the last day for lodging applications under the [REDACTED]. In such a case, notices of the reduction in the number of [REDACTED] and/or the indicative [REDACTED] will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.qdtgood.com as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the [REDACTED]. For further information, see “[REDACTED]” and “How to Apply for [REDACTED]” in this document.

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Prior to making an investment decision, prospective investors should carefully consider all of the information set out in this document, and in particular, the risk factors set out in the section headed “Risk Factors” in this document.

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[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

CONTENTS

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SUMMARY

This summary aims to give you an overview of the information contained in this document and should be read in conjunction with the full text of this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document before you decide to invest in the [REDACTED]. There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in the “Risk Factors” section in this document. You should read that section carefully before you decide to invest in the [REDACTED].

OVERVIEW

Who We are

We are the world’s largest manufacturer of high-voltage prefabricated substations, and China’s largest EV charging equipment provider and charging network operator. Deeply engaged in the development of next-generation power systems, we provide core equipment for energy hubs and deliver energy management solutions, enhancing power system’s efficiency, flexibility, and reliability. Our business covers the R&D, manufacturing, and sales of high-voltage and medium-voltage prefabricated substations, power transformers, switchgear and EV charging equipment, as well as building and operation of EV charging networks. According to CIC, we ranked first globally by revenue in both 2023 and 2024 in the overall prefabricated substation market and in the high-voltage prefabricated substation segment. During the Track Record Period, we sold 1,242 sets of high-voltage prefabricated substations in total. According to CIC, based on metrics including revenue, number of public charging terminals, total charging volume, and total charging capacity in operation in 2023 and 2024, we ranked first among EV charging equipment providers and charging network operators in China.

Within power systems, electricity generation, transformation, transmission and distribution occur simultaneously, and power generation must be balanced with consumption in real time. As the share of renewable generation rises rapidly worldwide, and electricity demand from emerging sectors such as EVs and AI data centers grows sharply, maintaining supply-demand balance and power grid stability is becoming increasingly challenging. China has pioneered in building a robust and intelligent power grid, supported by coordinated interaction among source, grid, load and storage and complementary multiple energy sources. Its maturing pathways and standards are increasingly recognized as a global benchmark leading the energy transition.

With over 20 years of industry experience, we have been at the forefront of China’s evolving power system, developing end-to-end in-house R&D and manufacturing capabilities across high-voltage prefabricated substations and EV charging technologies. Our modular, highly integrated high-voltage prefabricated substations combine safety and reliability with flexible configuration, rapid installation, cost and land-use savings, and strong environmental performance, serving as core equipment for efficient step-up and step-down power conversion at voltage levels of up to 400 kV in power systems. On the EV charging side, our smart charging equipment goes beyond conventional charging terminals. It integrates efficient energy replenishment with bidirectional energy interaction, acting as a digital, intelligent interface between EVs and the grid. Backed by our self-developed charging safety protection technology, digital charging network platform, energy management systems, and virtual power plant (VPP) scheduling capabilities, we provide not only charging equipment but also safe, seamless EV charging services. Our charging network enables large-scale distributed EVs to operate as coordinated, dispatchable mobile energy storage resources — supporting peak shaving, valley filling, and enhancing the integration of green electricity into the grid.

SUMMARY

Based on the “intelligent prefabricated modularized substation products” and “intelligent cluster charging system for EVs,” our Company and our subsidiary, TELD, have each been recognized as National Manufacturing Category Champion Enterprises (國家級製造業單項冠軍企業), and our product, EV charging module, has been recognized as a National Manufacturing Category Champion Product (國家級製造業單項冠軍產品) by the MIIT. We have actively contributed to industry standard-setting and research initiatives to promote sustainable sector development. As of October 31, 2025, we have undertaken or participated in 17 national-level key research projects. Our Company has been designated as National-Local Joint Engineering Research Center for Intelligent EV Charging by the NDRC, and we have led or participated in the formulation of 57 national standards and 28 industry standards. Leveraging our industry-leading intelligent manufacturing capabilities and proven, reliable technologies, we are accelerating our international expansion and aim to promote our role in the modernization of power systems worldwide.

We have achieved the following accomplishments:



Notes:

- (1) In terms of revenue in both 2023 and 2024, according to CIC.
- (2) Representing the respective compound annual growth rate (CAGR) for revenue and net profit based on the consolidated financial statements of our Group for the years from 2020 to 2024 prepared in accordance with the relevant accounting principles and financial regulations applicable to the enterprises in the PRC.
- (3) As of October 31, 2025.

Our Market Opportunities

Our market opportunity is built on our long-standing technological expertise and comprehensive capabilities in high-voltage power equipment. Our products and services deliver value across every critical nodes in next-generation power systems. Our prefabricated substations enable voltage step-up on the renewable power generation sites — where green electricity is connected to the grid — and voltage step-down at key grid nodes that function as regional smart power centers, forming essential power infrastructure. Beyond the grid, our intelligent charging networks connect large numbers of EVs, aggregating these distributed mobile energy storage resources, while our user-side microgrid systems enable efficient energy management and interaction at the point of consumption.

SUMMARY

Opportunities for Our High-voltage Prefabricated Substations — Global Grid Upgrades and Next-generation Power System Development

Amid the global transition toward cleaner, low-carbon energy systems, power generation is shifting from stable, controllable thermal power to renewable energy dominated by intermittent resources such as solar and wind. Electricity generated from renewable sources must first be stepped up to high voltage to enable efficient, long-distance transmission within the grid. On the demand side, power must then be stepped down across multiple voltage levels to be safely and precisely delivered to meet the needs of cities, industrial enterprises and households. The full cycle of voltage step-up, transmission, and step-down requires highly reliable and efficient substation equipment. In addition, the rapid development of AI and digital economy is boosting demand for computing power and accelerating the expansion of AI data centers. These trends are raising requirements for load intensity, supply continuity and the overall reliability of power infrastructure.

Traditional substations, constrained by long construction cycles, high costs, limited flexibility, and large land requirements, are unable to support the development of next-generation power systems. Our prefabricated substations — featuring enhanced safety and reliability, factory prefabrication, modular integration, rapid deployment, and intelligent operation — overcome these limitations and provide a critical foundation for grid upgrades and next-generation power systems.

According to CIC, the global prefabricated substation market expanded from RMB31.0 billion in 2020 to RMB81.5 billion in 2024, representing a CAGR of 27.3%, and is projected to reach RMB179.7 billion by 2030, with a CAGR of 14.1% from 2024 to 2030. Further, the market of high-voltage prefabricated substations is expected to increase to RMB5.6 billion in 2024, and further to RMB52.6 billion by 2030, representing a CAGR of 45.2% during this period. Globally, many regions, such as the Middle East, are accelerating grid upgrades. Harsh conditions, including extreme heat, sand, and coastal salt spray, place higher demands on equipment protection, reliability, and ease of maintenance. Coupled with tight timelines and constrained on-site resources, these factors highlight the advantages of prefabricated substations. We offer the broadest voltage-level coverage and were among the earliest to launch high-voltage prefabricated substations, according to CIC. We believe we are well positioned to capture growth from renewable power generation, grid construction, and industrial demand.

Opportunities for EV Charging Networks — Further Development of China’s EV Market and Advancement of Vehicle-to-grid (V2G) Technologies

China is the world’s largest EV market, and the EV charging network market is expanding rapidly. According to CIC, China’s EV charging network market reached RMB40.4 billion in 2024 and is expected to reach approximately RMB203.4 billion by 2030, representing a CAGR of 30.9%. Within this market, the EV charging network operation services segment is projected to grow from RMB17.3 billion in 2024 to around RMB106.5 billion by 2030, at a CAGR of approximately 35.4%.

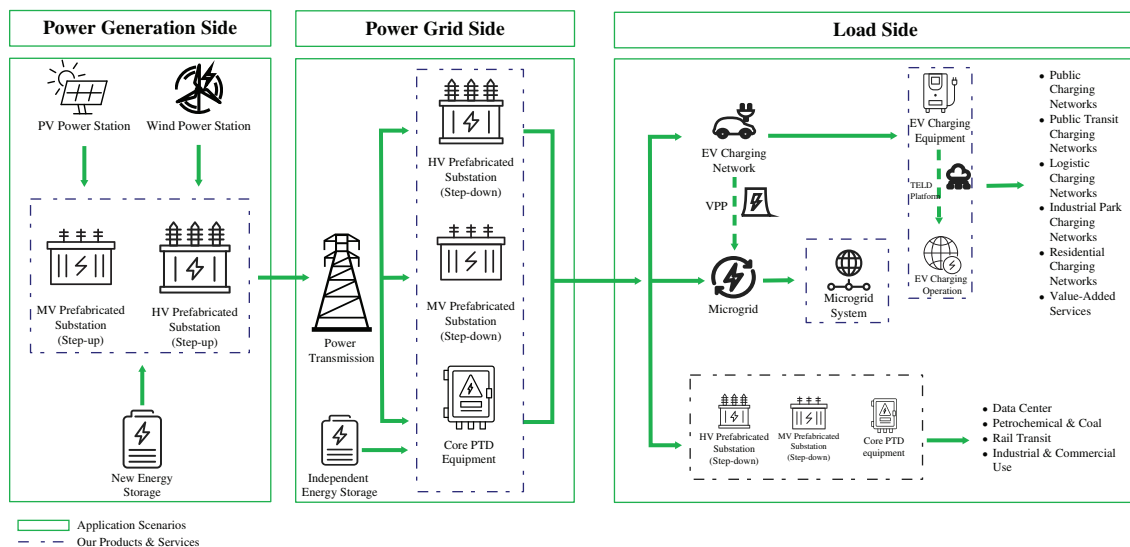
As the share of renewable power generation rises rapidly and the EV fleet expands, the power system is becoming increasingly volatile on the supply side. Uncoordinated charging by a large number of EVs could further increase peak load, placing significant stress on the system and exacerbating supply-demand imbalances.

SUMMARY

Our pioneering charging network technology aggregates nationwide EV charging terminals, providing charging services to EVs while offering the power system valuable balancing resources. Our EV charging equipment and networks enable cluster charging management and control, intelligently charging scheduling, and vehicle-to-grid (V2G) interaction, enhancing renewable energy utilization and the grid’s real-time balancing capacity. Looking ahead, we will not only benefit from the continued expansion of charging network scale but also leverage our leading charging network operations ecosystem to capture growth opportunities from V2G interaction, virtual power plant (VPP), and data services.

Our Offerings

Positioned at the forefront of next-generation power system development, we have built deep expertise in high- and medium-voltage prefabricated substations and EV charging network. We offer an industry-leading and diversified product portfolio that enables us to meet the wide-ranging needs of our customers. The following diagram illustrates our products and services throughout the entire “source-grid-load-storage” value chain.



Power Equipment

We possess end-to-end, in-house design and manufacturing capabilities for high-voltage power equipment, from core components such as high-voltage transformers and gas-insulated switchgear (GIS), to complete sets of high-voltage prefabricated substations. Our products are known for their high reliability, strong integration, and adaptability to diverse environments, and are widely used across power generation, grid systems, rail transit, oil, petrochemical and coal industries, data centers, industrial and commercial sectors, and energy storage.

Prefabricated Substation

We provide prefabricated substations covering a wide spectrum of high-voltage to medium-voltage levels, ranging between 400 kV and 6 kV. Our product portfolio includes high-voltage step-up prefabricated substations for wind, solar and energy storage, as well as step-down prefabricated substations for high-voltage and medium-voltage urban power distribution, and specialized prefabricated substations tailored for application scenarios such as railways and data centers.

SUMMARY

We design customized prefabricated substations that reflect application-specific requirements and customer needs. The key components, such as power transformers, switchgear, and control and protection systems, are manufactured in our factories and highly integrated within prefabricated enclosures to form complete modular substation units. Our professional teams then carry out on-site installation and commissioning services at customer locations.

Core PTD Equipment

We develop and manufacture core power transformation and distribution (PTD) equipment, including HV GIS, power transformers, gas-insulated ring main units (RMUs), and MV and LV switchgear, as well as control, protection and intelligent communication systems, and integrate them into our prefabricated substations. We also supply standalone PTD equipment and solutions directly to customers such as power plants and grid operators. We provide installation and equipment rental services tailored to customer needs, reinforcing the reliability and flexibility of our solutions.

- *Switchgear:* We design and manufacture a wide range of core switchgear, including 40.5 kV to 252 kV HV GIS, gas-insulated RMUs, and MV and LV air-insulated switchgear (AIS), which serve as core components of our high-voltage prefabricated substations and are widely used in power generation and grid applications. Our products combine advanced technology with excellent quality to meet both domestic and international market requirements.
- *Power transformers:* We design and manufacture dry-type and oil-immersed transformers across voltage classes of 110 kV, 66 kV, 35 kV, and 10 kV. Our transformers are characterized by high reliability, low energy losses, low noise, and strong overload capacity.

EV Charging Network

EV Charging Equipment Manufacturing and Sales

According to CIC, we are the first in China to launch an intelligent cluster charging system based on a charging network architecture, moving beyond the limitations of traditional single chargers. By dynamically allocating energy through a power pool of up to 100 MW, the system maximizes equipment utilization and enables advanced V2G capabilities, supporting off-peak charging and peak-time discharge. Our EV charging equipment portfolio spans intelligent cluster charging systems, renewable energy microgrid systems, and standalone charging equipment.

EV Charging Network Operation

We operate TELD Platform, digital charging network platform, to provide EV drivers with intelligent charging services and provide charging station operators with online management tools enabling more efficient operations, energy management, and user engagement. For the power grid, we aggregate large numbers of EV to operate VPP, participating in peak shaving and responding to grid's supply-demand balancing request. We leverage the massive data generated by our EV charging network to provide a wide range of value-added services to participants in the EV charging ecosystem, including automakers, insurance companies, banks, and mapping service providers.

For more details about our offering, see “Business — Our Products and Services.”

SUMMARY

R&D Capabilities

R&D and innovation are the core drivers of our long-term growth. Guided by a forward-looking philosophy of staying “one step ahead at every stage,” we have built a systematic R&D and innovation framework that has established strong technological barriers in both prefabricated substation and EV charging network technologies.

Our R&D has always been driven by deep insights into industry trends and a focus on defining future needs. At the early stage of our founding, we seized the opportunity arising from railway development to launch highly reliable, intelligent remote-control cabinet-type substations used in telecommunication, signaling, and stations of China’s high-speed rail. We also pioneered 35 kV prefabricated substations along the world’s highest-altitude railway — the Qinghai-Tibet Railway — delivering 105 substations over 1,000 km at elevations up to 5,000 meters. Through our in-house R&D, we have gradually expanded our substation product portfolio to serve the needs of the grid, renewable energy, coal, oil, and data center sectors. We have pioneered in-depth R&D on the modularization, system integration, and intelligentization of high-voltage prefabricated substations, aiming to transform core nodes of the high-voltage grid from customized engineering projects into standardized, flexibly configurable intelligent equipment, providing the hardware foundation for the grid to manage the growing variability of renewable power. In 2014, at the outset of China’s EV market, we pioneered the charging network technology and developed a series of products to meet the needs of the emerging EV charging infrastructure.

Our R&D efforts not only address current market needs but also proactively anticipate future trends. We are developing high-voltage AC/DC prefabricated substations tailored for AI data centers that deliver an integrated, end-to-end power conversion solution from 110/220 kV AC down to 800 V DC. The solution is enabled by a high-power solid-state transformer (SST), which converts 10/35 kV AC into 800 V DC for data center loads, and is expected to offer high reliability, improved cost efficiency, and shorter delivery cycles. In preparation for autonomous driving scenarios, we have developed products such as intelligent flexible charging pantographs for buses, intelligent flexible charging robots for heavy-duty logistics trucks and intelligent flexible charging arms for passenger vehicles. These technologies create a safe, reliable, high-precision and highly adaptable automated charging model designed to meet the large-scale commercial deployment needs of autonomous vehicles.

We have been granted over 1,500 patents as of October 31, 2025, of which more than 200 are invention patents.

Global Presence

We adopt internationalization as a core development strategy and are accelerating our global expansion.

- *Global presence:* Our power equipment has been deployed in over 60 countries and regions worldwide, serving a wide range of industries, including renewable energy, power grids, data centers, and mining. We have gradually built a global marketing and service network centered on the Middle East, Southeast Asia, Central Asia, Europe, and Africa.
- *Global service capabilities:* We are establishing an overseas headquarters for high-voltage prefabricated substation intelligent manufacturing in Qingdao Qianwan Comprehensive Bonded Zone, aligning with international production standards and technical specifications to enhance our products’ competitiveness in the international markets. At the same time, by optimizing capacity allocation, we have steadily improved production capability and automation to meet the growing demand of overseas markets.

SUMMARY

- *Global partnerships:* We have established long-term, stable partnerships with leading global power equipment companies such as Siemens, ABB, and Schneider. Through our collaboration in technology and product portfolio, we have continually enhanced our global market presence and overall competitiveness.

OUR STRENGTHS

We believe that the following strengths drive to our success and differentiate us from our competitors:

- Core equipment provider and ecosystem operator for next-generation power systems;
- Strong R&D capabilities and deep technological expertise powering continuous innovation;
- Robust customer base and partnerships across the industry value chain;
- Successful global expansion underpinned by quality products and services;
- Smart factories and digitally enabled manufacturing drive high efficiency and superior quality; and
- Visionary leadership fuels innovation.

OUR STRATEGIES

We will focus on the following key growth strategies to realize our vision:

- Deepen our global growth strategy;
- Continuous innovations to lead the technologies for data center power supply and autonomous vehicles charging;
- Deepen strategic customer engagement and expand ecosystem partnerships; and
- Advance smart manufacturing.

RISK FACTORS

Our operations and the [REDACTED] involve certain risks and uncertainties, including (i) risks relating to our business and industry, (ii) risks relating to our operations, (iii) risks relating to our financial performance and position, (iv) risks relating to government regulations, and (v) risks relating to the [REDACTED], which are set out in “Risk Factors” in this document. You should read that section in its entirety carefully before you decide to invest in the [REDACTED]. Some of the major risks we are exposed to are as follows:

- Our future growth is closely linked to the continued development of the global prefabricated substation industry and the EV charging industry, and any industry slowdown could adversely affect our operations and financial condition.
- If we fail to adapt to customer and user changing needs, evolving industry practices and rapid technological developments, we may risk a loss of market share, declining demand for our offerings and deterioration in our business performance.

SUMMARY

- We rely on our relationships with major customers and strategic partners across the industry value chain, and any failure to maintain these relationships could adversely affect our business.
- Investments in R&D may not generate the results we expect to achieve and may result in adverse impacts on our financial condition and results of operations.
- We operate in the markets with numerous participants, particularly in the EV charging network market, and intensified competition could adversely affect our business, market share and profitability.
- Our failure to offer satisfactory user experience may adversely affect the attractiveness of our service to EV users and charging station operators, and our business, results of operations and financial condition may be adversely affected.
- We face uncertainties and risks in overseas operations, and our expansion into international markets may not be successful.
- Our business is dependent, to a certain extent, on regulatory and industry policies in China and other jurisdictions, and any significant policy changes may adversely affect our revenue and growth.
- Failure to provide high-quality after-sale technical support and maintenance for our equipment could damage our relationships with our customers and further harm our business.

SUMMARY OF FINANCIAL INFORMATION

The summary of consolidated financial information should be read together with the consolidated financial information to the Accountants’ Report in Appendix I to this document, including the accompanying notes and the information set out in “Financial Information” in this document.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the years/periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Revenue	12,690,571	100.0	15,374,476	100.0	10,425,813	100.0	11,328,749	100.0
Cost of sales	(9,360,077)	(73.8)	(11,389,214)	(74.1)	(7,845,486)	(75.3)	(8,288,700)	(73.2)
Gross profit	3,330,494	26.2	3,985,262	25.9	2,580,327	24.7	3,040,049	26.8
Other income, gains and losses	155,445	1.2	85,567	0.6	108,303	1.0	162,814	1.4
Selling and marketing expenses	(831,326)	(6.5)	(891,166)	(5.8)	(669,330)	(6.4)	(755,685)	(6.6)
Administrative expenses	(911,771)	(7.2)	(1,070,590)	(7.0)	(721,709)	(6.9)	(756,254)	(6.6)
Research and development expenses	(489,357)	(3.8)	(574,588)	(3.7)	(418,809)	(4.0)	(432,318)	(3.8)
Impairment losses under expected credit loss model, net	(566,117)	(4.5)	(389,927)	(2.6)	(276,614)	(2.6)	(222,572)	(2.0)

SUMMARY

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Share of profits of								
associates	55,068	0.4	70,577	0.5	60,803	0.6	68,896	0.6
Finance costs	(208,912)	(1.6)	(188,947)	(1.2)	(157,201)	(1.5)	(135,815)	(1.2)
Profit before tax	533,524	4.2	1,026,188	6.7	505,770	4.9	969,115	8.6
Income tax expenses . . .	(6,765)	(0.1)	(86,787)	(0.6)	(1,157)	(0.0)	(134,056)	(1.2)
Profit for the								
year/period	526,759	4.1	939,401	6.1	504,613	4.9	835,059	7.4

We have achieved solid growth during the Track Record Period. Our total revenue increased by 21.1% from RMB12,690.6 million in 2023 to RMB15,374.5 million in 2024, and increased by 8.7% from RMB10,425.8 million for the ten months ended October 31, 2024 to RMB11,328.7 million in the same period in 2025. Our net profit increased by 78.3% from RMB526.8 million in 2023 to RMB939.4 million in 2024, and increased by 65.5% from RMB504.6 million for the ten months ended October 31, 2024 to RMB835.1 million in the same period in 2025. See “Financial Information — Results of Operations.”

Non-HKFRS Accounting Standards Measures

To supplement our consolidated financial statements which are presented under HKFRS Accounting Standards, we also use adjusted net profit as additional financial measures, which are not required by, or presented in accordance with HKFRS Accounting Standards. We believe that such non-HKFRS Accounting Standards measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impact of certain items. We believe that such measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of such non-HKFRS Accounting Standards measures has limitations as analytical tools, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under HKFRS Accounting Standards.

We define adjusted net profit (non-HKFRS Accounting Standards measure) as profit for the year adjusted for share-based payments. Our share-based payments consist of non-cash expenses arising from granting options and restricted shares to eligible individuals under our restricted share incentive plans, the amount of which may not directly correlate with the underlying performance of our business operations. See “Statutory and General Information — D. Disclosure of Interests — 6. Restricted Share Incentive Plans.”

	For the year ended December 31,		For the ten months ended October 31,	
	2023	2024	2024	2025
<i>(RMB in thousands)</i>				
Profit for the year/period	526,759	939,401	504,613	835,059
Add:				
Share-based payments	67,312	105,713	82,664	109,093
Adjusted net profit				
(non-HKFRS Accounting				
Standards measure)	594,071	1,045,114	587,277	944,152

SUMMARY

Summary of Selected Consolidated Statement of Financial Position

The following table sets forth selected information from our consolidated financial position as of the dates indicated.

	As of December 31,		As of October 31,
	2023	2024	2025
	(RMB in thousands)		(Unaudited)
Total non-current assets	8,559,978	8,772,803	8,625,845
Total current assets	15,316,902	16,240,594	16,226,901
Total current liabilities	13,043,704	14,027,663	13,754,367
Net current assets	2,273,198	2,212,931	2,472,534
Total assets less current liabilities	10,833,176	10,985,734	11,098,379
Total non-current liabilities	3,137,572	2,523,687	1,985,824
Net assets	7,695,604	8,462,047	9,112,555

Summary of Consolidated Statements of Cash Flows

The following table sets forth selected consolidated statement of cash flows information for the periods indicated.

	For the year ended December 31,		For the ten months ended October 31,	
	2023	2024	2024	2025
	(RMB in thousands)		(Unaudited)	
Net cash generated from/(used in) operating activities	1,344,654	1,314,614	(444,506)	68,692
Net cash used in investing activities	(926,406)	(789,079)	(797,183)	(548,907)
Net cash (used in)/generated from financing activities	(538,522)	(502,842)	216,328	(101,395)
Net (decrease)/increase in cash and cash equivalents	(120,274)	22,693	(1,025,361)	(581,610)
Cash and cash equivalents at beginning of year/period	2,327,692	2,208,647	2,208,647	2,231,856
Effect of foreign exchange rate changes	1,229	516	404	(2,625)
Cash and cash equivalents at end of year/period	2,208,647	2,231,856	1,183,690	1,647,621

SUMMARY

Key Financial Ratios

The following table sets forth our key financial ratios for the periods indicated.

	For the year ended/as of December 31,		For the ten months ended/as of October 31,
	2023	2024	2025
			(Unaudited)
Gross profit margin ⁽¹⁾	26.2%	25.9%	26.8%
Net profit margin ⁽²⁾	4.1%	6.1%	7.4%
Return on assets ⁽³⁾	2.1%	3.7%	3.9%
Return on equity ⁽⁴⁾	6.6%	11.3%	11.1%
Current Ratio ⁽⁵⁾	1.2	1.2	1.2
Interest-bearing debt ratio ⁽⁶⁾	17.4%	16.2%	17.6%

Notes:

- (1) Gross profit margin is calculated as gross profit for the year/period divided by revenue for the corresponding year/period and multiplied by 100%.
- (2) Net profit margin is calculated as net profit for the year/period divided by revenue for the corresponding year/period and multiplied by 100%.
- (3) Return on assets is calculated as net profit for the year attributable to owners of our Company divided by the average total assets and multiplied by 100%. For the ten months ended October 31, 2025, return on assets is annualized by multiplying the number by a factor of 12/10. Average of total assets is the sum of the balance of total assets at the beginning and at the end of the year/period, divided by two.
- (4) Return on equity is calculated as net profit for the year attributable to owners of our Company divided by the average total equity and multiplied by 100%. For the ten months ended October 31, 2025, return on equity is annualized by multiplying the number by a factor of 12/10. Average of total equity is the sum of the balance of total equity at the beginning and at the end of the year, divided by two.
- (5) Current ratio is calculated as total current assets as of the end of the year/period divided by total current liabilities as of the end of the corresponding year/period.
- (6) The interest-bearing debt ratio is calculated as interest-bearing debt divided by total assets as of the relevant date.

OUR SINGLE LARGEST SHAREHOLDERS GROUP

As of the Latest Practicable Date, Derui Investment and Mr. Yu held approximately 31.58% and 1.24% of our total issued Shares, respectively. Derui Investment is owned as to 69.27% by Mr. Yu. Other than Mr. Yu, all other shareholders of Derui Investment are minority investors and none of them holds more than 10% of Derui Investment. Mr. Yu and Derui Investment collectively form our Company’s single largest shareholders group.

As of the Latest Practicable Date, the Single Largest Shareholders Group held approximately 32.82% of our total issued Shares. Immediately following the completion of the [REDACTED] (assuming [REDACTED] is not exercised and that no changes are made to our total issued share capital between the Latest Practicable Date and the [REDACTED], the Single Largest Shareholders Group will hold [REDACTED] interest in our total issued Shares. Accordingly, our Company will not have any controlling shareholder immediately after the [REDACTED].

SUMMARY

DIVIDENDS AND DIVIDEND POLICY

We declared cash dividends to our Shareholders of RMB52.8 million, RMB104.0 million and RMB157.1 million in 2023, 2024 and the ten months ended October 31, 2025, respectively. As of the date of this document, we have paid these dividends in full. For details, see Note 14 to the Accountants’ Report in Appendix I to this document.

After the completion of the [REDACTED], we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. In principle, we prioritize cash dividends as the profit distribution method if the conditions for cash dividends are met. When we have major investment plans or significant cash expenditures, we may distribute dividends in the form of share equity. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our Board and will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory and regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Our Shareholders may approve any declaration of dividends.

According to applicable laws in China and our Articles of Association, we will pay dividends out of our profit after tax only after we have made the following allocations: (i) recovery of the losses incurred in previous years, (ii) allocations to the statutory reserve equivalent to 10% of our profit after tax, (iii) allocations to a discretionary common reserve of certain percentage of our profit after tax that are approved by Shareholders’ general meeting. If there are no major investment plans or significant cash expenditures, the profits distributed in cash shall be no less than 20% of the distributable profits achieved in the year. At the same time, our cumulative profits distributed in cash over the past three years shall be no less than 30% of the average annual distributable profits achieved in the past three years.

FUTURE PLANS AND [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately [REDACTED], after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of [REDACTED] per Share, which is the mid-point of the indicative [REDACTED] stated in this document. We currently intend to apply these [REDACTED] for the following purposes:

- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to the construction of a prefabricated substation developed and designed for data center power supply, featuring 110/220 kV high-voltage AC input and 800 V DC output;
- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to advancing our technological capabilities and strengthening our R&D capabilities;
- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to establish our global operational center covering manufacturing, sales, and customer services, to enhance our global competitiveness;

SUMMARY

- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be used to pursue strategic investments and acquisitions;
- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be used for our working capital and general corporate purposes.

For further information relating to our future plans and [REDACTED] from the [REDACTED], see “Future Plans and [REDACTED].”

[REDACTED]

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since October 31, 2025, being the end date of the periods reported in the Accountants’ Report in Appendix I to this document, and there is no event since October 31, 2025 that would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE

In October 2009, our Company became the first company listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300001). Our Directors confirmed that we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects during the Track Record Period, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors’ attention in relation to our compliance record on the Shenzhen Stock Exchange. Based on the independent

SUMMARY

due diligence conducted by the Joint Sponsors and our PRC Legal Advisors’ view, no material matter has come to the Joint Sponsors and our PRC Legal Advisors’ attention that would cause them to disagree with our Directors’ confirmation with regard to the compliance records of our Company on the Shenzhen Stock Exchange.

[REDACTED] STATISTICS

All statistics in the following table are based on the assumptions that (i) the [REDACTED] has been completed and [REDACTED] H Shares are issued pursuant to the [REDACTED], (ii) the [REDACTED] are not exercised, and (iii) [REDACTED] Shares are issued and outstanding following the completion of the [REDACTED].

	Based on an [REDACTED] of [REDACTED] per H Share	Based on an [REDACTED] of [REDACTED] per H Share
Market capitalization of our H Shares	[REDACTED]	[REDACTED]
Unaudited pro forma adjusted net tangible asset per Share	[REDACTED]	[REDACTED]

APPLICATION FOR [REDACTED] OF THE H SHARES ON THE STOCK EXCHANGE

We have applied to the Hong Kong Stock Exchange for the granting of [REDACTED] of, and permission to [REDACTED] in, our H Shares to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]).

[REDACTED]

DEFINITIONS

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

“2023 Restricted Share Incentive Plan”	the restricted share incentive plan adopted by our Company on June 2, 2023, details of which are set out in Appendix IV under “D. Disclosure of Interests — 6. Restricted Share Incentive Plans” to this document
“2024 Restricted Share Incentive Plan”	the restricted share incentive plan adopted by our Company on May 24, 2024, details of which are set out in Appendix IV “D. Disclosure of Interests — 6. Restricted Share Incentive Plans” to this document
“2024 Stock Ownership Plan”	the stock ownership plan adopted by our Company on May 24, 2024, details of which are set out in Appendix IV “D. Disclosure of Interests — 5. 2024 Employee Stock Ownership Plan” to this document
“A Share(s)”	ordinary shares issued by our Company, with a nominal value of RMB1.00 each, which are listed on the ChiNext of the Shenzhen Stock Exchange and traded in Renminbi
“Accountants’ Report”	the accountants’ report of our Company for the Track Record Period from ZHONGHUI ANDA CPA Limited, 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”	the Accounting and Financial Reporting Council of Hong Kong
“Articles” or “Articles of Association”	the articles of association of our Company adopted on February 9, 2026 with effect upon [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 our Board

DEFINITIONS

“Board” or “Board of Directors”	the board of Directors
“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
“CAGR”	compound annual growth rate

[REDACTED]

“CIC Report”	the industry report commissioned by our Company and independently prepared by China Insights Consultancy, a summary of which is set forth in the section headed “Industry Overview” in this document
“CIC” or “Industry Consultant”	China Insights Consultancy, our industry consultant
“China” or “Chinese mainland” or “PRC”	the People’s Republic of China, which only in the context of describing PRC rules, laws, regulations, regulatory authority, and any PRC entities or citizens under such rules, laws and regulations and other legal or tax matters in this document, the Taiwan region, the Hong Kong Special Administrative Region and the Macao Special Administrative Region of the People’s Republic of China
“Chuankai Electric”	Chuankai Electric Co., Ltd. (川開電氣有限公司), a PRC company established on July 27, 2005, and one of our Principal Subsidiaries
“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 Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Company” or “our Company”	Qingdao TGOOD Electric Co., Ltd. (青島特銳德電氣股份有限公司), a limited liability company incorporated in the PRC on March 16, 2004 and was converted into a joint stock company with limited liability in June 2009, the A Shares of which are listed on ChiNext of the Shenzhen Stock Exchange (stock code: 300001.SZ)
“connected person(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 as set out in Appendix C1 to the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Data Security Legal Advisor”	Zhong Lun Law Firm, the legal advisor of our Company as to PRC data privacy
“Derui Investment”	Qingdao Derui Investment Co., Ltd. (青島德銳投資有限公司), a PRC company established on February 27, 2004, and one of our Single Largest Shareholders
“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》)
“Exchange Participant”	a person (a) who, in accordance with the Rules of the Stock Exchange, may trade on or through the Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange
“Extreme Conditions”	extreme conditions as announced by the Hong Kong Government

[REDACTED]

DEFINITIONS

[REDACTED]

“Group,” “our Group,” “our,”
“we,” or “us”

the Company and all of its subsidiaries, or any one of them as the context may require

“Guide for New Listing Applicants”

the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange effective from January 1, 2024 (as amended, supplemented or otherwise modified from time to time)

[REDACTED]

“H Share(s)”

overseas [REDACTED] foreign ordinary share(s) in the share capital of our Company with a nominal value of RMB[1.00] each, which are to be subscribed for and traded in Hong Kong dollars and to be [REDACTED] on the Hong Kong Stock Exchange

“HKFRS”

Hong Kong Financial Reporting Standards

[REDACTED]

DEFINITIONS

[REDACTED]

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong

[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

[REDACTED]

“Independent Third Party(ies)”	any person(s) or entity(ies) who/which is not a connected person of the Company within the meaning of the Listing Rules

[REDACTED]

DEFINITIONS

[REDACTED]

“Joint Sponsors,”
“[REDACTED]”

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

“Latest Practicable Date”

February 18, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication

[REDACTED]

DEFINITIONS

“Listing Rules” or “Hong Kong 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)
“Main Board”	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
“MIIT”	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)
“MOF”	Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	Ministry of Commerce of the PRC (中華人民共和國商務部)
“MOST”	Ministry of Science and Technology of the PRC (中華人民共和國科技部)
“Mr. Yu”	Mr. Yu Dexiang (于德翔), chairman of our Board, our executive Director and one of our Single Largest Shareholders
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“Nomination Committee”	the nomination committee of our 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)

[REDACTED]

DEFINITIONS

[REDACTED]

“Overseas Listing Trial Measures”	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) promulgated by the CSRC on February 17, 2023
“PRC Company Law”	the Company Law of the People’s Republic of China (《中華人民共和國公司法》)
“PRC government”	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
“PRC Legal Advisors”	King & Wood Mallesons, the legal advisor of our Company as to the PRC laws
“PRC Securities Law”	the Securities Law of the People’s Republic of China (《中華人民共和國證券法》)

[REDACTED]

“Principal Subsidiaries”	our subsidiaries as identified in section headed “History, Development and Corporate Structure — Our Principal Subsidiaries”

DEFINITIONS

“R&D”	research and development
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of our Board
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理局)
“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)
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	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)”	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including both A Shares and H Shares
“Shareholder(s)”	holder(s) of our Share(s)
“Single Largest Shareholders Group”	Mr. Yu and Derui Investment, collectively the single largest shareholders of our Company. Prior to the [REDACTED] and as at the date of this document, Mr. Yu and Derui Investment collectively controlled more than 30% of the total voting rights in our Company, and upon the [REDACTED], Mr. Yu and Derui Investment collectively will control less than 30% of the total voting rights in our Company but will continue to remain as our Company’s single largest shareholders group
“STA”	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
	[REDACTED]
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Strategy Committee”	the strategy committee of our Board

DEFINITIONS

“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs published by the SFC (as amended, supplemented or otherwise modified from time to time)
“TELD”	TELD New Energy Co., Ltd. (特來電新能源股份有限公司), a PRC company established on September 4, 2014, and a non-wholly owned subsidiary of our Group
“TELD Platform”	self-developed, digital charging network system and interface that provide EV drivers with intelligent charging services through mobile app and mini-program, and provide charging station operators with online management tools
“Track Record Period”	the two financial years ended December 31, 2023 and 2024 and the ten months ended October 31, 2025
“U.S. dollars,” “US\$” or “USD”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder

[REDACTED]

“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction

[REDACTED]

“%”	per cent

GLOSSARY OF TECHNICAL TERMS

In this document, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“AC”	alternating current, an electric current in which the direction of flow of electric charge reverses periodically over time, meaning its voltage and current alternate between positive and negative values rather than staying in one constant direction
“AI”	artificial intelligence, referring to systems capable of executing tasks usually linked to human intelligence — decision-making, learning, and problem-solving across different contexts
“AIS”	air-insulated switchgear, a type of electrical switchgear in which atmospheric (ambient) air is used as the primary insulating medium to insulate energized conductors/components from each other and from ground, enabling the system to control, protect, and isolate electrical circuits and equipment
“DC”	direct current, an electric current that flows in one direction only, unlike alternating current (AC), DC does not reverse direction — its polarity remains the same (positive stays positive relative to negative)
“EV”	electric vehicle
“GIS”	gas-insulated switchgear, a compact, multi-component switchgear assembly that is enclosed in a grounded metallic enclosure, where the primary insulating medium is an insulating gas (traditionally SF ₆) and it typically includes buses, switches, circuit breakers, and related devices
“HV GIS”	high-voltage gas-insulated switchgear which is designed for voltage classes above 35 kV

GLOSSARY OF TECHNICAL TERMS

“high-voltage prefabricated substation”	a factory-assembled, modular power substation designed for voltage classes above 35 kV. Its core equipment — such as power transformers, high-voltage switchgear, protection and control systems, and auxiliary units — is pre-assembled, pre-wired, and fully tested in standardized enclosures before delivery to the project site for fast installation and commissioning
“kWh”	kilowatt-hour(s)
“LV-MV switchgear”	low- to medium-voltage switchgear, switchgear designed for voltage classes between 0.4 kV to 35 kV (included)
“medium-voltage prefabricated substation”	a factory-assembled, modular power substation designed for voltage classes between 6 kV to 35 kV (included)
“MW”	megawatts
“PV”	photovoltaics, the direct conversion of light into electricity using semiconductor materials that exhibit the photovoltaic effect
“PTD”	power transformation and distribution
“RMU”	ring main unit, a compact, enclosed medium-voltage (MV) switchgear assembly used in electrical distribution networks — most commonly in ring (loop) distribution systems — to switch, isolate, and protect sections of the MV network and connected transformers/loads
“SiC charging module”	a high-efficiency power unit using silicon carbide (SiC) semiconductors to convert and control electrical energy for fast and efficient charging of EVs or energy storage systems
“SST”	solid-state transformer, an electric power transformer that uses power-electronic converters (solid-state devices) — instead of only magnetic coupling at line frequency — to convert, regulate, and control electrical power between voltage levels (and often between AC and DC as well)

GLOSSARY OF TECHNICAL TERMS

“switchgear”	switchgear, an assembly of electrical switching and interrupting devices — typically disconnect switches, fuses, and circuit breakers — used to control, protect, and isolate electrical equipment and circuits in an electric power system
“TWh”	terawatt-hour(s)
“VPP”	virtual power plant, a system that aggregates, coordinates and optimizes the operation of distributed energy resources, including distributed power generation facilities, energy storage systems, controllable loads and other flexible energy assets, through digital platforms and control technologies, so as to participate in power system operation, electricity markets and ancillary services in a coordinated manner
“V2G”	vehicle-to-grid, a technology and operating concept in which an electric vehicle (EV) can send electricity back to the power grid using bidirectional charging

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements relating to our plans, objectives, beliefs, expectations, predictions and intentions, which are not historical facts and may not represent our overall performance for the periods of time to which such statements relate. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks, uncertainties and other factors facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our ability to successfully implement and obtain adequate capital resources to fund our business plans, strategies, objectives and goals;
- changes in our customers’ preferences, demands and business performance;
- our financial conditions and performance, including our ability to control costs and expenses;
- changes in the competitive landscape of our industries;
- changes to the political, regulatory, economic and business environment in the industry and geographical markets in which we operate;
- changes in competitive conditions and our ability to compete under these conditions;
- future developments, trends and conditions in the industry and geographical markets in which we operate;
- global financial markets and economic conditions;
- our dividend policy;
- change or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends; and
- all other risks and uncertainties described in “Risk Factors.”

In some cases, we use the words “aim,” “anticipate,” “believe,” “can,” “continue,” “could,” “estimate,” “expect,” “going forward,” “intend,” “ought to,” “may,” “might,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “will,” “would” and similar expressions to identify forward-looking statements. In particular, we use these forward-looking statements in the sections headed “Business” and “Financial Information” in this document in relation to future events, our future financial, business or other performance and development, the future development of our industry and the future development of the general economy of our key markets.

FORWARD-LOOKING STATEMENTS

The forward-looking statements are based on our current plans and estimates and speak only as of the date they were made. We undertake no obligation to update or revise any forward-looking statements in light of new information, future events or otherwise. Forward-looking statements involve inherent risks and uncertainties and are subject to assumptions, some of which are beyond our control. We caution you that a number of important factors could cause actual outcomes to differ, or to differ materially, from those expressed in any forward-looking statements.

Our Directors confirm that the forward-looking statements are made after reasonable care and due consideration. Nonetheless, due to the risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this document might not occur in the way we expect, or at all.

Accordingly, you should not place undue reliance on any forward-looking statements in this document. All forward-looking statements contained in this document are qualified by reference to this cautionary statement.

RISK FACTORS

An [REDACTED] in our Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an investment in our Shares. The following is a description of what we consider to be our material risks. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks and uncertainties. The [REDACTED] of our Shares could decline due to any of these risks, and you may lose all or part of your [REDACTED].

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in “Forward-looking Statements” in this document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

Our future growth is closely linked to the continued development of the global prefabricated substation industry and the EV charging industry, and any industry slowdown could adversely affect our operations and financial condition.

Our business performance and growth prospects are closely linked to the overall development pace, investment intensity and demand dynamics of the modern power system, in particular the prefabricated substation industry and EV charging industry we engaged in.

The prefabricated substation industry is primarily driven by the construction, upgrading and expansion of the power system, domestically and internationally. The growth in the EV charging industry depends on EV penetration, charging infrastructure expansion, and policy framework development. Investment levels in these industries may be affected by a variety of factors, including macroeconomic conditions, changes in government policy or budget priorities, tightening credit environments, reduced availability of project financing, delays in regulatory approvals, or changes in market demand.

Any slowdown, delay or contraction in investment activities in the prefabricated substation industry or EV charging industry may result in reduced demand for our products and services, longer project cycles or postponed customer procurement. Delays or reduction in project execution may also result in lower utilization of our production and operational resources and slower recovery of project-related costs. Any of the foregoing could adversely affect our business, results of operations, financial condition, and cash flows.

If we fail to adapt to customer and user changing needs, evolving industry practices and rapid technological developments, we may risk a loss of market share, declining demand for our offerings and deterioration in our business performance.

The industries in which we operate are characterized by evolving regulatory developments, industry standards, technological advancements, application scenarios and customer demands. Our continued success depends, in part, on our ability to anticipate these trends and respond effectively in a timely manner. We cannot assure you that we can continuously achieve market acceptance for all our products and we can develop and sell more products to suit new use scenarios. If our products and services do not adequately address emerging regulatory requirements, industry needs or do not adapt to rapid technological changes, we risk diminished market acceptance and reduced business performance.

RISK FACTORS

The effective application of our products and services across an expanding range of scenarios involves various risks and uncertainties, including our ability to adapt product configurations to different operating environments, comply with sector-specific technical standards and operational requirements, and deliver scalable and reliable performance across diverse scenarios. There cannot be assurance that our products and solutions will be successfully deployed or widely adopted in all targeted use scenarios.

If we are unable to successfully scale up new products or services, or if our products and services fail to achieve targeted market penetration, we may lose market opportunities or experience limited market share expansion. Any failure to broaden the application scenarios of our products and services may adversely affect our ability to capture additional demand from existing and new customers, thereby constraining our revenue growth and margin expansion, and could adversely affect our business, results of operations, financial condition and prospects.

We rely on our relationships with major customers and strategic partners across the industry value chain, and any failure to maintain these relationships could adversely affect our business.

We serve a portfolio of well-recognized, leading customers and have established stable and long-term cooperative relationships with them. Our power equipment business depends on our relationships with major state-owned power grid companies, leading power generation groups, and various provincial energy companies. These customers typically select suppliers through competitive bidding and maintain stringent technical standards. We cannot assure you that we will continue to qualify as a preferred supplier or successfully win future bids. Any significant changes in the procurement policies or technical specifications of these major customers, could result in a loss of business to our competitors.

In our EV charging business, we rely on collaborations with automotive brands, local government investment entities, and public transportation enterprises to develop and expand our nationwide charging networks. Furthermore, if we fail to maintain or establish effective partnerships with local governments, leading automobile manufacturers, and major mobility and logistics companies, the construction and operation of EV charging infrastructure could be adversely affected.

Deteriorations in our relationships with key customers or partners, or our failure to secure new contracts and partnerships, could lead to a significant decline in revenue and loss of market share. Our business, financial condition, and results of operations could be adversely affected, and we may not be able to achieve our expansion strategies as planned.

Investments in R&D may not generate the results we expect to achieve and may result in adverse impacts on our financial condition and results of operations.

Continuous R&D investment is the engine that drives our technological leadership and business growth. Therefore, we have made, and expect to continue to make, significant R&D investments to support our technology advancement and long-term growth. Our R&D expenses amounted to RMB489.4 million, RMB574.6 million, RMB418.8 million, and RMB432.3 million in 2023 and 2024, for the ten months ended October 31, 2024 and 2025, respectively.

RISK FACTORS

However, R&D activities involve inherent uncertainties and are subject to various factors beyond our control, including technological feasibility, availability of skilled personnel, changes in industry standards, and regulatory developments. There can be no assurance that our R&D efforts will achieve the expected results, be completed on schedule or lead to commercially successful products. Any significant delays in the development milestones, failure to meet performance benchmarks, or inability to obtain necessary regulatory certifications for our projects could result in a total or partial loss of our R&D investments, which would materially and adversely affect our competitive position. Even if our R&D initiatives are successful, the technologies or products we develop may not gain market acceptance due to intense competition, pricing pressure or changing customer preference. As a result, our R&D investments may not generate the economic returns we expect and may adversely affect our results of operations.

We operate in the markets with numerous participants, particularly in the EV charging network market, and intensified competition could adversely affect our business, market share and profitability.

We operate in markets with numerous participants, especially the EV charging network industry. Continued EV penetration has propelled EV charging network expansion and attracted new entrants. Competition in EV charging network industry focuses on network scale, technological capabilities, access to key sites and grid capacity, and cost-efficient operations. These competitive pressures may require us to continue investing in network expansion, technology upgrade and operational capabilities in order to maintain our market position. Such investments may increase capital and operating costs, exert downward pressure on pricing and margins, and affect our ability to maintain or expand market share. In addition, as our charging network expands in scale and geographic coverage, any inefficiencies in network operation, cost control, resource allocation or service quality could weaken our competitive position and customer preference. We may not be able to anticipate or respond effectively to competitors' expansion, technological advancement or pricing strategies, which could materially and adversely affect our business, market share, results of operations and financial condition.

In the prefabricated substation industry, the overall market remains relatively fragmented. Certain segments, in particular high-voltage prefabricated substations, exhibit a higher degree of market concentration due to stringent requirements on system integration and engineering capabilities. Our competitiveness in such segments depends on our ability to maintain technological capabilities, engineering execution and service performance. If we fail to sustain or enhance these capabilities, or if competitors strengthen their offerings, we may lose our competitive market position.

In overseas markets, we compete with significant international and local market participants. Local competitors, in particular, may have advantages in understanding regional regulations, customer preferences, and maintaining established distribution and service networks.

If we fail to maintain technological leadership, and cost and price competitiveness, domestically or internationally, our business, market share, and results of operations could be adversely affected.

RISK FACTORS

Our failure to offer satisfactory user experience may adversely affect the attractiveness of our services to EV users and charging station operators, and our business, results of operations and financial condition may be adversely affected.

The success of our EV charging network operation business depends on our ability to provide end users with a reliable digital interface as well as convenient, economical and safe charging experience. This requires us to continuously improve the charging experience, to offer competitive pricing and to resolve technical issues in a timely manner.

If EV users are dissatisfied with their experience on TELD Platform, due to, service disruptions, system instability, limited charging availability or failure to meet increasing user expectations, they may reduce usage frequency, switch to competing charging platforms or cease using TELD Platform. Negative user feedback, reputational harm or loss of user trust could impair our ability to attract and retain EV users, and could adversely affect our business, results of operations and financial condition.

Additionally, we provide charging station operators with online management tools. If we fail to provide high-quality operational and management support, we may be unable to attract new charging station operators or retain existing operators. As a result, our ability to expand our EV charging network and enhance platform coverage may be constrained, which could adversely affect our competitiveness, business performance and profitability.

We face uncertainties and risks in overseas operations, and our expansion into international markets may not be successful.

We have expanded, and plan to continue to expand, our operation into international markets. For details, see “Business.” Our operations in international markets are expected to expose us to various risks, including but not limited to:

- political and economic instabilities, including changes in government policies or regulations affecting foreign investments, geopolitical tensions, economic volatility, fiscal instability or changes in infrastructure development priorities of host governments;
- foreign exchange risks, including currency fluctuations and exchange controls;
- actual or alleged non-compliance by us or our business partners;
- lack of familiarity with local laws, regulatory requirements, technical standards, environmental and construction requirements, and market practices;
- challenges in establishing, managing and retaining integrated local teams;
- operational constraints imposed by local labor union systems and potentially more stringent labor protection regulations;
- risks associated with overseas manufacturing bases, including delays in construction or ramp-up, cost overruns, underutilization or failure to achieve expected returns; and
- difficulties in managing relationships with foreign customers, suppliers, local partners and communities, as well as potential disputes or legal proceedings in foreign jurisdictions.

RISK FACTORS

The above-mentioned risks vary significantly by regions and are difficult to predict. We may not be able to effectively identify, manage or mitigate these risks as we expand our overseas manufacturing footprint and local service capabilities. Any failure to do so could distract management resources, increase operating and compliance costs, delay project execution, impair the effective [REDACTED] from the [REDACTED], and materially and adversely affect our reputation, business, results of operations and financial condition.

Our business is dependent, to a certain extent, on regulatory and industry policies in China and other jurisdictions, and any significant policy changes may adversely affect our revenue and growth.

We serve diverse customers across a wide range of sectors, including power generation, grid systems, rail transit, new energy, and energy storage, whose demand for our products may be driven by favourable regulatory and industry policies, such as China’s “Dual Carbon” goals, the 15th Five-Year Plan, and the “Belt and Road” initiative, as well as the European Union’s Grid Action Plan.

However, changes in regulations and government policies are beyond our control. Such changes may alter the regulatory and commercial environment in which our customers operate. This, in turn, may lower the investment return of certain customers, potentially causing them to reduce capital expenditure on prefabricated substations or delay project construction. Similarly, our EV charging network operation business has benefitted from Chinese government initiatives, such as the vigorous promotion of new energy vehicles with the goal that new energy vehicles will become the mainstream of newly sold vehicles by 2035. Any reduction in subsidies for EV purchases, termination of favourable treatments for EVs, or a slowdown in the government-led rollout of public charging infrastructure could adversely affect the utilization and expansion of our charging network.

Furthermore, we have expanded our businesses into overseas markets and benefitted from certain cross-border economic cooperation policies. If the PRC or foreign governments restrict investment in power sectors or reduce support for green energy transitions, our business, financial condition, and results of operations would be adversely affected.

Failure to provide high-quality after-sale technical support and maintenance for our equipment could damage our relationships with our customers and further harm our business.

Our ability to retain existing customers and attract new customers partially depends on our ability to maintain a consistently high level of equipment maintenance and technical support. However, there is no assurance that our after-sale service arrangements will fully meet our customers’ requirements and satisfaction.

As we expand our operations and support customer growth, it is crucial to maintain efficient technical support that meets their needs on a larger scale. However, we may struggle to recruit or retain enough qualified support personnel experienced with our products and solutions. We may also be unable to respond quickly enough to accommodate short-term

RISK FACTORS

increases in demand for emergency repair or equipment malfunctions. All of these potential situations could hinder our ability to quickly respond to short-term spikes in demand for technical support or maintenance, which would further adversely affect our ability to retain existing customers and attract prospective customers. Any failure to provide high-quality maintenance and support services could adversely and materially affect our reputation and business.

Manufacturing and on-site installation processes for some of our products involve inherent safety risks.

The manufacturing and installation of certain of our prefabricated substations and EV charging equipment involve inherent safety risks due to the use and handling of high-voltage, high-power electrical equipment and related components. Certain of our products and solutions are tailor-made to meet the specific technical requirements of our customers, any latent flaws in design parameters, engineering specifications or component selection may pose safety hazards during the manufacturing, commissioning or on-site installation. Accidents arising from equipment failure, electrical faults, human error or environmental factors may result in accidents, personal injury and legal liabilities, which may adversely affect our reputation and results of operations.

In addition, our businesses involve on-site equipment installation and construction works. These works include high-voltage operations, heavy lifting, excavation, and working at heights, which involve inherent safety risks. Although we have implemented safety precautions and internal control measures, we cannot eliminate the possibility of safety accidents. Any severe safety incident could lead to construction or installation work stoppages, revocation of safety production permits, substantial monetary compensation, and criminal liabilities, all of which would adversely affect our reputation and financial condition.

Price fluctuation and inadequate supply of materials and equipment for our production, could adversely affect our business, results of operations and financial condition.

The materials for power equipment manufacturing primarily consist of copper, grain-oriented silicon steel, power transformer oil, and aluminum. The components we need to purchase for manufacturing the EV charging equipment primarily include printed circuit boards, magnetic components, power semiconductors, and structural components. For the years ended December 31, 2023 and 2024 and the ten months ended October 31, 2025, our raw material costs amounted to RMB6,633.7 million, RMB8,360.3 million and RMB6,043.5 million, respectively, representing 70.9%, 73.4% and 72.9% of our total cost of sales for the same periods.

Any significant increase in raw material prices could lead to higher production and operating costs and lower gross margins, which may adversely affect our results of operations and financial condition. Although we implement centralized procurement at the group level and closely monitor raw material price trends to improve purchasing efficiency and manage cost fluctuations, there can be no assurance that such measures will fully mitigate the impact of adverse raw material price movements.

RISK FACTORS

We may not be able to accurately forecast market demand or plan our production capacity expansion effectively.

Our business performance may be affected, in part, by our ability to align manufacturing capacity with market demand. Demand for our products may fluctuate due to industry development trends, customer demands, and market competition. Our manufacturing capacity is limited by the scale of our production facilities, the availability of skilled workforce, and the pace of execution. Even with ongoing efforts to enhance production efficiency and flexibility, our existing manufacturing resources may not always be sufficient to accommodate changes in demand. If we are unable to expand our production capacity in a timely and efficient manner and if we fail to effectively coordinate production planning with customer demand, we may experience delayed deliveries and loss of business opportunities.

We plan to expand our production capacity through the construction of new manufacturing bases and upgrades to existing facilities, which require significant capital investment and management resources. Such expansion plans are subject to various risks, including construction delays, cost overruns, difficulties recruiting qualified personnel, and failure to achieve expected operational efficiency. If we are unable to execute our capacity expansion plans as intended or adequately address capacity constraints, our delivery capabilities and competitive position may be adversely affected, which could materially and adversely affect our business, results of operations and financial condition.

We engage third parties to provide transportation and manufacturing services for our power equipment products, and cloud storage and network services and mapping services for our EV charging platform. If these third parties fail to provide reliable and timely services, our business, results of operations and financial condition may be adversely affected.

We engage competent third-party suppliers to provide transportation and logistics services for delivering our products to customer-designated locations, as well as manufacturing services for non-core components that are integrated into our products. Any disruption to their operations could delay the delivery of our products, damage customer relationships and negatively affect our reputation in the market. If any of these suppliers fails to provide reliable and timely services, or the price of such services increases significantly, the supply of our products may be interrupted or our costs may increase. Additionally, we may not be able to identify suitable alternative suppliers in a timely manner. These could adversely affect our business, results of operations and financial condition.

We rely on third-party service providers, such as cloud storage and network service providers and mapping service providers, to support core functionalities of our EV charging platform. We do not control the operation, accuracy or continued availability of such third-party services. If these service providers discontinue or restrict our access, modify their products or services, technical standards or commercial terms in a manner that adversely affects the functionality of our platform, or experience service interruptions, the user experience and operational efficiency of our platform may be negatively impacted. In addition, as our business expands, we may increasingly rely on other third-party services and integrations, and there can be no assurance that we will be able to maintain compatibility with such services on commercially reasonable terms, or avoid disruptions from their performance issues. Any failure to ensure stable, efficient, and cost-effective integration with third-party services could adversely affect our business, results of operations and financial condition.

RISK FACTORS

Intellectual property infringement by and disputes with third parties may adversely affect our business, financial condition and results of operations, and harm our competitive position.

Patents, know-how, technologies, trademarks, software copyrights, copyrights, domain names and other intellectual properties are critical to our business development and operations, and we rely on intellectual property laws, contractual arrangements and internal management measures to protect such intellectual properties. Our ability to maintain our technological advantages and competitive position depends in part on the effectiveness of these protections. However, there can be no assurance that such measures will be sufficient to prevent infringement of our intellectual property, or that our intellectual property will provide us with the competitive advantages we expect. Meanwhile, there can be no assurance that our patent applications will be approved, that any issued patents will adequately protect our technologies, or that such patents will not be challenged by third parties or found to be invalid or unenforceable by judicial or administrative authorities. In addition, the scope and effectiveness of intellectual property protection vary by jurisdiction, and we may not be able to adequately protect our intellectual property in all countries or regions in which we operate or intend to operate.

We may be involved in claims, disputes or litigation relating to alleged infringement of our intellectual property by third parties, or allegations that our products, technologies or software infringe the intellectual property rights of third parties. Such claims, disputes or litigation may be time-consuming and costly to resolve, divert management attention and resources, and may result in adverse judgments, settlements, injunctions or other remedies. If any of our products or technologies are found to infringe valid and enforceable intellectual property rights of third parties, we may be required to modify our products, obtain licenses, cease the sale or deployment of certain products or services, or pay damages, any of which could adversely affect our business, financial condition and results of operations. Additionally, we may face liabilities to our customers, business partners or third parties for indemnification or other remedies in the event that they are sued for infringement in connection with their use of our products.

In addition, our brand, trademarks, proprietary technologies and software may be subject to counterfeiting, imitation or unauthorized use. We enter into confidentiality, non-compete and intellectual property ownership agreements with our employees and relevant counterparties; however, we cannot assure that such agreements will not be breached, that we will be able to obtain adequate remedies in a timely manner, or that our proprietary information will not otherwise be disclosed or misused. Furthermore, if we recruit employees who are subject to confidentiality or non-compete obligations with their former employers, we may be subject to claims alleging misuse or disclosure of third-party trade secrets or proprietary information, which could expose us to legal liabilities and reputational harm.

The proper functioning and effective cybersecurity of our technology infrastructure are critical to our business. Network outages or system security breaches could adversely affect our business, results of operation and financial condition.

Our business, particularly TELD Platform, depends on the stable operation, effective cybersecurity, and integrity of our information technology systems, networks and data.

RISK FACTORS

Our technology infrastructure may experience performance issues, interruptions or failures due to hardware or software defects, system capacity constraints, human errors, power outages, system upgrades or other unforeseen events. Any material system failure, unavailability or degradation in performance could disrupt our operations, delay service delivery or transaction processing, require significant resources to restore functionality, and damage our reputation, which could adversely affect our business and results of operations.

We may be subject to cybersecurity risks, including unauthorized access to our systems, network breaches, data leaks, malware, ransomware, phishing attacks, denial-of-service attacks, employee misconduct or other malicious activities by third parties. Such incidents could compromise the confidentiality, integrity or availability of our proprietary technologies, operational data, customer or user information and other sensitive data, or disrupt the normal functioning of our products and services. In addition, we may be exposed to contractual claims, legal proceedings, regulatory investigations, fines or penalties, and may be required to incur substantial additional costs to investigate incidents, remediate vulnerabilities and enhance our cybersecurity measures. There can be no assurance that our existing security measures or those of our service providers will be sufficient to prevent all cybersecurity incidents, and any such failure could adversely affect our business, results of operations and financial condition.

We may be liable for personal and property damages caused by the use of our products.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material claims relating to personal injury or property damage arising from the use of our products. However, we may be subject to product liability claims, disputes or legal proceedings in the future. Such claims may arise from allegations of product defects, performance issues or other causes and may require significant management attention, legal expenses and other costs to resolve. Even if such claims are not ultimately substantiated, they may result in operational disruption, diversion of management resources, reputational harm or adverse impact on customer relationships. Any material product liability claim or litigation could materially and adversely affect our business, results of operations and financial condition.

We are exposed to the risks associated with international trade policies, geopolitics and trade protection measures, including imposition of trade restrictions and sanctions, and our reputation, business, results of operations and financial condition could be adversely affected.

Our business and international operations are subject to risks arising from changes in international trade policies, geopolitical developments and trade protection measures. Deterioration in political or economic relations among countries, heightened geopolitical tensions or changes in trade regulations, including duties, tariffs, antidumping penalties, and other restrictive measures, may adversely affect cross-border trade, supply chains, customer demand and the overall operating environment for our overseas business.

RISK FACTORS

We actively expand our international market presence, and our products have been exported overseas. As a result, we may be exposed to evolving trade policies, sanctions regimes and regulatory requirements applicable to such jurisdictions or transactions involving such markets. These measures may increase our compliance costs, restrict or delay the delivery of our products, limit our ability to conduct cross-border transactions or cooperation, or affect the availability of key components, technologies or services provided by third parties.

In addition, international trade policies and sanctions regimes are subject to frequent changes and may be implemented with limited advance notice. Even if we currently comply with all applicable laws and regulations, we may be required to adjust our business arrangements, supply chain strategies or market expansion plans in response to new or amended trade restrictions. Any failure to effectively respond to such changes, or any actual or perceived association with restricted jurisdictions, entities or transactions, could adversely affect our reputation, business operations, results of operations and financial condition.

Negative publicity about our technologies, products, brand, or directors, senior management or employees, whether true or false, could have a detrimental impact on our reputation, business, prospect and results of operations.

Our reputation and brand recognition are important to our ability to maintain and expand our customer base and business operations. Any negative publicity or public perception, whether accurate or inaccurate, relating to our technologies, products, services, brand, or our directors, senior management or employees, could adversely affect our market reputation and stakeholder confidence.

Negative publicity may arise from a variety of sources beyond our control, including media reports, social media discussions, complaints, allegations, litigation, regulatory inquiries, operational incidents or actions taken by third parties. Even if such information is unfounded, misleading or subsequently disproven, it may still result in reduced customer trust, weakened business relationships, lower market acceptance of our products and services, and increased difficulty in attracting customers, business partners or talent. Any of the foregoing could adversely affect our business, prospects and results of operations.

RISKS RELATING TO OUR OPERATIONS

Our success relies largely on the continued service of our senior management and technical team. Any loss of key personnel may adversely affect our business, results of operations and financial condition.

Our sustainable growth relies heavily on our ability to maintain and incentivize a highly skilled senior management and technical team. We place great emphasis on cultivating and recruiting management and technical talent, and have established incentive schemes to maintain the motivation and stability of our core management and technical personnel. However, due to intense competition for talent, we may face risks of losing core management and technical personnel. The loss of any of our senior management or key technical personnel, or our inability to recruit and retain qualified personnel in a timely manner, could disrupt our operations and adversely affect our competitiveness.

RISK FACTORS

Our business may be adversely affected if we fail to obtain government approvals or licenses required for our business and operations.

Our operations are subject to various laws and regulations in the PRC relating to, among others, engineering design, manufacturing, and installation of power equipment, telecommunications, and workplace safety. We are required to obtain, maintain and renew various licenses, permits, and filings and approvals, in connection with our business and operations, and to comply with the applicable regulatory requirements on an ongoing basis.

As of the Latest Practicable Date, we had obtained all material licenses, permits and approvals and completed all material filings required for our existing business operations in the PRC. However, there can be no assurance that such licenses, permits and approvals will continue to be sufficient for our future business expansion, or that we will be able to renew or obtain all necessary licenses, permits and approvals in a timely manner, or at all. The interpretation, implementation and enforcement of relevant laws, regulations and policies may change from time to time, and we may be required to make additional filings, obtain additional approvals or adjust our operations to remain compliant, which may increase our compliance costs or restrict certain aspects of our business. If we fail to obtain, maintain or renew the requisite licenses, and permits, we may be subject to administrative penalties, fines, or rectification orders.

We are subject to risks relating to litigation and disputes, which could adversely affect our reputation, business, results of operations and financial condition.

We may from time to time be subject to claims, litigation, arbitrations or other disputes and various legal and administrative proceedings arising in the ordinary course of our business, including disputes relating to contracts, project execution, payment settlements, product quality, intellectual property, labor matters or regulatory compliance. Legal proceedings and disputes are inherently uncertain and may result in significant costs, including legal and professional fees, potential damages, settlements or other remedies. They may also require substantial management time and resources, diverting attention away from our normal business operations. Such disputes or proceedings could also adversely affect our reputation, regardless of whether the allegations are valid or whether we are ultimately found liable. In addition, adverse outcomes of such proceedings, regulatory inquiries or enforcement actions, or negative publicity arising therefrom, could harm our reputation, disrupt our operations and adversely affect our business, results of operations, financial condition and prospects.

The wide variety of payment methods that we accept subjects us to risks relating to third-party payments.

During the Track Record Period, we accepted payments made by third parties to settle the amounts that several customers owed to us in connection with their purchases of our products or services. See “Business — Third-Party Payment Arrangements.” In the event of any claims or legal actions, whether civil or criminal, initiated against us by third-party payers or their liquidators regarding third-party payments or by any government authority for violation or non-compliance of laws and regulations, we would need to allocate significant financial and managerial resources to defend ourselves, and we may be forced to comply with the court ruling and return the payments that we have received or be subject to penalties, and our business, results of operations, financial condition, and cash flows may be adversely affected.

RISK FACTORS

Our risk management and internal control systems may not be sufficient to address all risks inherent in our operations.

We have established and currently maintain risk management and internal control systems, covering business operation, financial reporting, compliance, and human resources. However, such systems may not address all risks as our business evolves, and may not be designed to capture or prevent all potential deficiencies. Any failure to timely identify, implement or rectify deficiencies in our internal processes could result in financial losses, operational disruptions or reputational damage.

Moreover, the effectiveness of our risk management and internal control systems depends on their proper implementation by our employees and management. There can be no assurance that such policies and procedures will be consistently and effectively followed, or that they will not be subject to human errors, judgment failures or circumvention. As we continue to grow and expand our business operations, our existing systems and controls may become inadequate or less effective if they are not timely adjusted. If we fail to continuously enhance and effectively implement our risk management and internal control systems, our business, financial condition and results of operations could be adversely affected.

We may not be able to detect or prevent fraudulent or illegal activities or other misconducts by our employees, customers, suppliers, other business partners or third parties may materially and adversely affect our business.

We may be exposed to fraudulent, illegal or improper activities, or other misconduct, committed by our employees, customers, suppliers, other business partners or third parties, which could subject us to liabilities, financial losses, and fines or penalties imposed by government authorities and could affect our reputation. Such misconduct may include engaging in unlawful activities (such as money laundering or bribery), misusing confidential information, misappropriating funds, engaging in unauthorized transactions or activities, engaging in fraudulent or deceptive conduct, or otherwise violating applicable laws and internal policies.

Our internal control procedures are designed to monitor our operations and ensure overall compliance. However, such internal control procedures may be unable to identify all instances of non-compliance or suspicious transactions in a timely manner, or at all. Furthermore, the precautions we take to detect and prevent fraud and other misconduct may not be effective. If we are involved in any fraud, misconduct, regulatory non-compliance or illegal activities by our employees, customers, suppliers, manufacturer or other business partners or third parties in the future, it may adversely affect our reputation, business, results of operations and financial condition.

We have not made adequate contributions to the social insurance and housing provident fund, which could subject us to penalties.

In accordance with the PRC Social Insurance Law and the Regulations on the Administration of Housing Fund and other relevant laws and regulations, employer is required to make contributions for the statutory social insurance and housing fund for its employees in accordance with the rates provided under relevant regulations and withhold the contribution amounts to be paid by the employees themselves.

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During the Track Record Period and as of the Latest Practicable Date, we had not made social insurance and housing provident fund contributions for some of our employees in full. During the Track Record Period and up to the Latest Practicable Date, we had not received any notification from the competent PRC authorities requiring us to make payment of any shortfall or imposing any administrative penalties on us. For more details, see “Business — Employees — Remuneration and Benefits.”

However, we cannot assure that we will not receive any complaint, penalty or enforcement action for our historical practices with respect to social insurance and housing provident fund contributions and we cannot assure that the competent government authorities will not require us to make supplementary payments in future. If we are subject to investigations or severe penalties or incur significant legal fees in connection with labor law disputes or investigations, our financial condition and results of operations could be adversely affected.

We are subject to risks relating to some of our leased properties.

Certain of our leased properties may be subject to defects or uncertainties in the lessors’ title or land use compliance, including the failure to complete lease registrations, lack of property ownership, relevant approval documents, or owner consent documentation, or discrepancies between the actual and approved land use. Although such defects do not automatically render the relevant lease agreements invalid under PRC laws and regulations, we cannot assure you that third parties or relevant authorities will not challenge the lessors’ rights or require rectification measures. If such challenges or enforcement actions are taken, we may be required to vacate the affected premises and relocate our operations, which may result in additional costs or temporary business disruption. Failure to secure alternative premises in a timely manner, our result of operations and financial condition could be adversely affected.

We currently have limited business insurance coverage.

We currently have limited business insurance coverage. Although we have arranged insurance coverage for certain aspects of our operations, including property liability insurance, work safety liability insurance, and employer’s liability insurance, which we believe is in line with industry practice in China, such coverage may not be adequate. Our current insurance policies may not cover all types of losses or liabilities that may arise from manufacturing and operation disruptions, health or safety accidents, environmental incidents or defects in our products, or may be subject to coverage limits, exclusions or deductibles. In particular, while we maintain directors’ and officers’ liability insurance, the coverage may not be sufficient to shield us or our management from all potential claims. In addition, certain losses may not be fully insured or insured at all. If we are held liable for amounts and claims exceeding the limits of our insurance coverage or outside the scope of our insurance coverage, our business, results of operations, financial condition and prospects may be adversely affected. Even if the amounts and claims are within the limits and scope of our insurance coverage, the insurance provider may not be able to make the compensation payment to us in a timely manner.

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We may suffer losses caused by the occurrence of extraordinary events, including natural disasters or outbreaks of contagious diseases.

Our business may be adversely affected by the occurrence of typhoons, severe storms, earthquakes, floods, fires or other natural disasters or similar events especially in the areas where we operate. In addition, any outbreak of a contagious disease could disrupt our operations with respect to our global supply chain, production, delivery and sales. Such events could decrease the demand for our products, impact the productivity of our workforce, make it difficult or impossible for us to manufacture and deliver products to our customers in a timely manner, or to receive materials and equipment from our suppliers. Should major public health emergencies, including pandemics, arise, we could be adversely affected by more stringent employee travel restrictions, additional requirements in freight, relevant policies affecting the movement of products between regions, delays in the ramp-up of the production capacity and disruptions in the operations of our suppliers. In the event of a natural disaster, we could incur significant losses, which could require substantial recovery time and result in significant expenditures in order to resume operations.

RISKS RELATING TO OUR FINANCIAL PERFORMANCE AND POSITION

Our trade receivables may increase and collection periods may be prolonged due to the nature of our business and customer payment arrangements.

Due to the nature of our power equipment business, our contracts typically involve milestone-based payments, relatively long execution and settlement cycles. In addition, a significant portion of our customers purchasing prefabricated substations and EV charging equipment are state-owned enterprises, listed companies, or their subsidiaries. These customers typically have lengthy internal approval procedures and payment processes. As a result, the turnover days for our trade receivables are relatively long. See “Financial Information — Discussion of Key Items of Consolidated Statements of Financial Position — Assets — Trade and Bills Receivables — Aging Analysis of Trade Receivables.”

We have implemented various measures to manage and monitor trade receivables, including prudent customer selection, credit assessment, ongoing monitoring and active collection efforts. However, these measures may not be sufficient to fully eliminate the risks arising from large balances or prolonged collection cycles. Any material deterioration in collection efficiency or recoverability could materially and adversely affect our financial condition.

Seasonality of our business may cause fluctuations in our results of operations and financial condition.

Our business operations are subject to seasonal fluctuations, which are primarily in line with the budgeting, procurement, and project implementation cycles of our major customers, particularly those in the power and infrastructure sectors. Many of our customers formulate their annual procurement plans earlier in the year and typically enter into contracts with us

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during the middle of the year, while product delivery and installment and revenue recognition generally occur in subsequent periods. As a result, a substantial portion of our revenue is typically recognized in the second half of each year. Such seasonal pattern is common in both the power equipment industry and EV charging equipment sector, and is primarily attributable to customers’ procurement cycles, budget arrangements and project implementation schedules. Fluctuations in quarterly financial performance may vary from year to year due to changes in industry conditions and other factors beyond our control.

If we fail to manage our inventory effectively, our results of operations and financial condition may be adversely affected.

Our business expansion requires us to manage inventories effectively. Our inventories primarily consist of finished goods, goods in transit, raw materials, work in progress and contract fulfilment costs. Our inventories fluctuated during the Track Record Period. As of December 31, 2023, 2024 and October 31, 2025, our inventories were RMB1,609.0 million, RMB1,205.6 million, and RMB1,718.0 million, respectively. As our business expands and we undertake larger-scale projects, our inventory levels may remain high or continue to fluctuate.

We assess impairment to inventories at each period during the Track Record Period. As of December 31, 2023 and 2024 and October 31, 2025, we recognized provision for impairment of inventories of RMB73.0 million, RMB78.2 million and RMB60.0 million, respectively. However, we cannot assure you that we will not experience material impairment in the future. In 2023, 2024 and the ten months ended October 31, 2025, our inventory turnover days were 58.7, 45.2 and 53.6 days, respectively. The fluctuation and extension of inventory turnover may have a material and adverse effect on our cash flow and liquidity position.

We expect to incur additional capital expenditures for our business operations and expansion plans, which may adversely affect our short-term cash flow, liquidity and profitability.

Our capital expenditures during the Track Record Period were primarily related to purchase of machinery and equipment, buildings, construction in progress, and leasehold improvements in connection with our manufacturing bases and EV charging stations. We expect to incur capital expenditures to upgrade our manufacturing capabilities and expand our EV charging network. In 2023 and 2024 and the ten months ended October 31, 2025, our capital expenditures amounted to RMB1,093.5 million, RMB694.0 million and RMB495.5 million, respectively. Inherent risk exists for the capital expenditures as our investments may not succeed or generate the benefits that we expect, which could materially affect our profitability. During the Track Record Period, we recognized impairment losses on, and write-off on, property, plant and equipment.

Even if we achieve our goals for such investments, our short-term cash flow and liquidity may be adversely affected. While we intend to explore alternative arrangements to reduce the capital intensity of any future expansion, there is no assurance this will be successful. The markets for certain of our offerings remain competitive, and it is uncertain whether our efforts, and related investments, will result in adequate financial returns for us.

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We may not be able to enjoy certain government grants and preferential tax treatments we received in the past, which may result in adverse effect on our results of operations.

We have historically received government grant in the form of subsidies received from local government intended to support our R&D activities and business operations. In 2023, 2024 and the ten months ended October 31, 2025, we recognized government grants under other income, gains and losses of RMB215.0 million, RMB220.5 million and RMB146.4 million, respectively. The policies pursuant to which we historically received government grants may be terminated by the relevant government entities in their sole discretion. There is no assurance that we will continue to receive such government grants or receive similar level of government grants, or at all, in the future. Additionally, our Company and certain subsidiaries enjoyed preferential enterprise income tax rate during the Track Record Period. We may be unable to extend such tax preferential treatment in the future. If we are not able to enjoy government grants and preferential tax treatment, our results of operations could be adversely affected.

We have granted and may continue to grant share-based awards under our share incentive plan, which may result in increased share-based compensation expenses.

We have adopted, and may continue to implement, share-based incentive plans to attract, retain and motivate management and key personnel critical to our growth and innovation. Specifically, we recorded share-based payment expenses in the amount of RMB67.3 million, RMB105.7 million, and RMB109.1 million in 2023, 2024, and the ten months ended October 31, 2025, respectively. We believe such share-based awards are important to our ability to attract, retain and motivate our key individuals, and we may continue to grant share-based awards in the future. As a result, our share-based payment expenses may increase, which may adversely affect our results of operations and financial condition.

RISKS RELATING TO GOVERNMENT REGULATIONS

We may be subject to environmental and workplace safety regulatory compliance risks that could adversely affect our business.

We are subject to various environmental protection, fire protection, and health and safety laws and regulations in the PRC, including the Environmental Protection Law of the PRC and Fire Protection Law of the PRC, as well as their relevant regulations. Compliance with these laws and regulations requires substantial resources and ongoing monitoring. As our business and production capacity continue to expand, there can be no assurance that we will always fully comply with all applicable requirements in a timely and proper manner. Any failure to comply could result in fines, enforcement actions, orders to suspend operations, rectification measures, or other penalties, which could disrupt our operations, increase our costs, and adversely affect our business, results of operations, and financial condition.

During the Track Record Period and as of the Latest Practicable Date, one of our subsidiaries commenced operation of a production line prior to completing the relevant environmental impact assessment procedures. The delay in completing such procedures was primarily attributable to the ongoing adjustment of local government planning in the affected area, during which period the issuance of new environmental impact assessment approvals has been temporarily suspended. We have been actively communicating with the relevant

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environmental authorities and expects progress to be made in connection with the relevant approval procedures. However, there can be no assurance as to the timing or outcome of such procedures. As confirmed by our PRC Legal Advisors, if the relevant approvals are not obtained in a timely manner, or if the competent authorities determine that corrective or enforcement actions are required, we may be subject to fines, orders to suspend production, rectification measures or other regulatory actions. Any such actions could disrupt our production activities, increase compliance costs and adversely affect our business operations, results of operations and financial condition. As of the Latest Practicable Date, we had not received any environmental administrative penalties for that.

Our failure to comply with the laws and regulations relating to cybersecurity, privacy and data protection could have a material adverse effect on our business, results of operations and financial condition.

During the ordinary course of our businesses, we collect, store, process and transmit business and transaction data, which remain subject to evolving regulatory requirements and administrative scrutiny. We face risks inherent in handling large volumes of data and in protecting the security of such data. In particular, we face a number of challenges relating to data from transactions and other activities on our platform, including:

- protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent behaviour by our employees;
- addressing concerns related to privacy and sharing, safety, security and other factors; and
- complying with applicable laws, rules and regulations relating to the collection, storage, use, processing, transmission, disclosure or security of personal information and other data, including any requests from regulatory and government authorities relating to such data.

Any actual or perceived failure to safeguard data security or protect personal information could result in regulatory investigations, administrative penalties, civil liabilities, mandatory rectification measures, reputational damage and loss of user trust, which could materially and adversely affect our business, results of operations and financial condition. We have formulated user privacy policies and require users to acknowledge and consent to such policies when they open an account with, or log onto, our platform. We have adopted a series of measures to comply with the laws and regulations on data protection and privacy. For details, see “Business — Data Privacy and Security.” However, we cannot guarantee the effectiveness of these measures in all circumstances.

In addition, as we expand our global presence and generate our revenue from overseas, we are subject to local and overseas laws relating to cybersecurity, privacy and data protection, including the collection, use, storage, security and cross-border transfer of personal data. Several jurisdictions have enacted stringent laws governing data protection, and many others are actively considering imposing additional restrictions. These laws continue to develop and may be inconsistent from jurisdiction to jurisdiction. Complying with emerging and changing overseas requirements may cause us to incur substantial costs or require us to change our business practices.

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Any failure by us to comply with the PRC or overseas privacy-related or data protection laws and regulations could result in proceedings against us by governmental entities or others. The interpretation and application of laws, regulations and standards on data protection and privacy are still uncertain and evolving. We cannot assure you that the governmental authorities will not interpret or implement the laws or regulations in ways that negatively affect us. Our failure to safeguard data security and privacy may also harm our market reputation and relations with our customers or business partners.

We are subject to the approval, filing or other requirements of the CSRC or other PRC governmental authorities in connection with capital raising activities.

Evolving regulations governing overseas listings by Chinese companies introduce uncertainties that could disrupt our financing activities. On July 6, 2021, the relevant PRC government authorities issued Opinions on Strictly Cracking Down Illegal Securities Activities in Accordance with the Law. These opinions enhanced administration and supervision on overseas listings by China-based companies and proposed to take effective measures, such as promoting the construction of relevant regulatory systems to deal with the risks and incidents faced by China-based overseas-listed companies. On February 17, 2023, the CSRC released the Trial Administrative Measures for Overseas Securities and Listing by Domestic Companies (the “Trial Measures”), together with five interpretative guidelines thereof, which became effective on March 31, 2023. The Trial Measures comprehensively improved and reformed the prior regulatory regime for overseas offering and listing of securities of PRC domestic companies and regulated both direct and indirect overseas offering and listing of PRC domestic companies’ securities by adopting a filing-based regulatory regime. According to the Trial Measures, we, as a PRC domestic company seeking to offer and list securities in overseas markets, are required to fulfil the filing procedure with the CSRC within three working days after submitting the listing documents to the overseas supervisory authorities and report relevant information.

If our future financing activities or other significant events require filings with the CSRC or other regulatory authorities, or the fulfillment of other requirements, failure to complete such filings or meet such requirements in a timely manner could impair our ability to finance business development. This, in turn, may have a material adverse effect on our business and financial condition.

You may experience difficulties in effecting service of legal process and enforcing judgments against us and our management.

We are a company incorporated under the laws of the PRC, and substantially all of our business, assets and operations are located in Chinese mainland. In addition, a majority of our Directors or members of our senior management reside in Chinese mainland, and a substantial portion of the assets of such Directors or members of our senior management are located in Chinese mainland. As a result, it may be difficult to effect service of process outside Chinese mainland upon us or such Directors or members of our senior management.

Under the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region, which took effect in January 2024, judgments rendered by Hong Kong courts can be recognized and enforced in Chinese mainland without requiring a prior

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choice-of-court agreement between the parties. However, this arrangement applies only to judgments from Hong Kong. Judgments from jurisdictions without reciprocal recognition and enforcement treaties with Chinese mainland may not be recognized or enforced in Chinese mainland. This limitation could hinder your ability to enforce legal claims against us or our management.

We are subject to certain regulatory requirements over foreign currency conversion and remittance.

We receive a majority of payments from our operations in Chinese mainland in Renminbi and may need to convert certain Renminbi into other currencies for payment of dividends, if any, to holders of our Shares, and to fund our business activities outside of Chinese mainland, among other things. The exchange of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of Chinese mainland are subject to related regulatory requirements. Shortages in the availability of foreign currency may restrict our ability to remit sufficient foreign currency to pay dividends or other payments, or otherwise fulfill our foreign currency denominated obligations.

Under current foreign exchange regulations of Chinese mainland, payment of current account items, including profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the SAFE or its local branches, through licensed banks for foreign exchange business, by complying with certain procedural requirements. If we cannot fulfill the regulatory requirements over foreign currency conversion to obtain sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our Shareholders. However, prior registration and other procedures with competent government authorities is required where Renminbi is to be converted into foreign currency and remitted out of Chinese mainland to pay capital expenses. Further, there is no assurance that new regulations will not be promulgated in the future that would have further requirements on the remittance of Renminbi into or out of Chinese mainland. Any existing and future requirements on currency exchange may limit our ability to purchase raw materials and components outside of Chinese mainland or otherwise fund any future business activities that are conducted in foreign currencies.

Fluctuations in exchange rates could result in foreign currency exchange losses.

The exchange rate of Renminbi against the Hong Kong dollar, the U.S. dollar and other currencies is subject to fluctuations driven by global economic and political developments and relevant government policies as well as supply and demand in the local market. It is difficult to predict how market forces or government policies may impact the exchange rates between Renminbi and the Hong Kong dollar, the U.S. dollar or other currencies in the future. The [REDACTED] from the [REDACTED] will be received in Hong Kong dollars. As a result, any appreciation of Renminbi against the Hong Kong dollar may result in the decrease in the value of our [REDACTED] from the [REDACTED]. Conversely, any depreciation of Renminbi may adversely affect the value of, and any dividends payable on, the Shares in foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. All of these factors could materially and adversely affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, the H Shares in foreign currency terms.

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Holders of our H Shares may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our H Shares.

As is customary with all major economies, China has tax treaties or similar arrangements with jurisdictions across the world. Under the EIT Law and its implementation rules, and subject to any applicable tax treaty or similar arrangement between China and your jurisdiction of residence that provides for a different income tax arrangement, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources payable to investors that are resident enterprises outside the PRC, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of shares by such investors is subject to 10% (or a lower rate) PRC income tax if such gain is regarded as income derived from sources within the PRC unless a treaty or similar arrangement otherwise provides. Under the Individual Income Tax Law of the People’s Republic of China and its implementation rules, dividends from sources within the PRC paid to foreign individual investors who are not residents in the PRC are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to 20% PRC income tax, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws. However, it remains unclear whether dividends on our H Shares or gains from their transfer would be classified as PRC-source income and thus subject to such taxes. If PRC income tax is imposed on these dividends or gains, the value of investments in our Shares could be adversely affected. Additionally, Shareholders resident in jurisdictions without PRC tax treaties may not qualify for treaty benefits.

RISKS RELATING TO THE [REDACTED]

We will be concurrently subject to listing and regulatory requirements of Chinese mainland and Hong Kong.

As we are listed on the ChiNext of the Shenzhen Stock Exchange and will be [REDACTED] on the Main Board of the Stock Exchange, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources in continuously complying with all sets of listing rules in the two jurisdictions.

The characteristics of the A share and H share markets may differ.

Our A Shares are listed and traded on the ChiNext of the Shenzhen Stock Exchange. Following the [REDACTED], our A Shares will continue to be traded on the ChiNext of the Shenzhen Stock Exchange and our H Shares will [REDACTED] on the Main Board of the Stock Exchange. Under current laws and regulations of China, without the approval from the relevant regulatory authorities, our H Shares and A Shares are neither interchangeable nor fungible, and there is no trading or settlement between the H Share and A Share markets. With different trading characteristics, the H Share and A Share markets have divergent [REDACTED] and liquidity and investor bases, as well as different levels of retail and institutional investor participation. As a result, the [REDACTED] of our H Shares and A Shares may not be comparable. Nonetheless, fluctuations in the price of our A Shares may adversely affect the price of our H Shares, and vice versa. Due to the different characteristics of the H Share and A Share markets, the historical prices of our A Shares may not be indicative of the performance of our H Shares. You should therefore not place undue reliance on the trading history of our A Shares when evaluating the investment decision in our H Shares.

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There has been no prior public market for our H Shares, and an active trading market may not develop.

Prior to the [REDACTED], there was no public market for our H Shares. There is no assurance that a public market for our H Shares with adequate liquidity and [REDACTED] will develop and be sustained following the completion of the [REDACTED]. In addition, the [REDACTED] of our H Shares is the result of negotiations between the [REDACTED] (for themselves and on behalf of the [REDACTED]) and us, and may not be an indication of the market price at which our H Shares will be traded following the completion of the [REDACTED]. If an active public market for our H Shares does not develop following the completion of the [REDACTED], the market price and liquidity of our H Shares may be materially and adversely affected.

The trading price of our H Shares may be volatile, which could result in substantial losses for investors.

The price and [REDACTED] of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of the securities in Hong Kong and globally. The Stock Exchange and other securities markets have, from time to time, experienced significant price and [REDACTED] volatility that are not related to the operating performance of any particular company. The business and performance and the market price of the shares of other companies engaging in similar business may also affect the price and [REDACTED] of our H Shares. In addition to market and industry factors, the price and [REDACTED] of our H Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, investments, expenditures, relationships with our business partners, movements or activities of key personnel, actions taken by competitors or regulatory developments. Moreover, shares of other companies listed on the Stock Exchange have experienced price volatility in the past, and it is possible that our H Shares may be subject to changes in price not directly related to our business performance.

Future sales or perceived sales of our H Shares in the public market following the [REDACTED] could materially and adversely affect the market price of our H Shares.

The market price of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Only a limited number of the H Shares currently outstanding will be available for sale immediately after the [REDACTED] due to the contractual and legal restrictions as set out in the [REDACTED] section. However, after these restrictions lapse or if they are waived or breached, future sales, or anticipated sales, of substantial amounts of our securities, could also materially and adversely affect our ability to raise capital at a specific time and on terms favourable to us.

You will experience immediate and substantial dilution in the net tangible book value of the shares you purchase in this [REDACTED].

As the [REDACTED] of our H Shares is higher than the consolidated [REDACTED] per share immediately prior to the [REDACTED], purchasers of our H Shares in the [REDACTED] may experience an immediate dilution in [REDACTED] net tangible book value, and our existing Shareholders will receive an increase in the [REDACTED] adjusted consolidated net tangible asset value per Share of their Shares. In addition, holders of our Shares may experience further dilution of their interests if the [REDACTED] exercise the [REDACTED] or if we obtain additional capital in the future through equity [REDACTED].

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Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance whether and when we will pay dividends in the future.

We have declared dividends in the past. However, there is no assurance that dividends of any amount will be declared or distributed by us in any year in the future. Under the applicable laws and regulations of Chinese mainland, the payment of dividends may be subject to certain limitations, and the calculation of our profit under the Accounting Standards for Business Enterprises may differ in certain respects from the calculation under the HKFRS. Under PRC laws, dividends may only be paid from distributable profits, which are calculated as distributable net profits minus appropriations to statutory surplus reserve, general reserve, and discretionary surplus reserve (as approved by our shareholders’ meeting). These appropriations are based on unconsolidated net profits determined under PRC GAAP. Our distributable net profit referred to above represents the lowest of (i) our net profit attributable to our equity holders for a period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under PRC GAAP, and (ii) our net profit attributable to our equity holders for the period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under HKFRS.

The declaration, payment and amount of any future dividends are subject to the discretion of our Board of Directors, after taking into account various factors, including but not limited to our results of operations, financial condition, cash flows, capital expenditure requirements, market conditions, our strategic plans and prospects for business development, regulatory restrictions on the payment of dividends and other factors as our Board of Directors may deem relevant, and subject to the approval at Shareholders’ meeting. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the applicable laws and regulations of Chinese mainland. For details, see “Financial Information — Dividends.” No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Our historical dividends should not be taken as indicative of our dividend policy in the future.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on the ChiNext of the Shenzhen Stock Exchange.

As our A Shares are listed on the ChiNext of the Shenzhen Stock Exchange, we have been subject to periodic reporting and other information disclosure requirements in Chinese mainland. As a result, from time to time, we publicly release information relating to us on the Shenzhen Stock Exchange or other media outlets designated by the CSRC. However, the information announced by us in connection with our A Shares listing is based on regulatory requirements of the securities authorities, industry standards and market practices in Chinese mainland, which are different from those applicable to the [REDACTED]. The presentation of financial and operational information for the Track Record Period disclosed on the Shenzhen Stock Exchange or other media outlets may not be directly comparable to the financial and operational information contained in this document. As a result, prospective investors in our H Shares should be reminded that, in making their investment decisions as to whether to purchase our H Shares, they should rely only on the financial, operating and other information included in this document. By applying to purchase our H Shares in the [REDACTED], you will be deemed to have agreed that you will not rely on any information other than that contained in this document and any formal announcements made by us in Hong Kong with respect to the [REDACTED].

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The statistical and other information contained in this document may not be reliable in terms of accuracy, competence or reliance.

Certain facts, forecast and other statistics in this document are derived from various sources that we believe are reliable, including government and industry association publications, as well as a report prepared by CIC that we commissioned. Nevertheless, such information has not been independently verified by us, the Joint Sponsors, [REDACTED] or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our investors that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain [REDACTED] information and other matters. The words “aim,” “anticipate,” “believe,” “could,” “predict,” “potential,” “continue,” “expect,” “intend,” “may,” “might,” “plan,” “seek,” “ought to,” “will,” “would,” “should” and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, amongst others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessarily estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set out in this section. Accordingly, such statements are not a guarantee of future performance and investors should not place undue reliance.

You should read the entire document carefully and we strongly caution you not to place any reliance on any information contained in press articles or other media or research analyst reports regarding us, our business, or our industry [REDACTED].

We strongly caution our investors not to rely on any information contained in press articles or other media coverage relating to us, our Shares and the [REDACTED]. Prior to the publication of this document, there may be press and media coverage regarding the [REDACTED] and us. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and our investors should not rely on such information.

WAIVERS

In preparation for the [REDACTED], we have applied for the following waivers from strict compliance with the relevant provisions of the Listing Rules:

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our Company must have sufficient management presence in Hong Kong, which normally means that at least two executive directors must be ordinarily resident in Hong Kong. Pursuant to Rule 19A.15 of the Listing Rules, the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant’s arrangements for maintaining regular communication with the Stock Exchange.

Given that (i) our core business operations are principally located, managed and conducted in the PRC and will continue to be based in the PRC after the [REDACTED]; (ii) our Company’s head office is situated in the PRC, our executive Directors and senior management members principally reside in the PRC and will continue to be based in the PRC after the [REDACTED]; and (iii) the management and operation of our Company have mainly been under the supervision of the executive Directors and senior management members of our Company, who are principally responsible for the overall management, corporate strategy, planning, business development and control of our Company’s business, and all the executive Directors and senior management members of our Company principally reside in the PRC and it is important for them to remain in close proximity to our Group’s operation located in the PRC, we consider that it would be more practical for our executive Directors and senior management members to remain ordinarily resident in the PRC where our Group has substantial operations. For the above reasons, we do not have, and do not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rule 8.12 of the Listing Rules. We will ensure that there are adequate and efficient arrangements to achieve regular and effective communication between us and the Stock Exchange as well as compliance with the Listing Rules by way of the following arrangements:

1. **Authorized representatives:** we have appointed Mr. Yu Dexiang (于德翔) (“**Mr. Yu**”) and Ms. Chan Ching Nga (陳靜雅) (“**Ms. Chan**”) as our authorized representatives (“**Authorized Representatives**”) for the purpose of Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our principal channel of communication with the Stock Exchange and would be readily contactable by phone and email to deal promptly with enquiries from the Stock Exchange. Accordingly, the Authorized Representatives will be able to meet with the relevant members of the Stock Exchange to discuss any matters in relation to our Company within a reasonable period of time. See “Directors and Senior Management” for more information about Mr. Yu and Ms. Chan.

WAIVERS

2. **Directors:** to facilitate communication with the Stock Exchange, we have provided the Authorized Representatives and the Stock Exchange with the contact details (such as mobile phone numbers, office phone numbers and email addresses) of each of our Directors. In the event that any Director expects to travel or otherwise be out of the office, he or she will provide the phone number of the place of his/her accommodation to the Authorized Representatives. Accordingly, the Authorized Representatives have means of contacting all directors promptly at all times as and when the Stock Exchange wishes to contact the Directors on any matters. To the best of our knowledge and information, each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period after being requested to do so by the Stock Exchange.
3. **Compliance advisor:** we have appointed Somerley Capital Limited as our compliance advisor (“**Compliance Advisor**”) in compliance with Rule 3A.19 of the Listing Rules. The Compliance Advisor will, among other things and in addition to the Authorized Representatives, provide us with professional advice on continuing obligations under the Listing Rules and act as an additional channel of communication of our Company with the Stock Exchange during the period from the [REDACTED] to the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately after the [REDACTED]. The Compliance Advisor will be available to answer enquiries from the Stock Exchange and will act as the principal channel of communication with the Stock Exchange when the Authorized Representatives are not available.
4. **Joint company secretary:** we have appointed Ms. Chan, who ordinarily resides in Hong Kong, as one of our joint company secretaries. Ms. Chan will maintain constant contact with our Directors and senior management members through various means.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Rule 8.17 of the Listing Rules provides that our Company must appoint a company secretary who satisfies the requirements under Rule 3.28 of the Listing Rules. According to Rule 3.28 of the Listing Rules, our Company must appoint an individual, who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary. Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

WAIVERS

In addition, pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing “relevant experience,” the Stock Exchange will consider the individual’s:

- (a) length of employment with the issuer and other issuers and the roles he played;
- (b) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

We have appointed Mr. Sun Yingtao (孫穎濤) (“**Mr. Sun**”) as one of the joint company secretaries of our Company. As Mr. Sun has substantial experience in handling legal and compliance related affairs of our Group, and is familiar with our Group’s business operations, the Board believes that appointment of Mr. Sun as our company secretary would be beneficial for our Company. See “Directors and Senior Management” for further biographical details of Mr. Sun. However, Mr. Sun personally does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, our Company has appointed Ms. Chan, a solicitor of the High Court of Hong Kong and an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as one of our joint company secretaries and to provide assistance to Mr. Sun for an initial period of three years from the [REDACTED] to enable Mr. Sun to acquire the “relevant experience” under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. See “Directors and Senior Management” for further biographical details of Ms. Chan which satisfy the requirements under Note 1(a) to Rule 3.28 of the Listing Rules.

The following arrangements have been, or will be, put in place to assist Mr. Sun in acquiring the qualifications and experience as our Company’s company secretary required under Rule 3.28 of the Listing Rules:

- (a) Mr. Sun will endeavor to attend relevant training courses, including briefings on the latest changes to the relevant applicable Hong Kong laws and regulations and the Listing Rules, which will be organized by our Company’s Hong Kong legal advisors on an invitation basis and seminars organized by the Stock Exchange for listed issuers from time to time;
- (b) Ms. Chan will assist Mr. Sun to enable him to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as our company secretary of our Company;

WAIVERS

- (c) Ms. Chan will communicate regularly with Mr. Sun on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Ms. Chan will work closely with, and provide assistance to, Mr. Sun in the discharge of his duties as a company secretary, including organizing our Company’s Board meetings and Shareholders’ general meetings; and
- (d) Before expiry of Mr. Sun’s initial term of appointment as the joint company secretary of our Company, we will evaluate his experience and seek the Stock Exchange’s confirmation in order to determine if he has acquired the qualifications required under Rules 3.28 and 8.17 of the Listing Rules, and whether on-going assistance should be arranged so that Mr. Sun’s appointment as our company secretary of our Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules. Such waiver will be revoked immediately if and when Ms. Chan ceases to provide assistance to Mr. Sun or there are material breaches of the Listing Rules by our Company. Before the expiry of the initial three-year period, the qualification of Mr. Sun will be re-evaluated to determine whether the requirements as stipulated in Note 2 to Rule 3.28 of the Listing Rules can be satisfied.

[REDACTED]

WAIVERS

[REDACTED]

WAIVERS

[REDACTED]

WAIVERS

[REDACTED]

WAIVERS

WAIVER IN RELATION TO DISCLOSURE REQUIREMENTS WITH RESPECT TO CHANGES IN SHARE CAPITAL

Paragraph 26 of Appendix D1A to the Listing Rules requires this document to include the particulars of any alterations in the capital of any member of our Group within the two years immediately preceding the issue of this document.

As of the Latest Practicable Date, we have more than 180 subsidiaries. It would be unduly burdensome for us to disclose the required information in respect of all of our subsidiaries as our Company would have to incur additional costs and devote additional resources in compiling and verifying the relevant information for such disclosure, which would not be material nor meaningful to investors. The non-disclosure of such information will not prejudice the interests of our Shareholders or potential investors.

We have identified 16 subsidiaries (collectively, the “**Principal Subsidiaries**” and each a “**Principal Subsidiary**”) that we consider are material to our operations and/or contributed significantly to our financial performance during the Track Record Period. None of the non-Principal Subsidiaries is individually material to us in terms of its contribution to our Company’s total assets, total revenue or total net profits, or holds any major assets and intellectual property rights. By way of illustration, after intercompany eliminations, as of December 31, 2023 and 2024 and October 31, 2025, the aggregate assets of our Company and its Principal Subsidiaries represent 73.2%, 75.9% and 76.7% of our total assets as of December 31, 2023 and 2024 and October 31, 2025, respectively; the aggregate revenue of our Company and its Principal Subsidiaries for the years ended December 31, 2023 and 2024 and the ten months ended October 31, 2025 represents 83.3%, 89.1% and 89.8% of our total revenue for the relevant year/period, respectively; and the aggregate net profits of our Company and its Principal Subsidiaries for the years ended December 31, 2023 and 2024 and the ten months ended October 31, 2025 represent 71.6%, 69.6% and 80.4% of the Group’s total net profits for the relevant year/period, respectively. None of the other subsidiaries of our Company that are not Principal Subsidiaries individually contributes 5% or more of our Group’s total assets as of December 31, 2023 and 2024 and the ten months ended October 31, 2025 or 5% or more of our Group’s revenue or net profits for each of the financial years ended December 31, 2023 and 2024 and the ten months ended October 31, 2025, respectively. Accordingly, the remaining subsidiaries which are not Principal Subsidiaries in our Group are relatively insignificant to the overall results of our Group.

We have disclosed the particulars of the changes in the share capital of our Company and the Principal Subsidiaries in the section headed “Statutory and General Information — A. Further Information About Our Principal Subsidiaries — 2. Changes in the Share Capital of Our Principal Subsidiaries” in Appendix IV to this document.

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under paragraph 26 of Appendix D1A to the Listing Rules, in respect of disclosing the particulars of any alteration in the capital of our subsidiaries that are not Principal Subsidiaries within the two years immediately preceding the issue of this document.

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

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[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Yu Dexiang (于德翔)	Building 1, No. 252 Haikou Road Laoshan District Qingdao City Shandong Province PRC	Chinese
Mr. Kang Xiaobing (康晓兵)	Building 2, Courtyard 288 Chaoyangmen Inner Street Dongcheng District Beijing City PRC	Chinese
Mr. Zhou Jun (周君)	Building 13, No. 77 Tongchuan Road Licang District Qingdao City Shandong Province PRC	Chinese
Mr. Li Jun (李军)	No. 167 Zhengbei Upper Street Huayang Town Shuangliu County Sichuan Province PRC	Chinese
Ms. Chang Meihua (常美华)	Unit 22, No. 12 Qinling Road Laoshan District Qingdao City Shandong Province PRC	Chinese
Ms. Han Zengxue (韩增雪)	Building 9 No. 225 Jiushui Road Licang District Qingdao City Shandong Province PRC	Chinese

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Name	Address	Nationality
Independent Non-executive Directors		
Dr. Zheng Xiaoming (鄭曉明)	Dormitory 23 Tsinghua University Haidian District Beijing City PRC	Chinese
Mr. Sun Yuliang (孫玉亮)	Baker Circle Greenwich 18 Bulkeley Street Hung Hom Kowloon Hong Kong	Chinese
Dr. Wang Yuanzhuo (王苑琢)	Building 25, Hongdaowan Shengyu No. 6 Xiankang Road Qingdao City Shandong Province PRC	Chinese

For details with respect to our Directors, see “Directors and Senior Management” in this document.

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors

**China Galaxy International Securities
(Hong Kong) Co., Limited**

20/F, Wing On Centre
111 Connaught Road Central
Sheung Wan
Hong Kong

GF Capital (Hong Kong) Limited

27/F, GF Tower
81 Lockhart Road
Wan Chai
Hong Kong

[REDACTED]

Legal Advisors to the Company

As to Hong Kong and U.S. laws:

King & Wood Mallesons

13/F, Gloucester Tower
The Landmark
15 Queen’s Road Central
Central
Hong Kong

As to PRC laws:

King & Wood Mallesons

18th Floor, East Tower
World Financial Center
Chaoyang District
Beijing
PRC

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

**Legal Advisors to the Joint Sponsors and
[REDACTED]**

As to Hong Kong laws:
[REDACTED]

As to PRC laws:

Haiwen & Partners
20/F, Fortune Financial Center
5 Dong San Huan Central Road
Chaoyang District
Beijing
PRC

Auditor and Reporting Accountants

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
23/F, Tower 2
Enterprise Square Five
38 Wang Chiu Road
Kowloon Bay
Hong Kong

Industry Consultant

China Insights Consultancy
10/F Block B
Jingan International Center
88 Puji Road
Jingan District
Shanghai
PRC

Compliance Advisor

Somerley Capital Limited
20/F China Building
29 Queen’s Road Central
Hong Kong

[REDACTED]

CORPORATE INFORMATION

Registered Office in the PRC	No. 336 Songling Road Laoshan District Qingdao City Shandong Province PRC
Headquarters and Principal Place of Business in the PRC	No. 336 Songling Road Laoshan District Qingdao City Shandong Province PRC
Principal Place of Business in Hong Kong	46th Floor Hopewell Centre 183 Queen’s Road East Wanchai Hong Kong
Company’s Website	<u>www.qdtgood.com</u> <i>(Information contained on this website does not form part of this document)</i>
Joint Company Secretaries	Mr. Sun Yingtao (孫穎濤) No. 336 Songling Road Laoshan District Qingdao City Shandong Province PRC Ms. Chan Ching Nga (陳靜雅) <i>(ACG, HKACG)</i> 46th Floor Hopewell Centre 183 Queen’s Road East Wanchai Hong Kong
Authorized Representatives	Mr. Yu Dexiang (于德翔) No. 336 Songling Road Laoshan District Qingdao City Shandong Province PRC Ms. Chan Ching Nga (陳靜雅) 46th Floor Hopewell Centre 183 Queen’s Road East Wanchai Hong Kong

CORPORATE INFORMATION

Audit Committee

Dr. Wang Yuanzhuo (王苑琢) (*Chairperson*)
Dr. Zheng Xiaoming (鄭曉明)
Mr. Sun Yuliang (孫玉亮)

Strategy Committee

Mr. Yu Dexiang (于德翔) (*Chairperson*)
Dr. Zheng Xiaoming (鄭曉明)
Mr. Kang Xiaobing (康曉兵)
Mr. Zhou Jun (周君)
Mr. Li Jun (李軍)

Nomination Committee

Mr. Sun Yuliang (孫玉亮) (*Chairperson*)
Dr. Zheng Xiaoming (鄭曉明)
Ms. Chang Meihua (常美華)

Remuneration and Appraisal Committee

Dr. Zheng Xiaoming (鄭曉明) (*Chairperson*)
Dr. Wang Yuanzhuo (王苑琢)
Mr. Zhou Jun (周君)

[REDACTED]

Principal Banks

Agricultural Bank of China, Laoshan Sub-branch
No. 242 Xianggang East Road
Laoshan District
Qingdao City
Shandong Province
PRC

Bank of Communications, Qingdao Branch Business Department
Building 4 Guojin Center
No. 156 Shenzhen Road
Laoshan District
Qingdao City
Shandong Province
PRC

Industrial and Commercial Bank of China, Shandong Road Sub-branch
No. 7 B Shandong Road
Shinan District
Qingdao City
Shandong Province
PRC

INDUSTRY OVERVIEW

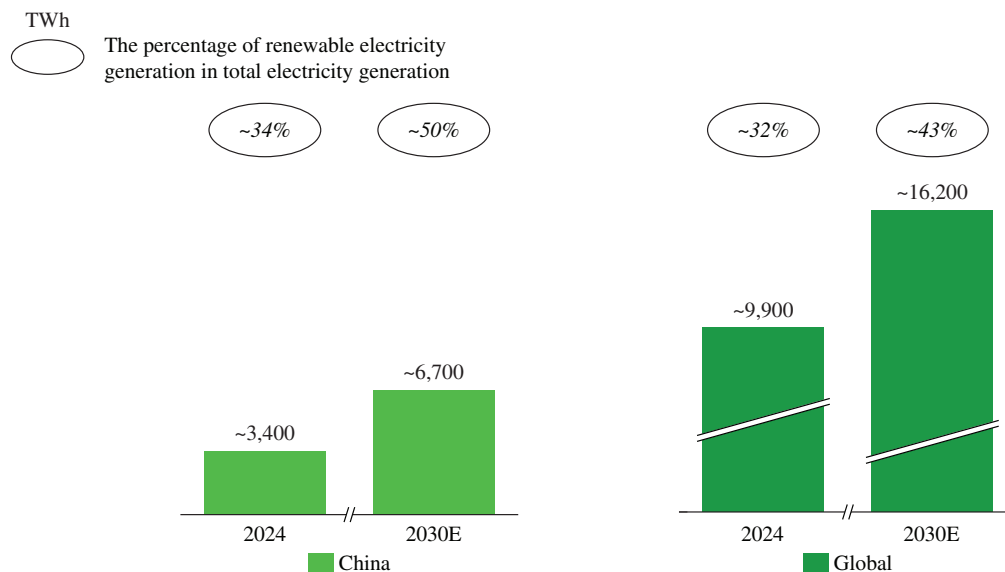
The information and statistics set out in this section and other sections of this document were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by China Insights Consultancy Limited (“CIC”). We engaged CIC to prepare an independent industry report in connection with the [REDACTED] (the “CIC Report”). The information from official government sources has not been independently verified by us, the Joint Sponsors, [REDACTED], any of the [REDACTED], any of their respective directors, supervisors, and advisors, or any other persons or parties involved in the [REDACTED], and no representation is given as to its accuracy. Accordingly, the information from official government sources contained herein may not be accurate.

OVERVIEW OF THE GLOBAL ELECTRICITY INDUSTRY

Accelerating Transition to Renewable Energy Generation

Power systems are essential for modern society, enabling the reliable generation, transmission, and distribution of electricity to homes, industries, and critical infrastructure. With countries around the world endeavouring to promote energy system decarbonization, the power system plays a critical role in this transition. Unprecedented growth in renewable energy deployment creates complex operational challenges, yet also presents new opportunities for power system stakeholders. Of all these countries, China is leading this global transition. The inherent intermittency of renewable energy is fundamentally reshaping the balance between electricity generation and consumption, placing greater demands on the power system’s voltage conversion capabilities and flexibility.

Global and China’s renewable electricity generation, 2024-2030E



Source: International Energy Agency (IEA), CIC

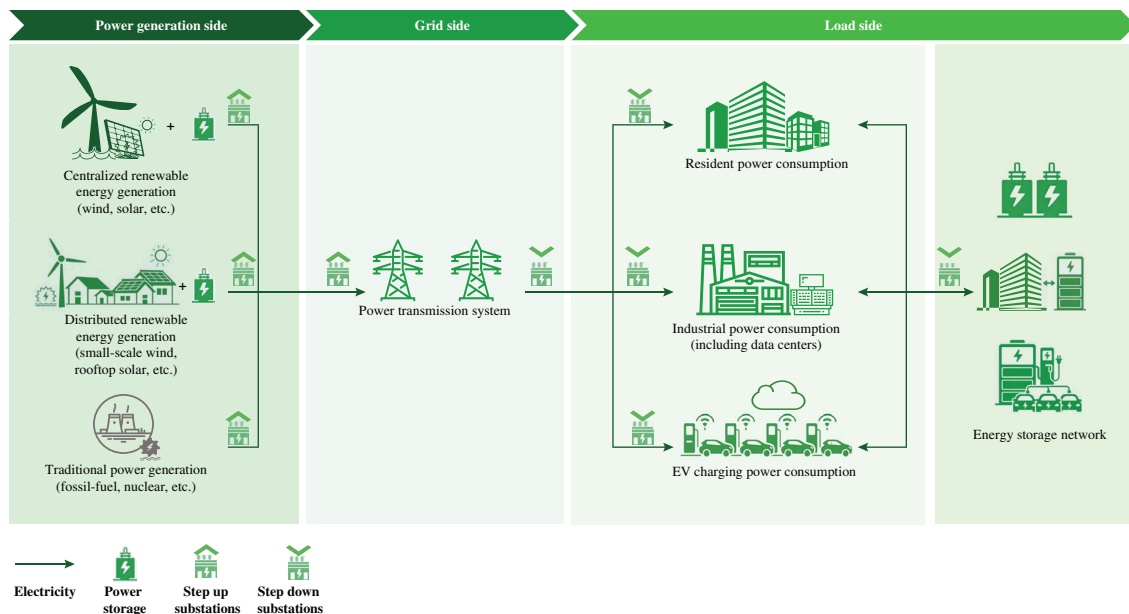
INDUSTRY OVERVIEW

The Next-Generation Power System Reshapes the Traditional Paradigm

The traditional power system is designed for unidirectional energy transmission, where electricity flows in a one-way, linear path from large, centralized power plants through high-voltage transmission lines and distribution networks to end users. It faces (i) rigid supply-demand matching that requires continuous cross-regional dispatch to maintain real-time balance, (ii) peak-off-peak load swings that leave generation capacity underutilized, (iii) transmission and distribution limits that create connection bottlenecks in high-demand areas, (iv) time-of-use pricing that causes cost volatility, and (v) aging infrastructure that increases maintenance and upgrade burdens.

In response, the next-generation power system is transforming into a decentralized, intelligent, and flexible digital network, driven by high renewable energy penetration, bidirectional and on-demand power transmission, and flexible distribution networks. On the load side, electricity use is becoming more diverse and geographically dispersed, spanning industrial parks, electric vehicles, commercial and public facilities, and households, which increases the complexity of managing demand. At the same time, distributed energy resources enable supply and demand to be balanced closer to where electricity is used. This helps smooth peak-period demand, ease grid congestion, improve overall capacity utilization, and moderate electricity cost fluctuations. The diagram below depicts the architecture of the next-generation power system.

Diagram of the next-generation power system



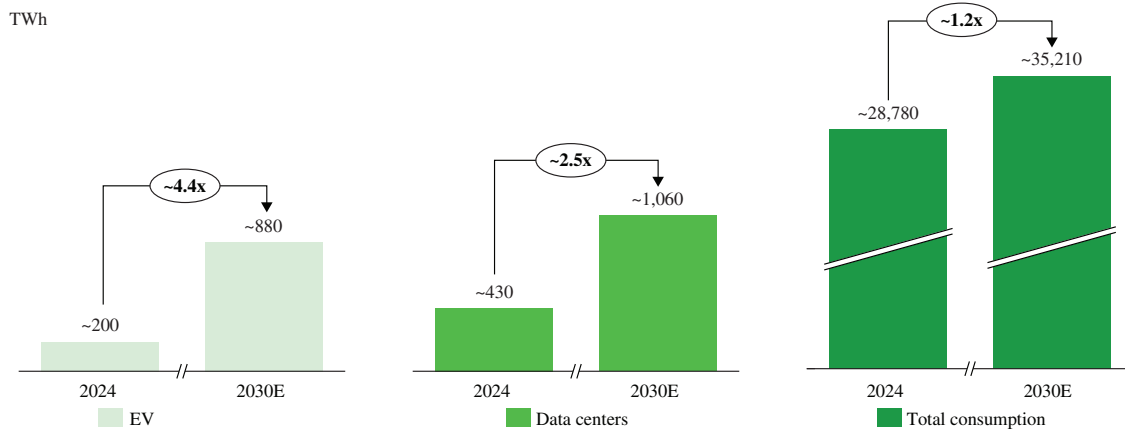
Source: CIC

INDUSTRY OVERVIEW

Upgraded Power Infrastructure and Emerging Use Cases Amid Power System Transformation

Major economies worldwide have identified power system transition, modernization and supply security as a long-term priority. China is a global leader in building the next-generation power system. Amid this trend, global electricity consumption has grown steadily. The industrial sector was the largest consumer of electricity globally, accounting for approximately 40% of the total in 2024. Looking ahead, EVs and data centers are expected to become important drivers of incremental electricity demand. EV charging is becoming concentrated in specific locations and peak periods, placing growing pressure on local distribution networks and requiring smarter charging scheduling and management. At the same time, rapid growth in AI workloads and data center capacity is increasing demand for highly reliable, uninterrupted power supply to support dense, large-scale electricity use within compact facilities. China, which leads globally in EV penetration and AI infrastructure deployment, accounted for over 60% of global electricity consumption from EV and more than 25% from data centers in 2024. The following charts demonstrate the global electricity consumption by application scenarios.

Global electricity consumption, by application scenarios, 2024-2030E



Source: IEA, CIC

The next-generation power system is a smart energy network including numerous substations that perform voltage step-up and step-down, AC to DC conversion, and energy management. Given that renewable energy output is inherently variable, power supply is more intermittent and less controllable, which increases overall system instability. This drives the need for additional substation capacity (especially high-voltage) to manage fluctuating power flows, and for more intelligent dispatch networks to maintain grid stability across diverse scenarios.

OVERVIEW OF GLOBAL PREFABRICATED SUBSTATION INDUSTRY

Substations as Critical Nodes of the Next-Generation Power System

Substations are pivotal hubs within the power system, performing power transformation, including both step-up and step-down, to meet the varying demands of electricity consumption and transmission across different segments.

INDUSTRY OVERVIEW

In the next-generation power system, the role of substations is evolving from passive connection points to multi-directional intelligent power hubs. On the generation side, substations condition and stabilize intermittent renewable energy output before it enters the grid. On the grid side, they act as switching and routing hubs that manage multi-directional power flows. On the load side, they ensure reliable delivery to electricity-intensive end-users while enabling bidirectional energy exchange.

Prefabricated Substations as an Emerging Solution in the Next-Generation Power System

A prefabricated substation is a new type of factory-assembled, modular structure that integrates main switchgear, power transformers, protective control devices, and their auxiliary systems and other related functional modules within a highly compact outdoor prefabricated module.

Traditional substations are increasingly unable to meet the core requirements of efficient deployment, reliable operation, and flexible responsiveness demanded by the next-generation power system. Prefabricated substations have emerged as a critical enabler for power infrastructure upgrades due to their high adaptability. Compared with traditional substations, prefabricated substations are factory-built and preassembled, significantly shortening construction time and reducing on-site installation workload, thereby enabling rapid and flexible deployment. Moreover, their fully enclosed structure enhances equipment protection level and operational reliability, allowing for deployment in high-density and high-load environments.

Comparison between the traditional substation and the prefabricated substation

	Traditional substation	Prefabricated substation
Construction and installation	Significant civil construction work, on-site installation, difficult to expand and modify	Factory-prefabricated, fully-enclosed, rapid on-site installation, easy expansion
Manufacture and deployment time . . .	One to three years	Within six months
Ingress Protection (IP) rating	Dependent on construction materials and environmental conditions	Higher protection level with strong environmental adaptability (e.g. dust- and moisture-proof)
Mobility and flexibility	Fixed-location, limited mobility	Modular, relocatable where required; easier to redeploy and reconfigure
Installation cost	Higher cost due to labor-intensive construction and extended on-site work	Relatively lower due to reduced labor input and streamlined installation

Source: CIC

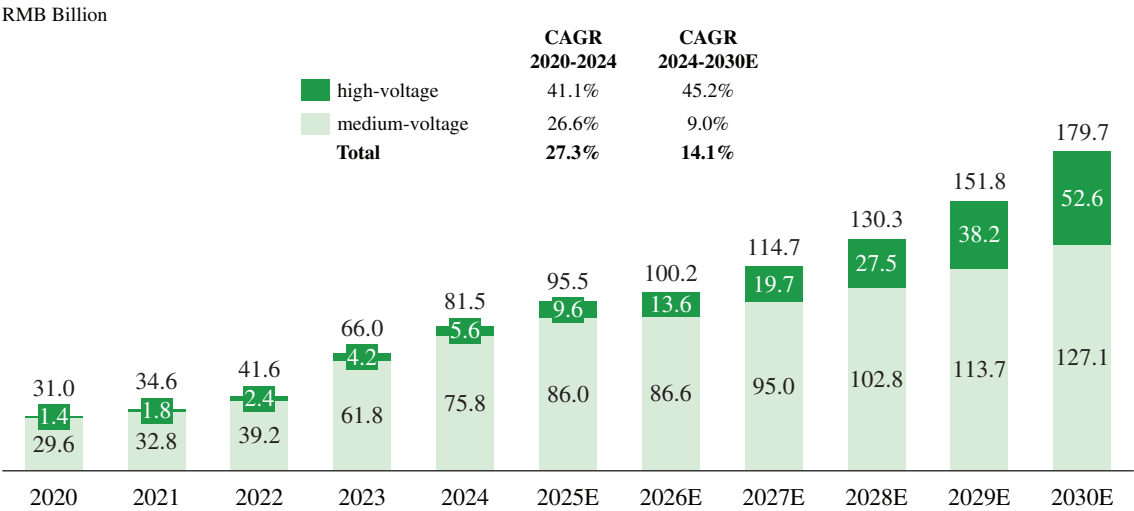
INDUSTRY OVERVIEW

Global voltage classification is primarily based on two established frameworks: the International Electrotechnical Commission (IEC) and the Institute of Electrical and Electronics Engineers (IEEE). As the most widely adopted voltage classification standard worldwide, the IEC framework is applied across China, Europe, and most countries in Asia and Africa, while the IEEE framework is mainly used in the Americas. Under the IEC framework, prefabricated substations can be classified by voltage level into medium-voltage (1-35 kV) and high-voltage (above 35 kV). Compared with medium-voltage prefabricated substations, which are typically deployed at distribution endpoints and near end users, high-voltage prefabricated substations function as critical nodes for power aggregation and long-distance transmission, where operational reliability is essential to overall grid stability. Their higher operating voltages introduce greater technical challenges in insulation, power control and protection, electrical clearances, electromagnetic compatibility, and fault protection, requiring more reliable and intelligent equipment, and stronger system integration and engineering capabilities.

Market Size of Global Prefabricated Substation Industry

According to CIC, the market size of the global prefabricated substation industry reached RMB31.0 billion in 2020 and grew to RMB81.5 billion by 2024, representing a CAGR of 27.3% during this period. It is anticipated that by 2030, the market size of the global prefabricated substation industry will reach RMB179.7 billion, with a CAGR of 14.1% from 2024 to 2030. Moreover, high-voltage prefabricated substations, which are essential for supporting high-voltage node construction, had a market size of RMB5.6 billion in 2024, and are expected to increase to RMB52.6 billion by 2030, representing a CAGR of 45.2% from 2024 to 2030.

Market size of global prefabricated substation industry, in terms of revenue, by voltage level, 2020-2030E



Source: CIC

INDUSTRY OVERVIEW

Drivers and Trends of the Global Prefabricated Substation Industry

Renewable energy generation as mainstream. “Net zero” is accelerating the expansion of renewable energy capacity. Installations in remote and harsh environments, such as deserts and high-altitude plateaus, coupled with the accelerated deployment of generation-side energy storage are increasing demand for highly integrated, rapidly deployable substation solutions. Prefabricated substations enable efficient deployment under adverse conditions and timely grid connection with intelligent control and protection, driving their adoption on the power generation side.

Increased demand for grid expansion. Rising electricity consumption and distributed photovoltaic energy generation strain power networks in capacity redundancy, operational stability, and dispatch flexibility, driving expansion and structural optimization. With modular structure and scalability, prefabricated substations provide rapid solutions for ring network power supply, capacity enhancement, and fault replacement across urban expansion areas, industrial parks, and rural grid upgrades.

Growth in data center load. Surging computational demand from AI is increasing rack power density, exposing limitations in power capacity, energy efficiency, and adaptability to DC load. Solid-state power transformers integrated into prefabricated substations enable efficient power transformation directly from high- or medium-voltage AC (220-10 kV) to DC at 800 V, simplifying power supply architecture and reducing transmission losses, driving demand in data center scenarios.

Industrial modernization. The industrial sector accounts for a significant share of global electricity consumption. Upgrading manufacturing activities and concentrated industrial clusters raise higher requirements on substation voltage levels, power supply reliability, and deployment efficiency. Prefabricated substations support rapid construction and phased capacity expansion, widening deployment capacity.

Overseas expansion of Chinese enterprises. Global energy transition and grid upgrades create opportunities for Chinese prefabricated substation enterprises to expand overseas, leveraging advantages in product reliability, environmental adaptability, and intelligent integration. Under the “Belt and Road” initiative, Chinese enterprises are addressing demand in extreme environments such as the Middle East. Total investment in the power sector across the Middle East from 2025 to 2030 is projected to exceed USD 800 billion, with Saudi Arabia undertaking large-scale grid modernization initiatives, representing a total investment of over USD 50 billion during the same period.

Competitive Landscape of Global Prefabricated Substation Industry

The global prefabricated substation market is relatively fragmented, with the top five manufacturers accounting for approximately 27.3% of total market share. In terms of revenue from prefabricated substations in 2024, our Company is the largest manufacturer globally, with a market share of 8.6%. The high-voltage prefabricated substation segment shows a much higher market concentration because it requires stronger system integration and engineering capabilities than medium-voltage substations, as well as higher standards for insulation performance and system safety and reliability. In terms of revenue in 2024, our Company was also the world’s largest manufacturer of high-voltage prefabricated substations with a market share of 47.3%. Based on revenue in 2023, our Company also ranked first worldwide in both the overall prefabricated substation market and the high-voltage prefabricated substation segment.

INDUSTRY OVERVIEW

Competitive landscape of global prefabricated substation industry, 2024

Rank	Company name	Revenue from prefabricated substations	Market share by revenue from prefabricated substations	Revenue from high-voltage prefabricated substations	Market share by revenue from high-voltage prefabricated substations
		RMB billion	%	RMB billion	%
1	The Company	7.0	8.6%	2.7	47.3%
2	Company A	4.9	6.0%	0.7	11.7%
3	Company B	4.6	5.6%	0.4	6.5%
4	Company C	3.3	4.1%	<0.1	<1.8%
5	Company D	2.4	3.0%	<0.1	<1.8%

Source: CIC

Notes:

- (1) Company A is a power equipment manufacturer founded in Chinese mainland in 1993. It mainly focuses on the manufacture and sale of prefabricated substations, complete switchgear systems, power transformers, and electrical cable products. It is a listed company on the Shanghai Stock Exchange.
- (2) Company B is an intelligent power transmission and distribution equipment manufacturer and system service provider founded in Chinese mainland in 2006. It mainly focuses on the manufacture and sale of prefabricated substations, complete switchgear systems, power transformers, and electrical cable products. It is a listed company on the Shanghai Stock Exchange.
- (3) Company C is a power equipment manufacturer founded in Chinese mainland in 1965. It mainly focuses on the manufacture and sale of prefabricated substations, complete switchgear systems, power transformers, electronic components, polysilicon, and solar cells. It is an unlisted company.
- (4) Company D is an intelligent power distribution and consumption solution provider founded in Chinese mainland in 2007. It mainly focuses on the manufacture and sale of prefabricated substations, complete switchgear systems, power transformers, and smart meters. It is a listed company on the Shanghai Stock Exchange.

Entry Barriers of Global Prefabricated Substation Industry

High-voltage product matrix. High-voltage prefabricated substations are more technically challenging than medium-voltage ones. Leading manufacturers possess comprehensive capabilities across design, manufacturing, smart upgrade, testing, and on-site delivery, enabling them to support a wide range of applications. New entrants lack high-voltage product R&D, manufacturing and engineering experience, and project delivery capabilities.

Patent accumulation. A high-quality patent portfolio forms a strong barrier by protecting core technological innovations. Leading manufacturers hold patents in enclosure structures, electrical system optimization, intelligent control algorithms, environmentally friendly insulation materials, and specialized cooling design, enhancing high-voltage tolerance, operational safety redundancy, intelligent maintenance, and adaptability to extreme environments, which is difficult to circumvent.

Customer coverage. Customers are concentrated in large state-owned energy groups, national and local grid companies, major rail transit projects, and large data center enterprises, where supplier qualification processes and standards are stringent. Leading manufacturers have established trust through benchmark projects, while new entrants lack verifiable project track records.

INDUSTRY OVERVIEW

Full lifecycle services. Leading manufacturers provide services including project planning and system design, equipment integration, smart manufacturing, grid integration support, and later-stage operation, maintenance, and upgrade services, combining equipment sales and service provision to improve delivery quality, operational reliability, and customer loyalty. New entrants typically focus on equipment sales and lack a full-process service system with safety and reliability.

Cost Analysis of Global Prefabricated Substation Industry

Copper, grain-oriented silicon steel, and transformer oil are the primary raw materials for prefabricated substations. Grain-oriented silicon steel is a specialized electrical steel primarily used in power transformers to enhance efficiency in power conversion. Specifically, the price of copper material has risen from approximately RMB54,000 per ton in 2020 to approximately RMB76,000 per ton by 2024. The price of grain oriented silicon steel has increased from approximately RMB13,000 per ton in 2020 to approximately RMB29,000 per ton in 2022, before gradually decreasing to approximately RMB13,000 per ton by 2024. Meanwhile, the price of transformer oil has risen from approximately RMB3,600 per ton in 2020 to approximately RMB7,400 per ton in 2022, followed by a gradual decline to approximately RMB6,900 per ton in 2024.

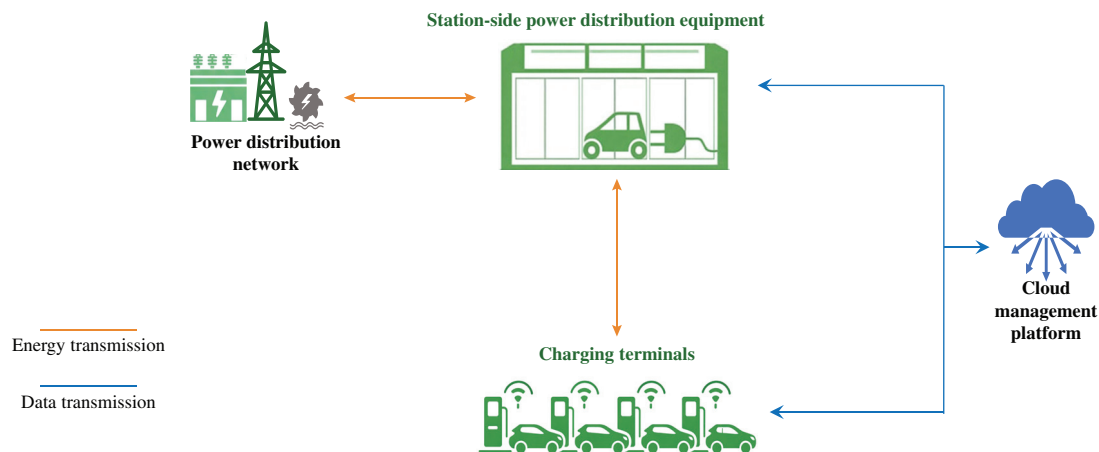
OVERVIEW OF CHINA’S EV CHARGING NETWORK INDUSTRY

Charging Networks as an Integral Part of the Next-Generation Power System

EV charging networks are energy replenishment networks composed of numerous distributed charging terminals, enabling unified access and coordinated operation between the power system and EV. In the next-generation power system, charging networks not only serve as the EV charging infrastructure, but are also evolving into a key type of dispatchable resources on the load side.

EV charging networks mainly comprise single-charger systems and intelligent cluster charging systems. Single-charger systems are typically configured as one charger paired with one or two charging terminals, with fixed power allocation. In contrast, intelligent cluster charging systems connect multiple charging terminals to station-side power distribution equipment that supports their concurrent and stable charging based on the power demand of individual vehicles, and are managed by unified cloud management platforms.

Diagram of an intelligent cluster charging system



Source: CIC

INDUSTRY OVERVIEW

Charging networks are gradually evolving from the traditional single charger model into an integrated energy network coordinated with the power distribution network. The following comparison table presents features of intelligent cluster charging systems compared to single-charger systems.

Comparison between the traditional single-charger system and the intelligent cluster charging system

	Single-charger system	Intelligent cluster charging system
Architecture	Each charger is independently configured with fixed charging modules. The system is highly decentralized with limited resource sharing	Adopts an integrated system that aggregates multiple charging modules into a shared power pool, allocating power based on charging terminal demand.
Grid compatibility	Charging loads are largely uncontrollable, which may increase localized peak loads and grid pressure	Equipped with centralized dispatch and load management capabilities, enabling orderly charging based on grid capacity
Upgrade Cost	Capacity upgrades typically require dismantling and replacing existing chargers, involving equipment replacement and associated civil works	Capacity expansion can be achieved by adding charging modules without removing existing equipment
Maintenance cost	Each charger requires individual maintenance. Equipment failures impact charging station availability	Modular design allows faulty modules to be replaced without affecting any other charging terminals
Dispatch capability . . .	Output per unit is fixed and cannot be dynamically adjusted based on different demands between vehicles	Supports dynamic power dispatch, enabling flexible allocation based on real-time demand, and improves terminals’ utilization rates

Source: CIC

Business Models and Market Size of the EV Charging Network Industry

The business models of the charging network primarily comprise the sale of charging equipment and the provision of charging network operation services. The sale of charging equipment involves the supply of charging terminals, together with related installation services. Charging network operation services provide users with charging terminal location identification, navigation and seamless charging services, while offering station operators with centralized monitoring and maintenance, as well as AI-enabled data analytics tools.

Some operators are further extending into energy management services related to microgrid coordination and virtual power plants. Through the unified dispatch of charging loads, the integration of distributed generation and energy storage units, and the enablement of EV participation in energy regulation, vehicles are gradually transforming from single electricity-consuming terminals into distributed resources capable of energy storage and regulation, becoming a complementary extension of the operation business.

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Drivers and Trends of the Chinese Mainland’s EV Charging Network Industry

Rising adoption of EV. The ownership of the Chinese mainland EV has continued to grow rapidly. In 2020, the Chinese mainland had approximately 4.9 million EV, accounting for about 1.8% of total vehicle ownership nationwide. By 2024, the number increased to 31.4 million, representing 8.9% of total vehicle ownership, with a CAGR of 58.9% from 2020 to 2024. As the fleet expands, charging demand is shifting from low-frequency and dispersed usage to high-frequency and concentrated usage, placing higher demands on coverage density, system capacity, and operational efficiency of charging network infrastructure.

Advancement of autonomous driving technologies. The deployment of robotaxis, autonomous heavy-duty trucks, and unmanned delivery vehicles is driving charging networks toward unmanned operation. Automation and remote monitoring enable end-to-end operation, improving efficiency, safety and supporting high-frequency, automated charging in closed and high-intensity environments.

Increasing adoption of microgrid-based charging systems. A microgrid is a localized power system that can operate independently or alongside the main grid, integrating distributed energy sources, storage, and loads. Microgrids are increasingly used to enhance the value of EV charging networks. Charging systems in industrial parks are often integrated with rooftop PV or existing PV and storage, prioritizing local consumption and storing surplus electricity for peak periods. This reduces stress on the external grid and improves power stability and energy efficiency. As of 2024, over 1,500 microgrid systems have been deployed in Chinese mainland and are expected to increase to over 10,000 by 2030.

Evolution of charging infrastructure toward DC and higher-power configurations. As charging demand grows, infrastructure is shifting from AC chargers to DC chargers. DC chargers offer higher efficiency, better power control, and safer operation, making them suitable for frequent, large-scale use. For high-power applications like heavy-duty trucks, ultra-fast DC charging shortens energy replenishment time and improves operational efficiency. Deployment is expanding beyond public fast-charging stations and transport hubs to residential communities and industrial parks.

Overseas expansion of the Chinese mainland’s charging network companies. The increasing penetration of EV and the expansion of public charging networks overseas create opportunities for Chinese charging network companies. Leveraging their experience in large-scale deployment, multi-scenario operations, and system integration, Chinese companies are exporting products, platforms, and operational capabilities through project delivery, partnerships, and network operations.

Competitive Landscape of the Chinese Mainland’s EV Charging Network Industry

The EV charging network market is highly competitive. The Company is one of the few integrated enterprises in the industry that covers both charging network operation services and the sale of charging equipment.

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For charging network operators, key operating metrics include total annual charging volume, the number of public charging terminals, total charging capacity in operation and the number of authorized patents obtained, which reflect charging service provision capacity, network coverage and scalability, load-carrying and dispatch capability, and technological R&D capability, respectively. Specifically, operators with a larger installed base of DC charging terminals typically demonstrate advantages in high-power access, grid coordination and charging dispatch, enabling them to more effectively serve public fast-charging, high-frequency charging and key transportation scenarios, thereby improving station utilization and overall operating efficiency.

In terms of revenue from charging network operation services in 2024, the Company is the largest EV charging network operator in the Chinese mainland. The tables below present the competitive landscape of the Chinese mainland’s EV charging network operators and the market share of TELD by different operating metrics.

Competitive landscape of the Chinese mainland’s EV charging network operators, 2024 (1/2)

Company name	Total annual public charging volume	Public charging terminals	Public DC charging terminals	Total charging capacity in operation	Number of authorized patents obtained
	<i>GWh</i>	<i>thousand units</i>	<i>thousand units</i>	<i>GW</i>	
The Company	~13,000	709	424	26.0	~800
Company E . . .	~11,000	214	203	15.0	~200
Company F . . .	~10,000	625	225	16.2	~140
Company G . . .	~7,000	587	283	24.7	<50
Company H . . .	~2,000	203	92	6.2	<50

Competitive landscape of the Chinese mainland’s EV charging network operators, 2024 (2/2)

Company name	Charging network operating revenue	Market share, in terms of charging network operating revenue
	<i>RMB in millions</i>	<i>%</i>
The Company	~1,610	9.3
Company E	~300	1.7
Company F	~280	1.6
Company G	~170	1.0
Company H	~60	0.3

Source: EVCIPA, CIC

INDUSTRY OVERVIEW

Notes:

- (1) The number of public charging terminals, public DC charging terminals, total charging capacity in operation, and the number of authorized patents obtained are all as of December 31, 2024.
- (2) Company E is an EV charging network operator founded in the Chinese mainland in 2018. It mainly engages in the provision of operation services with related energy management services. It is an unlisted company.
- (3) Company F is an intelligent EV charging equipment provider founded in the Chinese mainland in 2014. In 2025, it spun off its EV charging network operations services through the establishment of a separate entity. It is an unlisted company.
- (4) Company G is an EV charging network operator founded in the Chinese mainland in 2016. It mainly engages in the provision of operation services with related energy management services. It is an unlisted company.
- (5) Company H is an EV charging network operator founded in the Chinese mainland in 2015. It mainly engages in the provision of operation services with related energy management services. It is an unlisted company.

Market share of TELD, 2024

Total annual public charging volume	Public charging terminals	Public DC charging terminals
23.5%	19.8%	25.8%

Source: EVCIPA, CIC

Among charging equipment providers, sales revenue is commonly used to assess product commercialization capability and market acceptance. In terms of revenue from charging equipment sales in 2024, the Company is the largest EV charging equipment provider in the Chinese mainland. The table below presents the competitive landscape of the Chinese mainland’s EV charging equipment providers.

Competitive landscape of the Chinese mainland’s EV charging equipment providers, 2024

Company name	Revenue from charging equipment sales	Market share by revenue from charging equipment sales
	RMB million	%
The Company	~3,280	14.2%
Company F	~2,580	11.2%
Company I	~1,050	4.5%
Company J	~810	3.5%
Company K	~650	2.8%

Source: CIC

INDUSTRY OVERVIEW

Notes:

- (1) Company I is a power equipment provider founded in the Chinese mainland in 2007. It mainly engages in the sale of charging equipment and the manufacture and R&D of batteries. It is a listed company on the Shenzhen Stock Exchange.
- (2) Company J is a new energy technology application service provider founded in the Chinese mainland in 2012. It mainly engages in the sale of charging equipment. It is a listed company on the Shanghai Stock Exchange.
- (3) Company K is a charging equipment service provider founded in the Chinese mainland in 1995. It mainly engages in the sale of charging equipment and power equipment. It is a listed company on the Shanghai Stock Exchange.

In terms of charging network operating revenue, charging equipment sales revenue, number of public charging terminals, annual public charging volume, and total charging capacity in operation in 2023, the Company was also the largest EV charging network operator and the largest EV charging equipment provider in the Chinese mainland.

Entry Barriers of China’s Charging Network Industry

Scalability and network build-out capability. Leading charging network enterprises continuously expand the number of charging terminals in operation and their service coverage to spread costs across site development, grid connection, equipment procurement, and operations and maintenance. By leveraging a larger user base, they improve station utilization and load dispatch efficiency, thereby creating a reinforcing loop of scale. In contrast, new entrants with limited network scale often face difficulty aggregating demand and require greater time and capital investment to reach a comparable scale.

Technological innovation capability. Rising DC fast-charging penetration and unmanned applications increase demands on ultra-fast charging, bidirectional charging/discharging, system stability, and product intelligence. Leading enterprises innovate to ensure safe, reliable operation and continuously develop advanced automation and monitoring functions. New entrants typically rely on standardized terminals with limited expertise in emerging technologies and scenarios.

Securing key resources. Charging network development is highly dependent on site resources, grid capacity, and local coordination capabilities. Leading enterprises are typically able to secure long-term access to prime sites, grid connection capacity, and policy support. This enables them to prioritize deployment in transportation hubs, high-traffic areas, and key scenarios. Later entrants face greater constraints in site selection and grid access.

Supply chain integration capability. Charging network equipment spans charging modules, power devices, structural components, and system assembly, requiring strong manufacturing and supply chain coordination. Leading charging network enterprises ensure reliable supply of key components, product consistency, and cost efficiency through in-house manufacturing or strategic partnerships. New entrants, constrained by smaller procurement scale and less mature supplier relationships, often face higher costs and lower operational stability.

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Cost Analysis of the Chinese Mainland’s Charging Network Industry

In terms of the cost structure of the charging equipment, charging modules and charging connectors with attached cables are the core components responsible for power conversion and output control. The average price of a charging module declined from approximately RMB0.12 per watt in 2020 to approximately RMB0.10 per watt in 2024. Prices of charging connectors with attached cables decreased from approximately RMB2,100 per set in 2020 to approximately RMB1,300 per set in 2024.

In terms of the cost structure of charging network operation services, labor costs represent the key component of operating expenses. In the Chinese mainland, the average annual salary of professional and technical personnel at enterprises above a designated size increased from approximately RMB112,600 in 2020 to approximately RMB148,000 in 2024.

SOURCE OF THE INDUSTRY INFORMATION

China Insights Consultancy was commissioned to conduct research, provide an analysis of, and to produce a report on the global prefabricated substation and China’s EV charging network markets, and other related economic data, at a fee of approximately RMB0.8 million.

China Insights Consultancy undertook both primary and secondary research using a variety of resources. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources, including the National Bureau of Statistics of China, Chinese Government releases, annual reports published by relevant industry participants, industry associations, China Insights Consultancy’s own internal database, etc.

The market projections in the commissioned report are based on the following key assumptions: (i) the overall global social, economic, and political environment is expected to maintain a stable trend during the forecast period; (ii) certain key industry drivers are likely to continue to drive market growth during the forecast period; and (iii) there is no extreme force majeure or unforeseen industry regulations in which the market may be affected either dramatically or fundamentally during the forecast period. Our Directors confirm that, after making reasonable enquiries, there is no material adverse change in the market information since the date of the CIC Report which may qualify, contradict or have an impact on the information in this section.

REGULATORY OVERVIEW

We are subject to various laws, rules and regulations of the PRC in various aspects of our business. This section sets forth a summary of the most important laws and regulations applicable to our current business activities in the PRC.

LAWS AND REGULATIONS RELATING TO THE POWER EQUIPMENT BUSINESS

Supervision and Regulation on Electricity

The Electricity Law of the People’s Republic of China (《中華人民共和國電力法》) (the “Electricity Law”) was promulgated by the Standing Committee of the National People’s Congress (the “SCNPC”) on December 28, 1995, last amended on December 29, 2018 and became effective on the same date, it is the basic law governing the development of the power industry in China. The purpose of enacting the Electricity Law is to protect the lawful interests of investors, operators and users in the electricity industry and to ensure the safe operation of electricity. The Electricity Law also stipulates that the PRC government encourages and guides domestic and foreign companies or individuals to invest in the power and energy industry, establish electricity generation enterprises and regulate such investments. The PRC government encourages and supports the use of renewable energy and clean energy for power generation. In addition, the Regulations on Electric Power Supervision (《電力監管條例》), which was promulgated by the State Council on February 15, 2005 and became effective on May 1, 2005, aim to strengthen the supervision and regulation on electricity and standardize the supervision and regulatory acts for electricity to improve the electricity regulatory regime.

In order to further deepen the reform of the power system, resolve the significant contradictions and deep-rooted problems that limit the scientific development of the power industry, promote the quality and speed of developing the power industry, and promote structural transformation and industrial upgrading, the State Council promulgated Several Opinions on Further Deepening the Power System Reforms (《關於進一步深化電力體制改革的若干意見》) (the “Opinions”) in March 2015 and which became effective on the same date. The Opinions proposed key tasks for promoting the reform of power system, which mainly include: orderly proceeding with the power tariff reform and rationalize the power tariff formation mechanism; promoting the reform of the electricity trading system and improving the market-oriented trading mechanism; establishing relatively independent electricity trading institutions to form a fair and standardized market trading platform; promoting the reform of electricity generation and consumption plans to give more play to the role of the market mechanism; steadily promoting the liberalization of electricity sales, and open the electricity sales business to social capital in an orderly manner; open up equitable access to power grid connection and establish a new mechanism for distributed power supply development; strengthening the coordinated planning and scientific supervision of electricity, and improving the level of electricity safety and reliability.

On January 27, 2025, the National Development and Reform Commission and the National Energy Administration jointly issued the Notice on Deepening Market-Oriented Reform of New Energy Feed-in Tariffs to Promote High-Quality Development of New Energy (《國家發展改革委國家能源局關於深化新能源上網電價市場化改革促進新能源高質量發展的

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通知》) (No. 136 [2025] of the NDRC Price Department), clarifying the comprehensive market-oriented reform pathway for new energy feed-in tariffs. The reform primarily consists of three aspects: first, promoting the complete market formation of new energy feed-in tariffs. In principle, all electricity generated by new energy projects will enter the power market, with feed-in tariffs formed through market transactions. Second, establishing a price settlement mechanism that supports the sustainable development of new energy. After new energy participates in market transactions, a sustainable development price settlement mechanism will be established at the settlement stage, with electricity included in the mechanism settled according to the mechanism tariff. Third, differentiating between existing and new projects to implement category-specific measures. The mechanism tariff for existing projects will be properly aligned with current policies, while the mechanism tariff for new projects will be determined through market-based competitive bidding.

On February 8, 2026, the General Office of the State Council issued the “Implementation Opinions on Improving the Nationwide Unified Electricity Market System” (《國務院辦公廳關於完善全國統一電力市場體系的實施意見》), which clearly states: First, promote the nationwide optimal allocation of power resources, optimize the implementation path for a nationwide unified electricity market system, and improve the system for cross-province and cross-region power transactions. Second, improve the various functions of the electricity market: comprehensively build a spot market that better facilitates price discovery and balances supply and demand, continuously improve the mid- to long-term markets that secure safe and stable power supply, accelerate the construction of ancillary services markets that support the power system’s flexible adjustment, improve green electricity markets that better realize environmental value, establish a capacity market that reliably supports the development of adjustable power sources, and develop a regulated, orderly, convenient, and efficient retail market. Third, promote the equal and wide participation of all types of market entities in the electricity market, further encouraging generation-side, user-side, and new market participants to take part. Fourth, build a nationwide unified electricity market institutional framework: unify the system of market rules, improve market governance, refine the price formation mechanism, standardize technical standards for the electricity market, and establish a nationwide unified electricity market credit system. Fifth, strengthen policy coordination: enhance the coordination between power planning and the electricity market, strengthen emergency response and risk prevention and control systems, and establish an electricity market evaluation system.

Laws and Regulations relating to Electric Vehicle Charging Infrastructure

Pursuant to the Guidelines for the Development of Electric Vehicle Charging Infrastructure (2015-2020) (《電動汽車充電基礎設施發展指南(2015-2020年)》) promulgated by the NDRC, NEA, MIIT and the Ministry of Housing and Urban-Rural Ministry of Construction (the “MOHURD”) on October 9, 2015 and became effective on the same date, the New Energy Automobile Industry Development Plan (2021-2035) (《新能源汽車產業發展規劃(2021-2035年)》) promulgated by the General Office of the State Council on October 20, 2020 and became effective on the same date and the Guiding Opinions of the General Office of the State Council on Further Developing High Quality Charging Infrastructure (《國務院辦公廳關於進一步構建高質量充電基礎設施體系的指導意見》) promulgated on June 8, 2023 and

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became effective on the same date, and the Notice of the Ministry of Housing and Urban-Rural Development on Strengthening the Planning and Construction of Electric Vehicle Charging Facilities in Cities (《住房和城鄉建設部關於加強城市電動汽車充電設施規劃建設工作的通知》) promulgated by the MOHURD on December 7, 2015 and became effective on December 7, 2015, the PRC government encourages the construction and development of electric vehicle charging infrastructure, such as battery charging and swapping stations. Individuals who install charging facilities in their own car parks and parking spaces are not required to obtain construction land planning permit, construction work planning permit and construction work commencement permit. When constructing urban public car parks, there is no need to apply for a separate construction work planning permit and construction work commencement permit for constructing charging infrastructure, such as charging pile clusters, at the same time. Pursuant to the Notice on Accelerating the Construction of Electric Vehicle Charging Infrastructure in Residential Areas (《關於加快居民區電動汽車充電基礎設施建設的通知》) promulgated by the NDRC, NEA, MIIT and MOHURD on July 25, 2016 and became effective on the same date, the operators of the electric vehicle battery charging and swapping infrastructure are required to have insurance coverage on product safety liabilities to ensure the safety of charging electric vehicles.

According to the Implementation Opinions on Further Enhancing the Service Protection Capabilities of Electric Vehicle Charging Infrastructure (《關於進一步提升電動汽車充電基礎設施服務保障能力的實施意見》) jointly promulgated by 10 authorities including NDRC, NEA and MIIT on January 10, 2022 and became effective on the same date, the protection capabilities of charging electric vehicles in China will be further enhanced by accelerating the progress of construction and transformation of charging facilities in residential communities to establish a moderately advanced, evenly distributed, intelligent and efficient system of charging infrastructure.

Pursuant to the Implementation Opinions on Accelerating the Construction of Charging Infrastructure to Better Support the Rural Development of New Energy Vehicles and Rural Revitalization (《關於加快推進充電基礎設施建設更好支持新能源汽車下鄉和鄉村振興的實施意見》) promulgated by NDRC and NEA on May 14, 2023 and became effective on the same date, support would be provided to facilitate the use of new energy vehicles in rural areas and require innovating the construction, operation and maintenance model of charging infrastructure in rural areas to accelerate the realization of charging stations with “entire coverage over counties” and charging piles with “entire coverage over townships and villages” in areas suitable for using new energy vehicles.

Regulations relating to Product Liability

Pursuant to the Product Quality Law of the People’s Republic of China (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993, last amended on December 29, 2018 and became effective on the same date, the market regulatory and administrative authority of the State Council was the competent authority to oversee product quality supervision at national level, producers are prohibited from manufacturing and selling products that fail to meet the standards and requirements for ensuring human health and personal and property protection. Products must not present unreasonable danger to personal and property safety. In the event of causing bodily harm or property damage to others by a

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defective product, the victim may make a claim to the producer or seller of the product for compensation. The producers and sellers of substandard products may be ordered to stop production and sales, their products may be confiscated, and subject to a fine; any unlawful income generated would be confiscated; in the event of serious cases, the business license may be revoked; if a crime is convicted, criminal liability according to law may be imposed.

Regulations relating to Compulsory Product Certification

Pursuant to the Administrative Provisions on Compulsory Product Certification (《強制性產品認證管理規定》) promulgated by the Administration for Market Regulation on December 3, 2001, last amended on September 29, 2022 and became effective on November 1, 2022, and Description and Delimitation Table of the Catalog of China Compulsory Certification (2023 Revision) (《強制性產品認證目錄描述與界定表(2023修訂)》) promulgated by the Administration for Market Regulation on August 10, 2023 and became effective on same date, the regulations relating to compulsory product certification stipulate that low-voltage switchgear assemblies without obtaining the certificate of compulsory product certification and compulsory certification mark of China are forbidden to leave the factory, for import or selling.

According to the Regulations of the People’s Republic of China on Certification and Accreditation(《中華人民共和國認證認可條例》), which were promulgated by the State Council on September 3, 2003, and revised on July 20, 2023 with effect from the same day, as well as the Announcement of the State Administration for Market Regulation on the Administration of Compulsory Product Certification of Electric Vehicle Supply Equipment (《市場監管總局關於對電動汽車供電設備實施強制性產品認證管理的公告》), promulgated by the State Administration for Market Regulation on December 5, 2024 with effect from March 1, 2025, electric vehicle supply equipment without a CCC certificate or certification mark shall not be released from the factory, sold, imported, or used in other business activities from August 1, 2026.

LAWS AND REGULATIONS ON VALUE-ADDED TELECOMMUNICATION SERVICES

According to the Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) (the “Telecommunications Regulations”) promulgated by the State Council on September 25, 2000, last amended on February 6, 2016, and effective on the same day, telecommunications services are divided into basic telecommunications services and value-added telecommunications services. According to the Telecommunications Regulations, value-added telecommunications business operators must first obtain a Value-added Telecommunication Business Operation License issued by the MIIT or the provincial competent authorities. The Administrative Measures for Telecommunications Business Operating Licenses (《電信業務經營許可管理辦法》) promulgated by the MIIT on March 1, 2009, last amended on July 3, 2017, and effective on September 1, 2017, provide more specific provisions on the types of licenses required to operate value-added telecommunications businesses, the qualifications and procedures for obtaining the relevant licenses, and the supervision of the licenses.

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The Catalog of Telecommunications Services (《電信業務分類目錄》), issued as an appendix to the Telecommunications Regulations and last revised on June 6, 2019, provides that value-added telecommunications services are classified into Category I and Category II value-added telecommunications services. Among them, Category II value-added telecommunications services include Online Data Processing and Transaction Processing services, Domestic Multi-party Communication services, Store-and-Forward services, Call Center services, Information services, and Code and Protocol Conversion services. According to the Catalog of Telecommunications Services, Information services refer to the provision of voice information services (audiotex services) or online information and data retrieval and other information services directly to end-users via public telecommunications networks such as fixed networks, mobile networks, or the Internet, through information collection, development, processing, and the construction of information platforms. Online Data Processing and Transaction Processing Services refer to services that utilize various data and transaction/processing application platforms connected to public telecommunications networks or the Internet, providing users with online data processing and transaction/processing services via public telecommunications networks or the Internet. Online Data Processing and Transaction Processing Services include transaction processing services, Electronic Data Interchange (EDI) services, and network/electronic device data processing services.

According to the Administrative Regulations on Foreign-invested Telecommunications Enterprises (《外商投資電信企業管理規定》) promulgated by the State Council on December 11, 2001, last amended on March 29, 2022, and effective on May 1, 2022, and Special Administrative Measures (Negative List) for Foreign Investment Access (Edition 2024) (《外商投資准入特別管理措施(負面清單)(2024年版)》), based on China’s commitments in the field of value-added telecommunications business as a consequence of its entry into the WTO, the foreign investment ratio in value-added telecommunications business enterprises (excluding e-commerce, domestic multi-party communication services, store-and-forward, and call center businesses) shall not exceed 50%, and any domestic enterprise engaged in basic telecommunications business must be controlled by the Chinese party.

LAWS AND REGULATIONS RELATING TO PRODUCTION SAFETY

Pursuant to the Production Safety Law of the People’s Republic of China (《中華人民共和國安全生產法》)(the “Production Safety Law”) promulgated by the SCNPC on June 29, 2002, last amended on June 10, 2021 and became effective on September 1, 2021, entities engaged in production and operation activities in China shall comply with the Production Safety Law and other laws and regulations relating to production safety. To ensure production safety, the production and operation entities shall strengthen the management of production safety, establish and improve the responsibility system and the rules and regulations of production safety, improve production safety conditions, promote the establishment of production safety standards and enhance the level of production safety. The primary person in charge of the production and operation entity shall be fully responsible for the production safety of the entity. Violation of the Production Safety Law may result in a penalty of fines, temporary suspension of production and operation, order to cease production and shut down business, or may even be liable to criminal liability in case of convicted crimes.

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LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademark

Pursuant to the Trademark Law of the People’s Republic of China (《中華人民共和國商標法》) promulgated by the Standing Committee of the NPC on August 23, 1982, latest amended on April 23, 2019 and became effective on November 1, 2019, and the Implementing Regulations of the Trademark Law of the People’s Republic of China (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002, latest amended on April 29, 2014 and implemented on May 1, 2014, trademarks approved and registered by the Trademark Bureau are registered trademarks, including commodity trademarks, service trademarks and collective trademarks, certification trademarks. Trademark registrants enjoy exclusive rights to use trademarks and are protected by the law. A registered trademark shall be valid for 10 years, commencing from the date of registration. The validity period of each renewal of registration shall be 10 years. Where renewal formalities are not completed upon expiry of the validity period, the registered trademark shall be canceled.

Patent

According to the Patent Law of the People’s Republic of China (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, last amended on October 17, 2020 and become effective on June 1, 2021, and the Implementation Regulation for the Patent Law of the People’s Republic of China (《中華人民共和國專利法實施細則》) promulgated by the State Council on June 15, 2001, last amended on December 11, 2023 and became effective on January 20, 2024, patents are divided into three types, being invention patent, design patent and utility model patent. The valid period of invention patent rights, design patent rights and utility model patent rights are 20 years, 15 years and 10 years respectively, commencing from the date of application. Using a patent without authorization by a patentee shall constitute an infringement of patent rights, the violating person shall be liable for compensation to the patentee and may be imposed a fine or even criminal liabilities.

Copyright of Computer Software

Pursuant to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on February 20, 2002, amended on June 18, 2004 and became effective on July 1, 2004, and the Regulations on Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991, last amended on January 30, 2013 and became effective on March 1, 2013, the National Copyright Administration shall be the competent authority for the administration of software copyright registration in Chinese mainland and the China Copyright Protection Centre is designated as the software registration authority. The China Copyright Protection Centre shall issue a registration certificate to the applicant of computer software copyright according to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) and the Regulations on Protection of Computer Software (《計算機軟件保護條例》).

REGULATORY OVERVIEW

Domain Names

Pursuant to the Measures on Administration of Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and became effective on November 1, 2017, and the Implementation Rules of the China Top-Level Domain Name Registration (《國家頂級域名註冊實施細則》) promulgated by the China Internet Network Information Center (CNNIC) on June 18, 2019 and became effective on the same date, MIIT shall implement supervision and administration on the nationwide domain name service. The registration service of domain name in principle adopts the rule of “first application first registration”. When applying for registration of domain name, the applicant shall sign a domain name registration agreement with the registration service institution and provide true, accurate and complete domain name registration information to the domain name registration service institution. After completion of the registration procedure, the applicant shall become the holder of the relevant domain name.

LAWS AND REGULATIONS RELATING TO REAL ESTATE

Land Use Right and Building Ownership Right

Pursuant to the Land Administration Law of the People’s Republic of China (《中華人民共和國土地管理法》) promulgated by the SCNPC on June 25, 1986, latest amended on August 26, 2019 and became effective on January 1, 2020, State-owned land may be transferred or allocated to construction entity for use in accordance with the law.

Pursuant to the Civil Code of the People’s Republic of China (《中華人民共和國民法典》), promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, the establishment, alteration, transfer and extinguishment of real property rights shall be registered in accordance with the law in order to become effective, and would not take effect without registration. The real estate title certificate (不動產權屬證書) is the evidence of real estate ownership of the owner. Pursuant to the Law of the People’s Republic of China on the Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》) promulgated by the SCNPC on July 5, 1994, last amended on August 26, 2019 and became effective on January 1, 2020, the State implemented a system of registration and certificate issuance for land use right and building ownership right.

Construction Work Planning Permit

Pursuant to the Urban and Rural Planning Law of the People’s Republic of China (《中華人民共和國城鄉規劃法》) promulgated by the SCNPC on October 28, 2007, last amended on April 23, 2019 and became effective on the same date, for the construction of any buildings, structures, roads, pipelines and other projects in the city and township planning areas, the relevant construction entity or individual shall make an application to the competent urban and rural planning authority of the people’s government at city or county level or the people’s government of township ascertained by the people’s government at provincial, autonomous region or municipal level for a construction project planning permit. Without obtaining a

REGULATORY OVERVIEW

construction project planning permit or where the construction is not implemented according to the provisions of the construction project planning permit, the competent urban and rural planning authority of the people’s government at county level or above may order to stop the construction. If rectification measures may be adopted to eliminate the impact on planning realization, rectification within a prescribed period and a fine ranging from 5% to 10% of the construction cost shall be imposed. If the impact is unable to be eliminated by rectification measures, an order for demolition within a prescribed period may be imposed; if demolition is not possible, the constructed works or the unlawful income generated shall be forfeited and a fine not exceeding 10% of the cost of the construction project shall be imposed.

Construction Work Commencement Permit

Pursuant to the Construction Law of the People’s Republic of China (《中華人民共和國建築法》) promulgated by the SCNPC on November 1, 1997, last amended on April 23, 2019 and became effective on the same date, before commencement of a construction project, the construction entity shall make an application to the competent construction authority of the people’s government at county level or above of the place where the project is located for a construction project commencement permit in accordance with relevant State requirements, however, except for small-scale projects below the limit determined by the competent construction authority of the State Council. Construction project with work commencement report approved according to the authority and procedure stipulated by the State Council is not required to obtain a construction work commencement permit.

Pursuant to the Regulations on Quality Management of Construction Projects (《建設工程質量管理條例》) promulgated by the State Council on January 30, 2000, last amended on April 23, 2019 and became effective on the same date, if the construction entity has violated the provisions of the Regulations on Quality Management of Construction Projects by commencing construction work without obtaining a construction work commencement permit or before its work commencement report is approved, an order to stop construction work, rectification within a prescribed period and a fine ranging from 1% to 2% of the construction contract amount shall be imposed.

Inspection for Acceptance of Construction Project

Pursuant to the Regulations on Quality Management of Construction Projects (《建設工程質量管理條例》) promulgated by the State Council on January 30, 2000, last amended on April 23, 2019 and became effective on the same date and the Administrative Measures for the Record-Filing of Inspection for Acceptance upon Completion of Housing, Building and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) promulgated by the MOHURD on October 19, 2009 and became effective on the same date, only construction projects which have passed inspection for acceptance may be delivered for use. The construction entity shall make a record-filing with the competent construction authority of the local people’s government at county level or above of the place where the project is located within 15 days from the date of passing the inspection for acceptance upon completion of the project. If the construction entity delivers the project for use without

REGULATORY OVERVIEW

conducting an inspection for acceptance upon completion, or if the project has failed the inspection for acceptance but has been delivered for use, it would be ordered to make rectification and a fine ranging from 2% to 4% of the contract amount of the project would be imposed; if losses are incurred, the construction entity shall be liable for compensation in accordance with the law. If the construction entity fails to complete the record-filing procedure within 15 days from the date of passing the inspection for acceptance upon completion of the project, it would be ordered by the record-filing authority to make rectification within a prescribed period of time and a fine ranging from RMB200,000 to RMB500,000 would be imposed.

Leasing of Property

According to the provisions of the Civil Code of the People’s Republic of China (《中華人民共和國民法典》) promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, an owner of immovable or movable property is entitled to the rights of possession, use, earnings and disposal of such immovable or movable property in accordance with the law. Subject to the consent of the lessor, the lessee may sublease the leased premises to a third party. Where a lessee subleases the premises, the leasing contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the leasing contract if the lessee subleases the premises without obtaining consent of the lessor.

In addition, if the ownership of the leased premises changes during the lessee’s possession in accordance with the terms of the lease contract, the validity of the leasing contract shall not be affected. If a claim alleged by a third party causes the lessee unable to use or earn income from the leased premises, the lessee may request for a rent reduction or refuse to pay rent.

According to the Civil Code of the People’s Republic of China (《中華人民共和國民法典》), if a party fails to complete the procedures of registration and record-filing of a leasing contract in accordance with legal requirements and provisions of administrative laws, the validity of the contract shall remain unaffected. Pursuant to the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》) promulgated by the MOHURD on December 1, 2010 and became effective on February 1, 2011, the parties to a property leasing contract are required to complete property leasing registration and record-filing formalities within 30 days from execution of the property leasing contract with the competent construction (real estate) authority of the people’s government of the municipality, city or county where the leased property is located. If the foregoing stipulation is violated, the competent construction (real estate) authority of the people’s government of the municipality, city or county shall impose an order for rectification within a prescribed period of time, if rectification is not completed within the prescribed period, a fine ranging from RMB1,000 to RMB10,000 shall be imposed.

REGULATORY OVERVIEW

LAWS AND REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

The Environmental Protection Law of the People’s Republic of China (《中華人民共和國環境保護法》) (“Environmental Protection Law”) promulgated by the SCNPC on December 26, 1989, last amended on April 24, 2014 and became effective on January 1, 2015 established a legal framework to protect and improve the environment, prevent and control pollution and other public hazards, drive the development of ecological civilization and promote sustainable economic and social development. According to the Environmental Protection Law, any entity which discharges or will discharge pollutants in business or other activities must adopt effective environmental protection measures to control and properly dispose of harmful substances such as exhaust gas, wastewater, waste residue, dust, malodorous gases, radioactive substances, noise, vibration and electromagnetic radiation. The pollutant discharge management system is implemented by the State in accordance with the law.

According to the Law of the People’s Republic of China on Environmental Impact Assessment (《中華人民共和國環境影響評價法》) promulgated by the SCNPC on October 28, 2002, latest amended on December 29, 2018 and became effective on the same date, and the Regulations on the Administration of Environmental Protection of Construction Projects (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, last amended on July 16, 2017 and became effective on October 1, 2017, the State implemented a classification system, based on the impact level of the construction project on the environment, to manage environmental protection of construction projects according to the following requirements: (1) an environmental impact report should be compiled for a construction project that may cause major impact on the environment, giving a comprehensive and detailed evaluation on the pollution generated and the environmental impact caused by the construction project; (2) an environmental impact statement should be compiled for a construction project that may cause light impact on the environment, giving analysis or specialized evaluation on the pollution generated and the environmental impact caused by the construction project; (3) an environmental impact registration form should be completed for submission for a construction project that has slight impact on the environment and an environmental impact assessment is not necessary.

Pursuant to the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》) promulgated by the State Council on January 24, 2021 and became effective on March 1, 2021, enterprises, public institutions and other production operators administered by pollutant discharge permits shall discharge pollutants in accordance with the provisions of the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》). If the pollutant discharge permit has not been obtained, discharge of pollutants is prohibited. The competent environmental protection authority may impose administrative penalties, such as fines, order for rectification, restricted production, suspended production for rectification, order to shut down business, on the individuals or enterprises that have violated the Environmental Protection Law.

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LAWS AND REGULATIONS RELATING TO FIRE PROTECTION

Pursuant to the Interim Provisions on the Administration of Review, Inspection and Acceptance of Fire Protection Design for Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) promulgated by the MOHURD on April 1, 2020, last amended on August 21, 2023 and became effective on October 30, 2023, special construction projects shall undergo review of fire protection design and conduct inspection for acceptance of fire protection facilities, construction projects other than special construction projects are required to make a record-filing with the competent authority on the inspection for acceptance of fire protection facilities in respect of the construction projects.

LAWS AND REGULATIONS RELATING TO IMPORT AND EXPORT

Pursuant to the Foreign Trade Law of the People’s Republic of China (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994, last amended on December 27, 2025 and became effective on March 1, 2026, the competent foreign trade authority of the State Council oversees nationwide foreign trade work. With effect from December 30, 2022, record-filing and registration of foreign trade operators have been cancelled. The State allows freedom of import and export of goods and technology, however, except provided otherwise by laws and administrative regulations.

Pursuant to the Customs Law of the People’s Republic of China (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987, last amended on April 29, 2021 and became effective on the same date, the procedures of customs declaration and payment of duties for import and export goods may be conducted by the consignee or consignor of import and export goods or by an entrusted customs declaration enterprise engaged by the consignee or consignor of import and export goods, unless otherwise stipulated. When the consignee and consignor of import and export goods and the customs declaration enterprise complete the customs declaration procedure, record-filing with the customs authority is required in accordance with the law.

REGULATIONS RELATING TO ANTI-UNFAIR COMPETITION AND ANTI-MONOPOLY

Anti-Unfair Competition

Pursuant to the Anti-Unfair Competition Law of the People’s Republic of China (《中華人民共和國反不正當競爭法》) (the “Anti-Unfair Competition Law”) promulgated by the SCNPC on September 2, 1993, last amended on June 27, 2025 and became effective on October 15, 2025, unfair competition conduct refers to the conduct of an operator in production and operating activities that disrupts the market competition order and damages the legitimate rights and interests of other operators or consumers in violation of the provisions of the Anti-Unfair Competition Law. Operators in production and operating activities shall adhere to the principles of voluntariness, equality, fairness and good faith, and comply with laws and business ethics.

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Anti-Monopoly

Pursuant to the Anti-Monopoly Law of the People’s Republic of China (《中華人民共和國反壟斷法》) (the “Anti-Monopoly Law”) promulgated by the SCNPC on August 30, 2007, last amended on June 24, 2022 and became effective on August 1, 2022, monopolistic acts include any monopolistic agreements concluded by operators, abuse of dominant market position by operators and concentration of operators that has or may have the effect of eliminating or restricting competition. Specifically, operators with competitive relationship shall not enter into monopolistic agreement that has the effect of eliminating or restricting competition, such as refusing to trade, fixing or changing commodity prices, limiting production or sales volume of products, segregating sales market or raw material procurement market, unless such agreement satisfies the exemption conditions provided in the Anti-Monopoly Law, such as improving technology, enhancing efficiency and competitiveness of small and medium size operators, protecting legitimate interests in foreign trade and foreign economic cooperation.

LAWS AND REGULATIONS RELATING TO EMPLOYMENT AND SOCIAL WELFARE

Labour Law and Labour Contract

According to the Labour Law of the People’s Republic of China (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994, last amended on December 29, 2018 and became effective on the same day, and the Labour Contract Law of the People’s Republic of China (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, last amended on December 28, 2012 and became effective on July 1, 2013, the employer shall establish and improve its rules and regulations in accordance with the law in order to ensure that its employees enjoy labour rights and perform labour obligations. The employer shall enter into a written labour contract with the employee to establish labour relationship. If the employer has not entered into a written labour contract at the time of employment, and the remuneration agreed with the employee is uncertain, the new employee’s remuneration shall follow the standard set by the collective contract, if no collective contract is available or it is not stipulated in the collective contract, the new employee shall be entitled to the same remuneration as existing employees.

Social Insurance

Pursuant to the Social Insurance Law of the People’s Republic of China (《中華人民共和國社會保險法》) promulgated by the SCNPC on October 28, 2010, last amended on December 29, 2018 and became effective on the same date and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999, last amended on March 24, 2019 and became effective on the same date, the State has established a social insurance system, comprising basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance, to ensure the rights of citizens to receive material assistance from the State and the community under the circumstances of old age, illness, work-related injury, unemployment and childbirth. The employer shall complete social insurance registration for its employees with the social insurance administrative authority

REGULATORY OVERVIEW

within the prescribed period of time, and shall report voluntarily and contribute the full amount of social insurance premium in a timely manner, no late payment, reduction or exemption is allowed unless due to statutory causes such as force majeure. If the employer fails to contribute the full amount of social insurance premium in a timely manner, the social insurance premium collection authority shall order the employer to make payment or contribute the short-fall amount within a prescribed period of time, and a late payment penalty equivalent to 0.05% of the outstanding amount per day will be levied from the payment due date; if payment is still outstanding after the prescribed rectification period, a fine ranging from 100% to 300% of the outstanding amount will be imposed by the relevant administrative authority.

Housing Provident Fund

Pursuant to the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, last amended on March 24, 2019 and became effective on the same date, the employer shall complete housing provident fund registration with the housing provident fund management center and complete the housing provident fund account opening formalities for its employees. The employer shall make housing provident fund contributions in full amount in a timely manner, no late payment or reduced payment is allowed.

If the employer has violated the provisions of the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》) without completing housing provident fund contribution registration or without completing housing provident fund account opening formalities for its employees, the housing provident fund management center will order for rectification within a prescribed period of time; if no rectification is made after the prescribed period, a fine ranging from RMB10,000 to RMB50,000 shall be imposed. If there is still no payment or insufficient payment of housing provident fund contributions after the prescribed period, the housing provident fund management center will order the default party to pay within a prescribed period, if payment is still outstanding after the deadline, a petition may be made to the people’s court for mandatory execution.

LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE

Pursuant to the Regulation of the People’s Republic of China on Foreign Exchange Administration, (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996, last amended on August 5, 2008 and became effective on the same date, and the Provisions on the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the People’s Bank of China on June 20, 1996 and became effective on July 1, 1996, after the financial institution operating the business of settlement and sale of foreign exchange has conducted reasonable review on the authenticity of transaction vouchers and consistency in foreign exchange receipts and payments in accordance with the provisions of the foreign exchange administrative authority under the State Council, Renminbi may be freely converted and used for the payment of current account items, such as foreign exchange transactions relating to trade and services and payment of dividends. Without prior approval by SAFE or its local branch authority, Renminbi cannot be freely converted for capital account items (such as direct investment, loans or securities investment outside China).

REGULATORY OVERVIEW

Pursuant to the Decision on Canceling and Adjusting a Batch of Administrative Review and Approval Items among Other Matters (《關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council on October 23, 2014 and became effective on the same date, it has decided to cancel the review and approval for settlement of foreign exchange for repatriation of the proceeds raised overseas by overseas listed foreign shares.

Pursuant to the Notice on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《關於境外上市外匯管理有關問題的通知》) promulgated by SAFE on December 26, 2014 and became effective on the same date, a domestic company shall complete registration of overseas listing at the foreign exchange authority of the place where it is incorporated within 15 working days from the closing date of its overseas listing and offering. The proceeds raised overseas in the overseas listing of a domestic company may be repatriated back to China or deposited overseas, the use of proceeds shall be consistent with the relevant content presented in the public disclosure documents such as the document of initial [REDACTED] or corporate bonds offering documents, circulars for shareholders, resolutions of the board of directors or the general meeting.

Pursuant to the Notice on the Policies for Reforming and Regulating the Administration of Foreign Exchange Settlement for Capital Account Items (《關於改革和規範資本項目結匯管理政策的通知》) promulgated by SAFE on June 9, 2016, amended on December 4, 2023 and became effective on the same date, the relevant policies have clearly stated that the foreign exchange income from capital account items (including foreign exchange capital funds, foreign debt capital and repatriated funds from overseas listing) under the implementation of voluntary foreign exchange settlement may complete foreign exchange settlement at banks according to the actual operating needs of the domestic entity. The ratio of voluntary foreign exchange settlement for foreign exchange income from capital account items of the domestic entity is set at 100% for the time being. SAFE may timely adjust the aforesaid ratio according to the position of international balance of payments.

Pursuant to the Notice on Optimizing Foreign Exchange Administration to Support Foreign Business Development (《關於優化外匯管理支持涉外業務發展的通知》) promulgated by SAFE on April 10, 2020 and became effective on the same date, under the prerequisite of ensuring authentic and legally compliant use of funds and compliance with the prevailing administrative provisions on the use of income from capital account items, enterprises which satisfy the criteria are allowed to use income from capital account items, such capital funds, foreign debts and overseas listing, for domestic payment without the need to provide proof of authenticity for each transaction to the bank in advance. The handling bank shall adhere to the principle of prudent business expansion to manage and control the relevant business risk, and conduct random inspection afterwards on the transaction conveniently paid by income from capital account items in accordance with the relevant requirements.

REGULATORY OVERVIEW

LAWS AND REGULATIONS RELATING TO DIVIDEND DISTRIBUTION

Pursuant to the Company Law of the People’s Republic of China (《中華人民共和國公司法》) promulgated by the SCNPC on December 29, 1993, revised on December 29, 2023 and became effective on July 1, 2024, when a company distributes after-tax profit for the current year, it shall allocate 10% of the profit to the statutory common reserve of the company. When the cumulative amount of the company’s statutory common reserve has exceeded 50% of the company’s registered capital, no further allocation is required. If the statutory common reserve of the company is not sufficient to cover the losses incurred in previous years, the profit for the current year shall be used to cover such losses first before making allocation to the statutory common reserve.

LAWS AND REGULATIONS RELATING TO TAXATION

Enterprise Income Tax

The Enterprise Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法》) (the “EIT Law”) promulgated by the SCNPC on March 16, 2007, last amended on December 29, 2018 and became effective on the same date and the The Implementation Regulations of Enterprise Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法實施條例》) (the “EIT Implementation Regulations”) promulgated by the State Council on December 6, 2007, last amended on December 6, 2024 and became effective on January 20, 2025 have stipulated that the tax rate of enterprise income tax is 25%. For high-tech enterprises requiring key support of the State and enterprises eligible for the Western Development tax incentive policies, the enterprise income tax will be levied at a lower tax rate of 15%.

Value-added Tax

Pursuant to the Value-Added Tax Law of the People’s Republic of China (《中華人民共和國增值稅法》) promulgated by the State Council on December 25, 2024 and became effective on January 1, 2026, Entities and individuals who sell goods, provide services, transfer intangible assets or immovable property within China, or import goods into China are considered value-added tax (VAT) taxpayers and are obligated to pay value-added tax. According to the different goods sold and different services provided, the tax rates shall be 3%, 6%, 9%, 13%.

LAWS AND REGULATIONS RELATING TO SECURITIES AND OVERSEAS LISTING

Laws and Regulations on Securities

Pursuant to the Securities Law of the People’s Republic of China (《中華人民共和國證券法》) promulgated by the SCNPC on December 29, 1998, last amended on December 28, 2019 and became effective on March 1, 2020, it is stipulated that if a domestic enterprise issues securities overseas directly or indirectly or its securities are listed and traded overseas, it should comply with the relevant provisions of the State Council. If the shares of a domestic company are subscribed and traded in foreign currency, the specific measures shall be provided separately by the State Council.

REGULATORY OVERVIEW

Overseas Listing

The Trial Measures for the Administration on Overseas Offering and Listing of Securities by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) were promulgated by the China Securities Regulatory Commission (the “CSRC”) on February 17, 2023 and became effective on March 31, 2023 together with five supporting guidelines (collectively, the “Overseas Listing Provisions”). Pursuant to the Overseas Listing Provisions, domestic enterprise engaging in overseas offering and listing activities shall strictly comply with the national security laws, administrative regulations and the relevant provisions on foreign investments, cybersecurity and data security to practicably perform the obligations of safeguarding national security. If security review is applicable, the relevant security review procedure should be performed in accordance with the law before submitting the application for offering and listing to, among others, the overseas securities regulatory and administrative authority and the trading market. For an issuer of initial [REDACTED] or listing overseas, it shall make a record-filing with the CSRC within 3 working days after submitting the application documents of offering and listing overseas.

According to the Overseas Listing Provisions, overseas offering and listing is prohibited under any of the following circumstances: (i) where listing for raising funds is explicitly prohibited under the relevant provisions of laws, administrative regulations or relevant State provisions; (ii) after a review is conducted by the relevant competent authority of the State Council in accordance with the law, it is recognized that overseas offering and listing may endanger national security; (iii) where the domestic enterprise or its controlling shareholder or de facto controller has committed criminal offence in corruption, bribery, embezzlement, misappropriation of property or disruption of socialist market economic order within the past 3 years; (iv) where the domestic enterprise is being investigated under a case initiated in accordance with the law for suspected criminal offence or serious violation of the law or non-compliance conduct and is pending for a clear conclusive opinion; (v) where a material dispute exists in the ownership of equity interest held by the controlling shareholder or any shareholder dominated by the controlling shareholder or de facto controller.

The Provisions on Strengthening the Confidentiality and Archives Administration Related to Overseas Offering and Listing of Securities by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the “Confidentiality Provisions”) were jointly promulgated by the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration on February 24, 2023 and became effective on March 31, 2023. Pursuant to the Confidentiality Provisions, where a domestic enterprise provides or publicly discloses to the relevant entities and individuals such as securities companies, securities service institutions and overseas regulatory authorities, or provides or publicly discloses through its overseas listed entities, any documents or information involving State secrets or secrets on the work of State authorities, it shall report to a competent authority with approval power in accordance with the law for approval, and shall also report to the confidentiality administrative and management authority at the same level for record-filing. Where a domestic enterprise provides or publicly discloses to the relevant entities and individuals such as securities companies, securities service institutions and overseas regulatory authorities, or provides or publicly discloses through its overseas listed entities, any other documents or information which after leakage may have adverse effect on national security or public interest, it shall strictly perform the corresponding procedure in accordance with the relevant State provisions.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Our Group was established in Qingdao in March 2004. We are primarily engaged in the R&D, design, manufacturing, sales, installation, and maintenance of high-voltage and medium-voltage prefabricated substations, and EV charging equipment, as well as building and operation of EV charging networks. We are the first company listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300001), marking a significant milestone in our corporate development.

Over the years, our Company has evolved into a leader in both the power equipment and EV charging industries, guided by our “One Body, Two Wings, Dual-Wheel Drive” global development strategy. Our business focuses on high-voltage and medium-voltage prefabricated substations and core PTD equipment, and EV charging network, for which we have established a leading market position in both sectors, providing products and services throughout the entire “source-grid-load-storage” value chain.

KEY MILESTONE

The following table illustrates our major business milestones:

Year	Milestone
2004 . . .	Our Company was established in Qingdao. We completed our first European-style prefabricated substation (Model: ZBWO-12/250kVA). Our Company developed the 10kV intelligent cabinet-type switching station, which was certified as high-tech product.
2006 . . .	We won the bid for the entire Qinghai-Tibet Railway line project of prefabricated substation.
2007 . . .	We won the bid for the Beijing-Tianjin Intercity Railway project, China’s first high-speed railway, according to CIC, marking our entry into the high-speed railway market.
2008 . . .	We were recognised as National High-tech Enterprise (國家高新技術企業).
2009 . . .	We completed our initial public offering and became the first company listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300001).
2013 . . .	We won the bid for the Xibei Railway (錫北鐵路) project, becoming our first high-altitude 110kV GIS project.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Year	Milestone
2014 . . .	TELD pioneered the intelligent cluster charging system for EV. We independently developed and produced the first 110kV new-generation urban center intelligent prefabricated substation project.
2015 . . .	We acquired Chuankai Electric, expanding our manufacturing capabilities and market share.
2016 . . .	We released TELD Platform, opening a new era of charging networks, the Internet of Vehicles, and the Internet.
2017 . . .	We released the bidirectional integration system of “Automotive Charging Network” (汽車充電網) and “Renewable Energy Microgrid” (新能源微網), opening a new era of distributed energy resources based on renewable energy. We pioneered the world’s first intelligent flexible charging pantograph, according to CIC.
2018 . . .	Our National Local Joint Engineering Research Centre for Electric Vehicle Intelligent Charging (電動汽車智能充電國家地方聯合工程研究中心) was included in the NDRC’s List of National Local Joint Engineering Research Centres (國家地方聯合工程研究中心名單) in 2018.
2019 . . .	We were awarded the title of National Manufacturing Category Champion Enterprise (國家級製造業單項冠軍企業) by the MIIT for prefabricated substation.
2020 . . .	We won the bid of MIIT 2020 Industrial Internet Innovation and Development Program “New Energy Vehicle Charging Network Energy Management Industrial Internet Platform Application Innovation Promotion Center Project” (工信部2020工業互聯網創新發展工程“新能源汽車充電網能源管理工業互聯網平台應用創新推廣中心項目”) (one of the 39 major projects). We were listed as 2019-2020 Energy Industrial Internet Leading Enterprise (2019-2020年度能源工業互聯網領軍企業).
2021 . . .	Our cumulative charging volume exceeded 10 billion kWh, becoming the first operator in the PRC to cross this threshold, according to CIC. We built the first 220kV modular prefabricated substation in the grid system.
2022 . . .	We released the VPP, charging microgrid innovation products and cascade battery energy storage technology innovation products, marking our stride towards the “Charging Network + Microgrid + Energy Storage Network” (充電網+微電網+儲能網) three-network integration strategy.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Year	Milestone
2024 . . .	We were awarded the titles of National Manufacturing Category Champion Enterprise (國家製造業單項冠軍企業) by the MIIT for intelligent prefabricated modularized substation products, 2024 National Green Factory (2024年度國家級綠色工廠) by the MITT 2024 Manufacturing List and a National “Little Giant” Enterprise (國家專精特新“小巨人”企業).
2025 . . .	The 15 sets of 132kV mobile prefabricated substations manufactured for Saudi Arabia were all successfully energized and put into operation within six months.
	Our headquarter building launched as the world’s first “Super-class Zero Carbon Building” (超階零碳建築) in Qingdao, according to CIC.
	We were awarded the title of National Manufacturing Category Champion Enterprise (國家製造業單項冠軍企業) by the MIIT for EV intelligent cluster charging system.

OUR PRINCIPAL SUBSIDIARIES

The following entities were our Principal Subsidiaries which made material contribution to our results of operation during the Track Record Period.

Name	Place of incorporation	Date of incorporation	Equity holding of our Group	Principal business activities
Qingdao TGOOD High Voltage Equipment Co., Ltd. (青島特銳德高壓設備有限公司) (“ TGOOD High Voltage ”)	PRC	December 6, 2013	100%	Production of power transmission and distribution equipment
TELD	PRC	September 4, 2014	78.96%	EV charging network business
Dandong Hepu Thermal Power Energy Storage Co., Ltd. (丹東赫普熱力電儲能有限公司) (“ Dandong Hepu ”)	PRC	July 26, 2016	51%	Provision of power peak shaving services and the maintenance and management of heating facilities
Yichang TGOOD Electric Co., Ltd. (宜昌特銳德電氣有限公司) (“ Yichang TGOOD ”)	PRC	March 12, 2018	100%	Production of power transmission and distribution equipment
Qingdao TGOOD Design Institute Co., Ltd. (青島特銳德設計院有限公司) (“ Qingdao TGOOD Design Institute ”)	PRC	February 4, 2015	100% owned by TGOOD High Voltage	Provision of power engineering design and technical consultancy services
Chuankai Electric	PRC	July 27, 2005	100% owned by TGOOD High Voltage	Production of power transmission and distribution equipment

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Name	Place of incorporation	Date of incorporation	Equity holding of our Group	Principal business activities
Xi'an TELD Intelligent Charging Technology Co., Ltd. (西安特來電智能充電科技有限公司) (“ Xi'an TELD ”)	PRC	July 3, 2015	100% owned by TELD	Research and development, design and sale of power electronic products
Chengdu TELD New Energy Co., Ltd. (成都特來電新能源有限公司) (“ Chengdu TELD ”)	PRC	July 29, 2015	66.00% owned by TELD	Development and management of the EV charging network
Shanghai TELD New Energy Co., Ltd. (上海特來電新能源有限公司) (“ Shanghai TELD ”)	PRC	December 9, 2015	84.89% owned by TELD	Development and management of the EV charging network
Nanjing Derui TELD Energy Research Institute Co., Ltd. (南京德睿特來電能源研究院有限公司) (“ Nanjing Derui TELD ”)	PRC	July 13, 2017	97.80% owned by TELD	Research and development of products for intelligent charging dispatching systems and microgrids
Qingdao TELD New Energy Technology Co., Ltd. (青島特來電新能源科技有限公司) (“ Qingdao TELD New Energy ”)	PRC	June 11, 2019	100% owned by TELD	Research and development, production and sale of charging equipment
Qingdao TELD Big Data Co., Ltd. (青島特來電大數據有限公司) (“ Qingdao TELD Big Data ”)	PRC	July 13, 2019	100% owned by TELD	Development and application of cloud platform-related businesses
Qingdao TELD Smart Equipment Co., Ltd. (青島特來電智能設備有限公司) (“ Qingdao TELD Smart Equipment ”)	PRC	February 7, 2021	100% owned by TELD	Charging equipment production
Qingdao TELD Charging Network Operation Technology Co., Ltd. (青島特來電充電網運營科技有限公司) (“ Qingdao TELD Charging Operation ”)	PRC	June 2, 2021	100% owned by TELD	Development and management of the EV charging network
TEL D (Qingdao) Digital Technology Co., Ltd. 特來電(青島)數字科技有限公司 (“ TEL D Digital Technology ”)	PRC	November 18, 2021	100% owned by TELD	Charging equipment production
TGOOD Ximing Electric Power Co., Ltd. (特銳德西明電力有限公司) (“ TGOOD Ximing ”)	PRC	February 9, 2004	100% owned by Chuankai Electric	Mechanical and electrical engineering construction

Our Company held majority equity interests in the above Principal Subsidiaries throughout the Track Record Period and up to the Latest Practicable Date.

See “Appendix IV — Statutory and General Information — A. Further Information about Our Company — 3. Changes in the Share Capital of Our Principal Subsidiaries” for more details on share capital changes of the Principal Subsidiaries.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Early Development of our Company and Conversion into a Joint Stock Limited Company

Our Company was incorporated in China as a limited liability company with an initial registered capital of USD1 million on March 16, 2004. The founding shareholders are Derui Investment and Mr. Helmut Bruno Rebstock (“**Mr. Rebstock**”), who held 60% and 40% of the equity interests in our Company, respectively. On June 13, 2007, our Company increased its registered share capital to USD3 million, for which such capital increase was effected by converting undistributed profits and surplus reserves into share capital, with Derui Investment contributing USD1.5 million and Mr. Rebstock contributing USD0.5 million, each holding 70% and 30% of the equity interests in our Company respectively after the capital increase.

In June 2009, our Company was converted into a joint stock company with limited liability with a registered capital of RMB95 million divided into 95 million Shares, held as to 70% by Derui Investment and 30% by Mr. Rebstock.

In June 2009, our registered capital increased to RMB100 million with the subscription of new Shares by two new Shareholders, namely Qingdao Jufeng Technology Venture Capital Co., Ltd. (青島巨峰科技創業投資有限公司, formerly known as Qingdao Laoshan District Technology Venture Capital Co., Ltd. (青島市嶗山區科技風險投資有限公司)) subscribing 3.33 million Shares at a consideration of approximately RMB17.65 million and Tianjin Huaxia Ruite Real Estate Investment Management Co., Ltd. (天津華夏瑞特地產投資管理有限公司) subscribing 1.67 million Shares at a consideration of approximately RMB8.85 million, respectively.

Listing on the Shenzhen Stock Exchange

In October 2009, our Company became the first company listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300001). Our Company issued a total of 33,600,000 A Shares under the A-Share Listing, representing approximately 25.15% of our Company’s enlarged share capital immediately following the completion of the A-Share listing. Upon completion of the A-Share listing, our Company’s registered share capital increased to RMB133.6 million, comprising 133,600,000 A Shares of nominal value of RMB1.00 each.

Our Directors confirmed that we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects during the Track Record Period and up to the Latest Practicable Date, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors’ attention in relation to our compliance record on the Shenzhen Stock Exchange. As advised by our PRC Legal Advisors, during the Track Record Period and up to the Latest Practicable Date, our Company has not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, the Shenzhen Stock Exchange or other PRC securities regulatory authorities. Based on the independent due diligence conducted by the Joint Sponsors and our PRC Legal Advisors’ view above, nothing has come the Joint Sponsors’ attention that would cause them to disagree with our Directors’ confirmation with regard to the compliance records of our Company on the Shenzhen Stock Exchange.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Capital Increases via Capitalization of Reserves

Between May 2011 and July 2015, our Company completed several rounds of capital increases through the capitalization of our capital reserves. Pursuant to the Shareholders’ resolutions passed in April 2011, April 2014, and May 2015, respectively, our Company issued bonus shares to all Shareholders on the basis of 5 A Shares for every 10 A Shares, 10 A Shares for every 10 A Shares, and 12 A Shares for every 10 A Shares held. Following the completion of relevant registration procedures with the competent authorities for these issuances, our Company’s total issued Shares increased from 133,600,000 Shares to 881,760,000 Shares.

Private Placement of A Shares in December 2015 and Shares Repurchase in September 2016

As approved by the Shareholders in May 2015 and the CSRC in September 2015, our Company conducted an issuance of 83,534,921 A Shares to 54 counterparties and 27,845,035 A Shares to 3 other counterparties, all of whom were parties independent of us, for the purposes of the acquisition of equity interests in Chuankai Electric and raising funds for technical upgrade of production lines. The placement raised net proceeds of approximately RMB202.1 million. In April 2016, it was determined that Chuankai Electric did not meet its performance commitment for 2015. Pursuant to the relevant compensation agreement and as approved by the Shareholders in May 2016, our Company repurchased and cancelled an aggregate of 4,394,781 A Shares held by 54 counterparties as performance compensation. Upon completion of the cancellation in September 2016, our Company’s total issued Shares were reduced to 997,570,075 Shares.

2014 Employee Stock Ownership Plan

On August 7, 2014, our Company adopted the 2014 Employee Stock Ownership Plan to align employees interests more closely to the long-term development of our Company. As of the Latest Practicable Date, under the 2014 Employee Stock Ownership Plan, our Company has made grants to 344 grantees in respect of 8,824,900 A Shares, all of which have been vested to the aforementioned grantees. Therefore, there were no outstanding awards granted under the 2014 Employee Stock Ownership Plan as of the Latest Practicable Date.

Private Placement of A Shares in May 2021

As approved by the Shareholders in September 2020 and the CSRC in March 2021, our Company conducted an issuance of 43,140,638 A Shares to eight investors, all of whom were parties independent of us, in order to raise funds for the upgrading the advance cabinet-type power equipment production lines, upgrading power equipment for rental services, constructing the R&D integrated factory and replenishing working capital. The placement raised net proceeds of approximately RMB991 million. Following the completion of the private placement, the Company’s total issued A Shares increased to 1,040,710,713 Shares in May 2021.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

2023 Restricted Share Incentive Plan

On June 2, 2023, our Company adopted the 2023 Restricted Share Incentive Plan to provide incentives to middle-level management and core staff. As of the Latest Practicable Date, 14,827,000 A Shares were granted to 686 grantees including connected persons of our Company. As of the Latest Practicable Date, there were 10,378,900 outstanding restricted A Shares granted under the 2023 Restricted Share Incentive Plan, representing approximately 0.98% of the total share capital of our Company. For more details, see “Statutory and General Information — D. Disclosure of Interests — 6. Restricted Share Incentive Plans.”

2024 Restricted Share Incentive Plan

On May 24, 2024, our Company adopted the 2024 Restricted Share Incentive Plan to provide incentives to Directors, senior management and core business (technical) personnel. As of the Latest Practicable Date, 1,400,000 restricted A Shares were granted to ten grantees including connected persons of our Company. As of the Latest Practicable Date, none of the Restricted A Shares have been vested to the aforementioned grantees and therefore all such restricted A Shares remained outstanding. For more details, see “Statutory and General Information — D. Disclosure of Interests — 6. Restricted Share Incentive Plans.”

2024 Employee Stock Ownership Plan

On May 24, 2024, our Company adopted the 2024 Employee Stock Ownership Plan to recognize the contributions of the Directors, senior management and core business (technical) personnel, and to encourage them to further promote our development. As of the Latest Practicable Date, there were 7,489,000 outstanding share awards granted to 326 grantees under the 2024 Employee Stock Ownership Plan, representing approximately 0.71% of the total share capital of our Company. For more details, see “Statutory and General Information — D. Disclosure of Interests — 5. 2024 Employee Stock Ownership Plan.”

OUR SINGLE LARGEST SHAREHOLDERS GROUP

As of the Latest Practicable Date, Derui Investment and Mr. Yu held approximately 31.58% and 1.24% of our total issued Shares, respectively. Derui Investment is owned as to 69.27% by Mr. Yu. Other than Mr. Yu, all other shareholders of Derui Investment are minority investors and none of them holds more than 10% of Derui Investment. Derui Investment has its own business operations through its subsidiaries and is not a special purpose vehicle established solely for the exclusive purpose of holding its shareholder’s interests in our Company. Furthermore, those minority shareholders are independent of Mr. Yu and his associates, and there have been no voting proxy, acting in concert agreement or other similar arrangements with Mr. Yu to consolidate their control in our Company through Derui Investment. Accordingly, Mr. Yu is the only person who controls Derui Investment. As such, Mr. Yu and Derui Investment collectively form our Company’s single largest shareholders group.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

As of the Latest Practicable Date, the Single Largest Shareholders Group held approximately 32.82% of our total issued Shares. Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and that no other changes are made to our total issued share capital between the Latest Practicable Date and the [REDACTED]), the Single Largest Shareholders Group will hold approximately [REDACTED]% of our total issued Shares. Accordingly, our Company will not have any controlling shareholder immediately after the [REDACTED].

As of the Latest Practicable Date, Derui Investment had pledged an aggregate of 131,130,000 Shares (the “**Pledged Shares**”) to seven financial institutions (the “**Relevant Pledgees**”) and had an aggregate of 2,917,030 Shares under judicial freezing by the Qingdao Laoshan District People’s Court (the “**Frozen Shares**”). The Pledged Shares and the Frozen Shares in aggregate amounted to 134,047,030 Shares, representing approximately 40.22% of the total Shares held by Derui Investment and approximately 12.70% of the total issued share capital of our Company. These pledges were made to secure financing of Derui Investment in an aggregate amount of RMB1.1 billion pursuant to the relevant share pledge agreements (the “**Relevant Share Pledge Agreements**”). As of the Latest Practicable Date, each of the Relevant Pledgees has confirmed that subject to Derui Investment continuing to fulfill its obligations under the relevant financing agreements, it will not effect any forced liquidation or disposal of the Pledged Shares during the period commencing on the date of this document and ending on the date falling six months from the [REDACTED]. The Frozen Shares was in connection with a civil claim that a third-party creditor seeks to hold Derui Investment liable for supplementary repayment in respect of outstanding debts owed by an entity in which Derui Investment previously had equity interests in and up to the extent of an alleged unpaid capital contribution of RMB67.5 million. Derui Investment has confirmed that it has fully fulfilled its capital contribution obligations and that its other assets (excluding its Shares in the Company) are sufficient to cover the disputed amount.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any material acquisition or disposal.

REASON FOR THE [REDACTED]

Our Company seeks to be [REDACTED] on the Stock Exchange in order to further promote our global strategic layout, accelerate the development of our overseas business, build an international capital operation platform, and enhance our international brand image and comprehensive competitiveness. See “Business — Our Strategies” and “Future Plans and [REDACTED]” for more details.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

[REDACTED]

PUBLIC FLOAT

Rule 19A.13A(2) of the Listing Rules requires that there must be an open market in the securities for which [REDACTED] is sought. Where a new applicant is a PRC issuer with other [REDACTED] shares at the time of [REDACTED], this will normally mean that the portion of H shares for which [REDACTED] is sought that are held by the public, at the time of [REDACTED], must: (a) represent at least 10% of the issuer’s total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK\$3,000,000,000.

So far as our Directors are aware, assuming (i) [REDACTED] H Shares are issued and allotted in the [REDACTED], and (ii) the [REDACTED] is not exercised, an aggregate of [REDACTED] H Shares is expected to be held by the public and will count towards the public float of our Company upon the completion of the [REDACTED], representing approximately [REDACTED] of the total issued Shares (excluding treasury Shares) of our Company upon the completion of the [REDACTED]. Accordingly, our Company is expected to satisfy the public float requirement under Rule 19A.13A(2) of the Listing Rules.

FREE FLOAT

Under Rule 19A.13C(2) of the Listing Rules, a PRC issuer with other listed shares at the time of [REDACTED] must ensure that a portion of H shares that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of [REDACTED] (i) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of [REDACTED] (excluding treasury shares), with an expected market value at the time of [REDACTED] of not less than HK\$50,000,000, or (ii) have a market capitalization of at least HK\$600,000,000.

It is expected that immediately following completion of the [REDACTED], the market capitalization of our H Shares [REDACTED] on the Hong Kong Stock Exchange that are not subject to any disposal restrictions at the time of the [REDACTED] is not less than HK\$600 million (based on the bottom end of the [REDACTED] and assuming the [REDACTED] is not exercised). Accordingly, our Company will be able to satisfy the requirements under Rule 19A.13C of the Listing Rules.

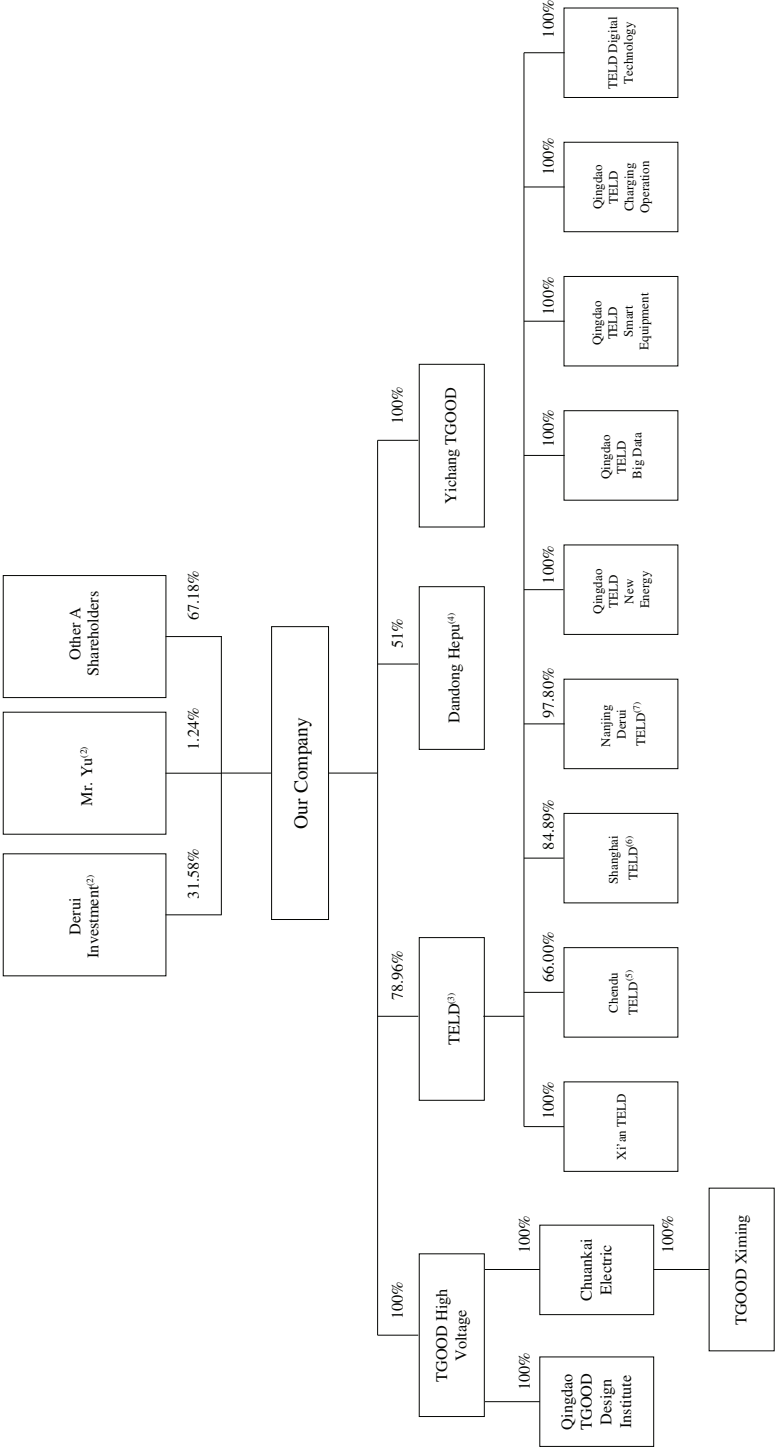
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CORPORATE AND SHAREHOLDING STRUCTURE

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate structure immediately before the [REDACTED]

The following chart depicts a simplified version shareholding and corporate structure of our Company and our Principal Subsidiaries immediately prior to the completion of the [REDACTED] (including 8,205,340 treasury Shares and assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]):



HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

1. The percentage of the Shares are rounded to the nearest two decimal places, and the total number of the percentages may not be equal to 100% due to rounding.
2. As of the Latest Practicable Date, Derui Investment is owned as to 69.27% by Mr. Yu. Other than Mr. Yu, all other shareholders of Derui Investment are minority investors and none of them holds more than 10% of Derui Investment. Accordingly, Mr. Yu is the only person who controls Derui Investment. As of the Latest Practicable Date, Derui Investment had an aggregate of 2,917,030 Shares under judicial freezing. See “— Our Single Largest Shareholders Group” in this section for more details regarding the Frozen Shares.
3. As of the Latest Practicable Date, the remaining 21.04% equity interest of TELD was held by the following shareholders: (a) approximately 3.66% by China State-owned Enterprise Structural Adjustment Fund Co., Ltd. (中國國有企業結構調整基金股份有限公司) (“**China Adjustment Fund**”); (b) approximately 2.68% by Venus Growth Company Limited (“**Venus Growth**”); (c) approximately 2.19% by Shenzhen CDH Xinjia Equity Investment Fund Partnership (Limited Partnership) (深圳鼎暉新嘉股權投資基金合夥企業(有限合夥)) (“**CDH Xinjia**”); (d) approximately 2.02% by Qingdao Telaijin No.1 Management Consulting Co., Ltd. (青島特來勁一號管理諮詢有限公司) (“**Telaijin No. 1**”); (e) approximately 1.94% by Qingdao Telaijin No.2 Management Consulting Co., Ltd. (青島特來勁二號管理諮詢有限公司) (“**Telaijin No. 2**”); (f) approximately 1.68% by Qingdao Jinyang Venture Capital Fund Partnership (Limited Partnership) (青島金陽創業投資基金合夥企業(有限合夥)) (“**Jinyang Venture**”); (g) approximately 1.47% by Ceningan Investment Pte Ltd; (h) approximately 1.37% by Qingdao Honghu Venture Capital Fund Partnership (Limited Partnership) (青島鴻鵠創業投資基金合夥企業(有限合夥)) (“**Honghu Venture**”); (i) approximately 0.67% by Qingdao Paguld Intelligent Manufacturing Co., Ltd. (青島盤古智能製造股份有限公司) (“**Paguld**”); (j) approximately 0.60% by Qingdao Henghui Thai Industry Development Fund Co., Ltd. (青島恒匯泰產業發展基金有限公司) (“**Henghui Thai**”); (k) approximately 0.58% by Taizhou Huangyan Urban Construction Development and Investment Group Co., Ltd. (台州市黃岩城市建設開發投資集團有限公司) (“**Taizhou Huangyan**”); (l) approximately 0.46% by Zhongchuang Yongte (Foshan) Equity Investment Partnership (Limited Partnership) (中創永特(佛山)股權投資合夥企業(有限合夥)) (“**Zhongchuang Yongte**”); (m) approximately 0.37% by Qingdao Tierui Investment Partnership (Limited Partnership) (青島鐵銳投資合夥企業(有限合夥)) (“**Tierui Investment**”); (n) approximately 0.37% by Smart Internet Telecom Ark (Shenzhen) Venture Capital Fund Partnership (Limited Partnership) (智慧互聯電信方舟(深圳)創業投資基金合夥企業(有限合夥)) (“**Smart Telecom**”); (o) approximately 0.22% by Jiangxia Green (Shandong) Industrial Investment Fund Partnership (Limited Partnership) (江峽綠色(山東)產業投資基金合夥企業(有限合夥)) (“**Jiangxia Green**”); (p) approximately 0.15% by Guangdong Dezaihou Qifu Equity Investment Partnership (Limited Partnership) (廣東德載厚啟富股權投資合夥企業(有限合夥)) (“**Dezaihou**”); (q) approximately 0.15% by Eve Energy Co., Ltd. (惠州億緯錒能股份有限公司) (“**Eve Energy**”); (r) approximately 0.15% by China-Russia Energy Cooperation Equity Investment Fund (Qingdao) Partnership (Limited Partnership) (中俄能源合作股權投資基金(青島)合夥企業(有限合夥)) (“**China-Russian Fund**”); (s) approximately 0.12% by Shenzhen Gaopeng Win-win Venture Capital Enterprise (Limited Partnership) (深圳高朋共贏創業投資企業(有限合夥)) (“**Shenzhen Gaopeng**”); (t) approximately 0.07% by Qingdao Huazi Shengtong Equity Investment Fund Partnership (Limited Partnership) (青島華資盛通股權投資基金合夥企業(有限合夥)) (“**Huazi Shengtong**”); (u) approximately 0.07% by Shenzhen Mammoth Future Investment Partnership (Limited Partnership) (深圳市猛獁未來投資合夥企業(有限合夥)) (“**Shenzhen Mammoth**”); and (v) approximately 0.04% by Ningbo Meishan Bonded Port Area Zeyu Investment Partnership (Limited Partnership) (寧波梅山保稅港區澤羽投資合夥企業(有限合夥)) (“**Ningbo Meishan**”).

China Adjustment Fund is held by 10 shareholders. It is held as to approximately 30.4% by China Chengto Holdings Group Ltd. (中國誠通控股集團有限公司), a wholly owned subsidiary of the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會) (“**SASAC**”). The remaining interest in China Adjustment Fund is held by 9 other shareholders, none of which holds more than 30% interests. All of the parties herein are Independent Third Parties.

Venus Growth is a company established in accordance to the laws of Hong Kong and is wholly owned by Lunar Ivy Limited, a company incorporated in the British Virgin Islands (“**BVI**”). It is in turn hold as to approximately 84.1% by CDH VGC Fund II, L.P., an exempted limited partnership established in the Cayman Islands and one other shareholder. The general partner of CDH VGC Fund II, L.P. is CDH VGC II Holdings Company Limited. It is in turn wholly owned by CDH Investment Management Company Limited (“**CDH Investment**”), which is owned as to 85% by CDH Griffin Holdings Company Limited, a company incorporated in the BVI and 15% by 2 other shareholders. CDH Griffin Holdings Company Limited is held as to approximately 33.2% by Central Oak Company Limited and the remaining interest in CDH Griffin Holdings Company Limited is held by 10 other shareholders, each holding less than 30% interests. Central Oak Company Limited is wholly owned by Mr. Wu Shangzhi. All of the parties herein are Independent Third Parties.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CDH Xinjia is held as to approximately 0.8% by Shenzhen CDH Huashu Equity Investment Management Co., Ltd. (深圳鼎暉華曙股權投資管理有限公司) (“**Shenzhen CDH**”) as its general partner and 30 other limited partners each holding less than 30% interests. Shenzhen CDH is in turn wholly owned by Shanghai CDH Futai Venture Capital Investment Management Co., Ltd. (上海鼎暉賦泰創業投資管理有限公司) (“**Shanghai CDH**”). Shanghai CDH is wholly owned by Dinghui Yuntai Enterprise Management Consulting (Tianjin) Co., Ltd. (鼎暉元泰企業管理諮詢(天津)有限公司) (“**Dinghui Yuntai**”). Dinghui Yuntai is owned approximately 92.7% by CDH Investments (Tianjin) Co., Ltd. (鼎暉投資(天津)有限公司), a wholly owned subsidiary of CDH Investment (HK) Limited (“**CDH HK**”). CDH HK is owned by CDH Investment, which is ultimately controlled by Mr. Wu Shangzhi as mentioned above. All of the parties herein are Independent Third Parties.

Telaijin No. 1 is held as to approximately 31.95% by Mr. Yu. The remaining interest in Telaijin No. 1 is held by 30 other shareholders, each holding less than 30% interests and are all Independent Third Parties.

Telaijin No.2 is held as to approximately 32.34% by Mr. Guo Yongguang (郭永光). The remaining interest in Telaijin No. 2 is held by 40 other shareholders, each holding less than 30% interests. All of the parties herein are Independent Third Parties.

Jinyang Venture is held as to approximately 1.42% by its general partner Beijing Jinhui Xingye Investment Management Co., Ltd. (北京金匯興業投資管理有限公司) (“**Beijing Jinhui**”), approximately 35.5% by Mr. Ruan Jin (阮晉) as its limited partner and the remaining interest by 25 other limited partners each holding less than 30% interests. Beijing Jinhui is held as to 40% by Mr. Fan Jian (樊劍), 35% by Mr. Liu Kai (劉凱), 15% by Derui Investment and 10% by Mr. Gu Hua (顧華). Save for Derui Investment holding 15% interest in Beijing Jinhui, all of the parties herein are Independent Third Parties.

Ceningan Investment Pte Ltd is wholly owned by GIC Infra Holdings Pte. Ltd., which in turn, is wholly owned by GIC (Ventures) Pte. Ltd. (“**GICV**”). GICV is wholly owned by the Minister for Finance of the Government of Singapore. All of the parties herein are Independent Third Parties.

Honghu Venture is held as to approximately 1.74% by its general partner Beijing Jinhui. The remaining interest is held by 21 other limited partners each holding less than 30% interests, all of which are Independent Third Parties. Beijing Jinhui is held as to 40% by Mr. Fan Jian, 35% by Mr. Liu Kai, 15% by Derui Investment and 10% by Mr. Gu Hua. Save for Derui Investment holding 15% interest in Beijing Jinhui, all of the parties herein are Independent Third Parties.

Paguld is a company incorporated under in accordance with the laws of the PRC and is publicly listed on the Shenzhen Stock Exchange (stock code: 301456).

Henghui Thai is wholly owned by Qingdao Jufeng Technology Venture Capital Co., Ltd. (青島巨峰科技創業投資有限公司), which is in turn wholly owned by Qingdao Laoshan Technology Innovation and Development Group Co., Ltd. (青島嶗山科技創新發展集團有限公司). It is ultimately controlled by the Finance Bureau of Laoshan District, Qingdao City (青島市嶗山區財政局). All of the parties herein are Independent Third Parties.

Taizhou Huangyan is wholly owned by Taizhou Huangyan State-owned Capital Investment and Operation Group Co., Ltd. (台州市黃岩國有資本投資運營集團有限公司), which is in turn wholly owned by the Finance Bureau of Huangyan District, Taizhou City (台州市黃岩區財政局). All of the parties herein are Independent Third Parties.

Zhongchuang Yongte is owned as to approximately 1.16% by its general partner Qianhai Yongxing Capital Management (Shenzhen) Co., Ltd. (前海永興資本管理(深圳)有限公司) (“**Yongxing Capital**”) and approximately 98.84% by 16 other limited partners, each holding less than 30% interests. Yongxing Capital is wholly owned by Zhongchuang Qianhai Capital Co., Ltd. (中創前海資本有限公司) (“**Zhongchuang Qianhai**”), which is in turn held as to approximately 3.33% by Mr. Yu and the remaining interest by 21 other shareholders each holding less than 30% interests. Save for Mr. Yu holding as to approximately 3.33% interest in Zhongchuang Qianhai, all of the parties herein are Independent Third Parties.

Tierui Investment is held to approximately 0.1% and 99.9% by its general partner Shandong Tiefs Equity Investment Management Co., Ltd. (山東鐵發股權投資管理有限公司) (“**Tiefs Equity**”) and its sole limited partner Shandong Railway Development Fund (山東鐵路發展基金有限公司) (“**Railway Development**”), respectively. Tiefs Equity is held as to 80% by Railway Development and 20% by Derui Investment. Railway Development is held approximately 48.49% by Shandong Railway Investment Holding Group Co., Ltd. (山東鐵路投資控股集團有限公司) (“**Railway Investment**”) and 4 other shareholders, each holding less than 30%

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interests. Railway Investment is in turn held as to approximately 32.25% by Shandong High-Speed Group Co., Ltd. (山東高速集團有限公司) and the remaining interest held by 24 other shareholders, none of which holds more than 30%. Shandong High-Speed Group Co., Ltd. is in turn owned 70% by State-owned Assets Supervision and Administration Commission of the People’s Government of Shandong Province (山東省人民政府國有資產監督管理委員會) and 2 other shareholders, each holding less than 30% interests. Save for Derui Investment holding 20% interest in Tiefa Equity, all of the parties herein are Independent Third Parties.

Smart Telecom is held approximately 1% by its general partner Ark Interconnect (Shenzhen) Private Equity Fund Management Partnership (Limited Partnership) (方舟互聯(深圳)私募股權基金管理合夥企業(有限合夥)) and the remaining interest held by 19 other limited partners, none of which holds more than 30% interests. It is in turn held as to approximately 50.3% by its general partner Qianhai Ark Assets Management Co., Ltd. (前海方舟資產管理有限公司) (“**Qianhai Ark**”) and 3 other limited partners, each holding less than 30% interests. Qianhai Ark is held as to approximately 58.7% by Shenzhen Qianhai Huaize Fangzhou Venture Capital Enterprise (Limited Partnership) (深圳前海淮澤方舟創業投資企業(有限合夥)) and 10 other shareholders, each holding less than 30% interests. It is in turn held as to approximately 62.8% by its general partner Jiaozuo Huaihai Consulting Service Center (焦作市淮海諮詢服務中心) and approximately 37.2% by Shenzhen Qianhai Huaize Gongchuang Investment Consulting Partnership (Limited Partnership) (深圳前海淮澤共創投資諮詢合夥企業(有限合夥)) (“**Qianhai Huaize**”) as its limited partner. Jiaozuo Huaihai Consulting Service Centre is wholly owned by Mr. Jin Haitao (靳海濤). Qianhai Huaize is owned as to approximately 7.06% by Jiaozuo Huaihai Consulting Service Centre as its general partner, approximately 34.79% by Mr. Chen Wenzheng (陳文正) as its limited partner and the remaining interest held by 10 other limited partners, none of which holds more than 30% interests. All of the parties herein are Independent Third Parties.

Jiangxia Green is held as to approximately 0.99% by Jiangxia Green (Shandong) Investment Co., Ltd. (江峽綠色(山東)投資有限公司) (“**Jiangxia Green (Shandong) Investment**”) as its general partner, approximately 39.89% by Three Gorges Capital Holding Co., Ltd. (三峽資本控股有限責任公司) (“**Three Gorges Capital**”) as its limited partner and the remaining interest held by 5 other limited partners, each holding less than 30% interests. Jiangxia Green (Shandong) Investment is wholly owned by Jiangxia Green (Shandong) Private Equity Fund Management Co., Ltd. (江峽綠色(山東)私募基金管理有限公司) (“**Green Equity**”). Green Equity is owned as to approximately 40% by Three Gorges Capital; approximately 35% by Qingdao Qingkong Wanguo Investment Management Co., Ltd. (青島清控萬國投資管理有限公司) (“**Qingdao Wanguo**”) and the remaining interest held by 2 other shareholders, each holding less than 30% interests. Three Gorges Capital is owned as to approximately 30% by China Three Gorges Corporation (中國長江三峽集團有限公司) (“**Three Gorges Corporation**”); approximately 40% by Changjiang Three Gorges Investment Management Co., Ltd. (長江三峽投資管理有限公司) (“**Three Gorges Investment**”) and the remaining interest held by 3 other shareholders, each holding less than 30% interests. Three Gorges Investment is wholly owned by Three Gorges Corporation, which in turn is wholly owned by SASAC. Qingdao Wanguo is owned approximately 66% by Qingdao Wanhe Huixin Investment Management Co., Ltd. (青島萬合匯鑫投資管理有限公司) (“**Wanhe Huixin**”) and approximately 34% by Qingchen Innovation Technology (Tianjin) Co., Ltd. (清辰創新科技(天津)有限公司) (“**Qingchen**”). Wanhe Huixin is in turn held approximately 50% by Mr. Cui Sa (崔颯) and approximately 50% by Qingdao Junshi Equity Investment Co., Ltd. (青島鈞石股權投資有限公司). The latter is wholly owned by Shanghai Yueran Investment Management Co., Ltd. (上海岳冉投資管理有限公司), which is owned as to approximately 95% by Mr. Chang Wangjun (常萬軍) and approximately 5% by one other shareholder. Qingchen is held as to approximately 95% by Mr. Lu Yi (盧誼) and approximately 5% by one other shareholder. All of the parties herein are Independent Third Parties.

Dezaihou is owned as to approximately 0.22% by its general partner Beijing Dezaihou Investment Management Center (Limited Partnership) (北京德載厚投資管理中心(有限合夥)), approximately 66.67% by Liaoning Shuguang Group Co., Ltd. (遼寧曙光集團有限責任公司) (“**Liaoning Shuguang**”) as its limited partner and 5 other limited partners, each holding less than 30% interests. Beijing Dezaihou Investment Management Center (Limited Partnership) is in turn held as to approximately 7.21% by its general partner Beijing Dezaihou Enterprise Management Co., Ltd. (北京德載厚企業管理有限公司) (“**Dezaihou Enterprise**”), approximately 36.03% by Mr. Dong Yang (董揚) (“**Mr. Dong**”) as its limited partner and the remaining interest held by 7 other limited partners, each holding less than 30% interests. Dezaihou Enterprise is owned as to approximately 90% by Mr. Dong and 10% by one other shareholder, respectively. Liaoning Shuguang is held as to approximately 67.31% by Mr. Li Jindian (李進巔) and approximately 32.69% by Mr. Li Haiyang (李海陽). All of the parties herein are Independent Third Parties.

Eve Energy is a company incorporated under in accordance with the laws of the PRC and is publicly listed on the Shenzhen Stock Exchange (stock code: 300014).

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China-Russian Fund is owned as to approximately 1.12% by its general partner SCO Energy Investment Private Equity Fund Management (Qingdao) Co., Ltd. (上合能源投資私募基金管理(青島)有限公司), as to approximately 55.87% by State Power Investment Corporation Limited (國家電力投資集團有限公司) (“**State Power Investment**”) and the remaining interest held by 7 other limited partners, each holding less than 30% interests. SCO Energy Investment Private Equity Fund Management (Qingdao) Co., Ltd. is in turn held as to approximately 50% by SPIC Group Innovation Investment Co., Ltd. (國家電投集團創新投資有限公司) (“**SPIC Innovation**”); approximately 47% by Huitong (Shanghai) Enterprise Management Partnership (Limited Partnership) (會同(上海)企業管理合夥企業(有限合夥)) (“**Huitong**”) and approximately 3% by one other shareholder. SPIC Innovation is wholly owned by State Power Investment, which is in turn wholly owned by SASAC. Huitong is owned as to approximately 1% by its general partner Pingtan Huasheng Xingtu Technology Co., Ltd. (平潭華盛星圖科技有限公司), approximately 89.5% by Mr. Jiang Hua (蔣華) (“**Mr. Jiang**”) and approximately 9.5% by 1 other limited partner. It is in turn wholly owned by Mr. Jiang. All of the parties herein are Independent Third Parties.

Shenzhen Gaopeng is owned as to approximately 18.92% by its general partner Shenzhen Gaopeng Gongchuang Venture Capital Investment Co., Ltd. (深圳高朋共創創業投資有限公司), approximately 79.66% by Anhui Wanxin Jinzhi Science and Education Venture Capital Partnership (Limited Partnership) (安徽皖新金智科教創業投資合夥企業(有限合夥)) (“**Anhui Wanxin**”) as its limited partner and approximately 1.42% by 1 other limited partner. Shenzhen Gaopeng Gongchuang Venture Capital Investment Co., Ltd. is owned as to approximately 33% by Mr. Jin Chao (金超); approximately 33% by Mr. Zhang Minxia (張民遐) and the remaining interest held by 3 other shareholders, each holding less than 30% interests. Anhui Wanxin is owned as to approximately 0.69% by Mr. Wang Tianchou (王天壽) as its general partner, approximately 98.62% by Anhui Xinhua Media Co., Ltd. (安徽新華傳媒股份有限公司) (“**Anhui Xinhua**”) as its limited partner and the remaining interest held by 2 other limited partners, each holding less than 30% interests. Anhui Xinhua is a company currently listed on the Shanghai Stock Exchange (stock code: 601801). All of the parties herein are Independent Third Parties.

Huazi Shengtong is owned as to approximately 0.5% by its general partner Qingdao S&T Venture Capital Co., Ltd. (青島市科技風險投資有限公司) and approximately 99.5% interest by Qingdao Huatong Venture Investment Co., Ltd. as its limited partner (青島華通創業投資有限責任公司) (“**Huatong Venture**”). The former is a wholly owned by Huatong Venture. Huatong Venture is owned as to approximately 51% interests by Qingdao Data Group Co., Ltd. (青島數據集團有限公司) (“**Qingdao Data**”) and approximately 49% by Qingdao Huatong State-owned Capital Operations (Group) Co., Ltd. (青島華通國有資本投資運營集團有限公司) (“**Huatong Capital**”). Qingdao Data is wholly owned by Huatong Capital, which is in turn wholly owned by State-owned Assets Supervision and Administration Commission of Qingdao Municipal People’s Government (青島市人民政府國有資產監督管理委員會). All of the parties herein are Independent Third Parties.

Shenzhen Mammoth is owned as to approximately 30% by its general partner Shenzhen Mammoth Asset Management Co., Ltd. (深圳市猛獁資產管理有限公司), approximately 30% by Mr. Wang Zhan (汪湛), approximately 30% by Mr. Luo Yuwei (羅煜煒) and approximately 10% by 1 other limited partner. It is in turn held as to approximately 99.97% by Mr. Jin Yi (金毅) and approximately 0.03% by one other shareholder. All of the parties herein are Independent Third Parties.

Ningbo Meishan is owned as to approximately 1% by its general partner Ningbo Meishan Bonded Port Nanli Investment Management Co., Ltd. (寧波梅山保稅港區楠禮投資管理有限公司) (“**Ningbo Nanli**”), approximately 97% by Ningbo Century Hehui Investment Management Co., Ltd. (寧波世紀和輝投資管理有限公司) (“**Ningbo Century**”) and approximately 2% by 1 other limited partner. Ningbo Century is held as to approximately 66.80% by Mr. Pan Ruihua (潘瑞華) and the remaining interest held by 2 other shareholders, each holding less than 30% interests. Ningbo Nanli is wholly owned by Mr. Kang Ning (康寧). All of the parties herein are Independent Third Parties.

4. As of the Latest Practicable Date, the remaining 49% equity interest in Dandong Hepu is held by Beijing Hepu Electric Power Technology Co., Ltd. (北京赫普電力科技有限公司). It is in turn wholly owned by Hepu Energy and Environment Technology Co., Ltd. (赫普能源環境科技股份有限公司) (“**Hepu Energy**”). Hepu Energy is owned as to approximately 36% by Hepu Green Energy Storage Technology (Beijing) Co., Ltd. (赫普綠色儲能技術(北京)有限公司) (“**Hepu Green Energy**”) and the remaining interest held by 4 other shareholders, each holding less than 30% interests. Hepu Green Energy is owned as to 80% by Zhoushan Hepu Green Water Equity Investment Partnership (Limited Partnership) (舟山赫普綠水股權投資合夥企業(有限合夥)) (“**Hepu**

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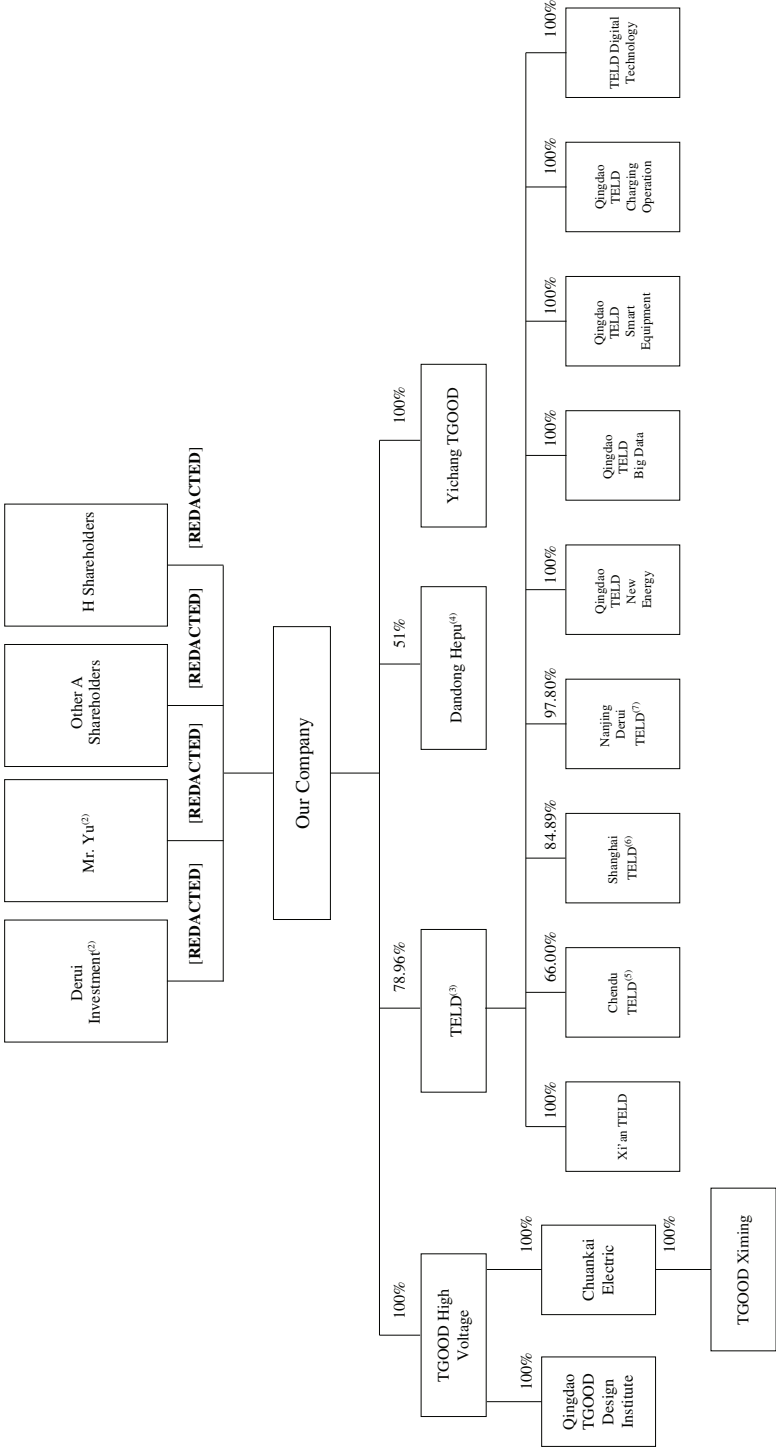
Green Water”) and the remaining interest held by 4 other shareholders, each holding less than 30% interests. Hupu Green Water is held as 70% by Mr. Cui Hua (崔華) as its general partner and the remaining interest held by 3 other limited partners, each holding less than 30% interests. All of the parties herein are Independent Third Parties.

5. As of the Latest Practicable Date, the remaining 34% of Chengdu TELD is owned as to approximately 18% by Chengdu Green Low-Carbon Industry Investment Group Co., Ltd. (成都綠色低碳產業投資集團有限公司) (“**Chengdu Green-Low Carbon**”) and approximately 16% by Chengdu Energy Development Co., Ltd. (成都能源發展股份有限公司) (“**Chengdu Energy**”). Chengdu Green-Low Carbon is wholly owned by Chengdu Advanced Manufacturing Industry Investment Co., Ltd. (成都先進製造產業投資有限公司), which in turn is wholly owned by Chengdu Industry Investment Group Co., Ltd. (成都產業投資集團有限公司) (“**Chengdu Industry Investment**”). Chengdu Industry Investment is owned as to approximately 90% by State-owned Assets Supervision and Administration Commission of Chengdu Municipal Government (成都市國有資產監督管理委員會) (“**Chengdu SASAC**”) and approximately 10% by Sichuan Provincial Department of Finance (四川省財政廳). Chengdu Energy is owned as to approximately 94.5% by Chengdu Expressway Co., Ltd. (成都高速公路股份有限公司), a company listed on the Stock Exchange (stock code: 01785) and approximately 5.5% by Chengdu Communications Investment Real Estate Co., Ltd. (成都交投置業有限公司). The latter is wholly owned by Chengdu Communications Investment Shancheng Industrial Co., Ltd. (成都交投善成實業有限公司), which is in turn wholly owned by Chengdu Communications Investment Group Co., Ltd. (成都交通投資集團有限公司) (“**Chengdu Communication**”). Chengdu Communication is owned as to approximately 90% by Chengdu SASAC and approximately 10% by Sichuan Provincial Department of Finance. All of the parties above are Independent Third Parties.
6. As of the Latest Practicable Date, the remaining 15.11% of Shanghai TELD is owned by Shanghai Jiushi Investment Management Limited. (上海久事投資管理有限公司). It is in turn wholly owned by Shanghai Jiushi Group Co., Ltd. (上海久事(集團)有限公司), which is in turn wholly owned by State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government (上海市國有資產監督管理委員會). All of which are Independent Third Parties.
7. As of the Latest Practicable Date, the remaining 2.2% of Nanjing Derui TELD is owned by Mr. Gong Chengming (龔成明), an employee of TELD.

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Shareholding and Corporate structure immediately after the [REDACTED]

The following chart depicts the shareholding and corporate structure of our Company and our Principal Subsidiaries immediately following the completion of the [REDACTED] (including 8,205,340 treasury Shares and assuming that the [REDACTED] are not exercised and that no changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]):



Note: For notes (1) to (7), see “— Our Shareholding and Corporate Structure Immediately Before the [REDACTED]” in this section.

BUSINESS

OVERVIEW

Who We are

We are the world’s largest manufacturer of high-voltage prefabricated substations, and China’s largest EV charging equipment provider and charging network operator. Deeply engaged in the development of next-generation power systems, we provide core equipment for energy hubs and deliver energy management solutions, enhancing power system’s efficiency, flexibility, and reliability. Our business covers the R&D, manufacturing, and sales of high-voltage and medium-voltage prefabricated substations, power transformers, switchgear and EV charging equipment, as well as building and operation of EV charging networks. According to CIC, we ranked first globally by revenue in both 2023 and 2024 in the overall prefabricated substation market and in the high-voltage prefabricated substation segment. During the Track Record Period, we sold 1,242 sets of high-voltage prefabricated substations in total. According to CIC, based on metrics including revenue, number of public charging terminals, total charging volume, and total charging capacity in operation in 2023 and 2024, we ranked first among EV charging equipment providers and charging network operators in China.

Within power systems, electricity generation, transformation, transmission and distribution occur simultaneously, and power generation must be balanced with consumption in real time. As the share of renewable generation rises rapidly worldwide, and electricity demand from emerging sectors such as EVs and AI data centers grows sharply, maintaining supply-demand balance and power grid stability is becoming increasingly challenging. China has pioneered in building a robust and intelligent power grid, supported by coordinated interaction among source, grid, load and storage and complementary multiple energy sources. Its maturing pathways and standards are increasingly recognized as a global benchmark leading the energy transition.

With over 20 years of industry experience, we have been at the forefront of China’s evolving power system, developing end-to-end in-house R&D and manufacturing capabilities across high-voltage prefabricated substations and EV charging technologies. Our modular, highly integrated high-voltage prefabricated substations combine safety and reliability with flexible configuration, rapid installation, cost and land-use savings, and strong environmental performance, serving as core equipment for efficient step-up and step-down power conversion at voltage levels of up to 400 kV in power systems. On the EV charging side, our smart charging equipment goes beyond conventional charging terminals. It integrates efficient energy replenishment with bidirectional energy interaction, acting as a digital, intelligent interface between EVs and the grid. Backed by our self-developed charging safety protection technology, digital charging network platform, energy management systems, and VPP scheduling capabilities, we provide not only charging equipment but also safe, seamless EV charging services. Our charging network enables large-scale distributed EVs to operate as coordinated, dispatchable mobile energy storage resources — supporting peak shaving, valley filling, and enhancing the integration of green electricity into the grid.

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Based on the “intelligent prefabricated modularized substation products” and “intelligent cluster charging system for EVs,” our Company and our subsidiary, TELD, have each been recognized as National Manufacturing Category Champion Enterprises (國家級製造業單項冠軍企業), and our product, EV charging module, has been recognized as a National Manufacturing Category Champion Product (國家級製造業單項冠軍產品) by the MIIT. We have actively contributed to industry standard-setting and research initiatives to promote sustainable sector development. As of October 31, 2025, we have undertaken or participated in 17 national-level key research projects. Our Company has been designated as National-Local Joint Engineering Research Center for Intelligent EV Charging by the NDRC, and we have led or participated in the formulation of 57 national standards and 28 industry standards. Leveraging our industry-leading intelligent manufacturing capabilities and proven, reliable technologies, we are accelerating our international expansion and aim to promote our role in the modernization of power systems worldwide.

We have achieved the following accomplishments:

World’s Largest Prefabricated substations manufacturer ⁽¹⁾ High-voltage prefabricated substation manufacturer ⁽¹⁾	China’s Largest EV charging equipment provider ⁽¹⁾ EV charging network operator ⁽¹⁾	China’s First Charging Network Technology 110/220kV Prefabricated Substation 110kV Vehicle-mounted Mobile Substation
National Awards National Manufacturing Category Champion Enterprises National Manufacturing Category Champion Product	20% 5-year revenue CAGR ⁽²⁾ 50% 5-year net profit CAGR ⁽²⁾	1,500+ Granted patents ⁽³⁾
60+ Countries and Regions Our products are sold to ⁽³⁾	~855,000 Total charging terminals in operation ⁽³⁾	53.3 TWh Cumulative charging volume ⁽³⁾ 50 Million Users Cumulative registered users ⁽³⁾

Notes:

- (1) In terms of revenue in both 2023 and 2024, according to CIC.
- (2) Representing the respective CAGR for revenue and net profit based on the consolidated financial statements of our Group for the years from 2020 to 2024 prepared in accordance with the relevant accounting principles and financial regulations applicable to the enterprises in the PRC.
- (3) As of October 31, 2025.

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Our Market Opportunities

Our market opportunity is built on our long-standing technological expertise and comprehensive capabilities in high-voltage power equipment. Our products and services deliver value across every critical nodes in next-generation power systems. Our prefabricated substations enable voltage step-up on the renewable power generation sites — where green electricity is connected to the grid — and voltage step-down at key grid nodes that function as regional smart power centers, forming essential power infrastructure. Beyond the grid, our intelligent charging networks connect large numbers of EVs, aggregating these distributed mobile energy storage resources, while our user-side microgrid systems enable efficient energy management and interaction at the point of consumption.

Opportunities for Our High-voltage Prefabricated Substations — Global Grid Upgrades and Next-generation Power System Development

Amid the global transition toward cleaner, low-carbon energy systems, power generation is shifting from stable, controllable thermal power to renewable energy dominated by intermittent resources such as solar and wind. Electricity generated from renewable sources must first be stepped up to high voltage to enable efficient, long-distance transmission within the grid. On the demand side, power must then be stepped down across multiple voltage levels to be safely and precisely delivered to meet the needs of cities, industrial enterprises and households. The full cycle of voltage step-up, transmission, and step-down requires highly reliable and efficient substation equipment.

Traditional substations, constrained by long construction cycles, high costs, limited flexibility, and large land requirements, are unable to support the development of next-generation power systems. Our prefabricated substations — featuring enhanced safety and reliability, factory prefabrication, modular integration, rapid deployment, and intelligent operation — overcome these limitations and provide a critical foundation for grid upgrades and next-generation power systems.

In addition, the rapid development of AI and digital economy is boosting demand for computing power and accelerating the expansion of AI data centers. These trends are raising requirements for load intensity, supply continuity and the overall reliability of power infrastructure. We are developing high-voltage AC/DC prefabricated substations tailored for AI data centers that deliver an integrated, end-to-end power conversion solution from 110/220 kV AC down to 800 V DC. The solution is enabled by a highpower SST, which converts 10/35 kV AC into 800 V DC for data center loads, and is expected to offer high reliability, improved cost efficiency, and shorter delivery cycles. With strong demand and significant market potential, this sector is poised to become a major driver of our future growth.

According to CIC, the global prefabricated substation market expanded from RMB31.0 billion in 2020 to RMB81.5 billion in 2024, representing a CAGR of 27.3%, and is projected to reach RMB179.7 billion by 2030, with a CAGR of 14.1% from 2024 to 2030. Further, the market of high-voltage prefabricated substations is expected to increase to RMB5.6 billion in 2024, and further to RMB52.6 billion by 2030, representing a CAGR of 45.2% during this period.

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Globally, many regions, such as the Middle East, are accelerating grid upgrades. Harsh conditions, including extreme heat, sand, and coastal salt spray, place higher demands on equipment protection, reliability, and ease of maintenance. Coupled with tight timelines and constrained on-site resources, these factors highlight the advantages of prefabricated substations.

As one of the world’s top five manufacturers of prefabricated substations, we offer the broadest voltage-level coverage and were among the earliest to launch high-voltage prefabricated substations, according to CIC. This foundation underpins our strong technological innovation, manufacturing, and engineering execution capabilities across the renewable power generation, grid, and load sides. These capabilities are supported by our in-house manufacturing of key prefabricated substation components, including high-voltage transformers and GIS. We believe we are well positioned to capture growth from renewable power generation, grid construction, and industrial demand.

Opportunities for EV Charging Networks — Further Development of China’s EV Market and Advancement of Vehicle-to-grid (V2G) Technologies

China is the world’s largest new energy vehicle market. With rising EV penetration, accelerating charging infrastructure development, and maturing policy framework, the EV charging network market is expanding rapidly. According to CIC, China’s EV charging network market reached RMB40.4 billion in 2024 and is expected to reach approximately RMB203.4 billion by 2030, representing a CAGR of 30.9%. Within this market, the EV charging network operation services segment is projected to grow from RMB17.3 billion in 2024 to around RMB106.5 billion by 2030, at a CAGR of approximately 35.4%, reflecting substantial long-term growth potential, supported by strengthened V2G interaction and improved operational efficiency.

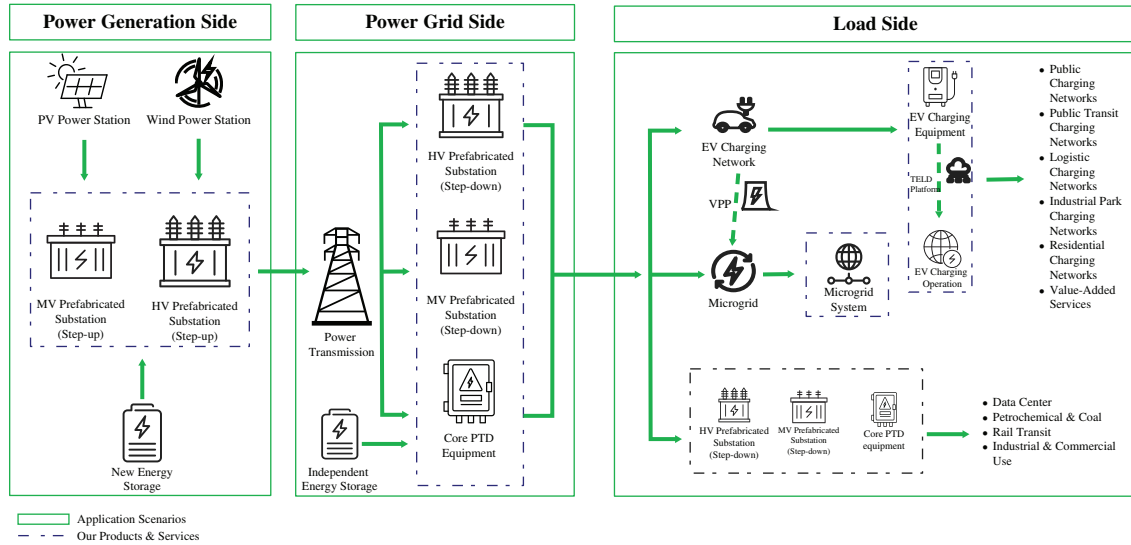
As the share of renewable power generation rises rapidly and the EV fleet expands, the power system is becoming increasingly volatile on the supply side. Uncoordinated charging by a large number of EVs could further increase peak load, placing significant stress on the system and exacerbating supply-demand imbalances.

We are not only a manufacturer of charging equipment but also a builder and operator of the EV charging network ecosystem. Our pioneering charging network technology aggregates nationwide charging terminals, providing charging services to EVs while offering the power system valuable balancing resources. Our EV charging equipment and networks enable cluster charging management and control, intelligently charging scheduling, and V2G interaction, enhancing renewable energy utilization and the grid’s real-time balancing capacity. This has made our EV charging networks a key infrastructure supporting next-generation power systems. Looking ahead, we will not only benefit from the continued expansion of charging network scale but also leverage our leading charging network operations ecosystem to capture growth opportunities from V2G interaction, VPP, and data services, continuously consolidating and enhancing our market position in the EV charging sector.

BUSINESS

Our Offerings

Positioned at the forefront of next-generation power system development, we have built deep expertise in prefabricated substations and EV charging network. We offer an industry-leading and diversified product portfolio that enables us to meet the wide-ranging needs of our customers. The following diagram illustrates our products and services throughout the entire “source-grid-load-storage” value chain.



Power Equipment

We possess end-to-end, in-house design and manufacturing capabilities for high-voltage power equipment, from core components to complete sets of high-voltage prefabricated substations. Our products are known for their high reliability, strong integration, and adaptability to diverse environments, and are widely used across power generation, grid systems, rail transit, oil, petrochemical and coal industries, data centers, industrial and commercial sectors, and energy storage.

Prefabricated Substation

We provide prefabricated substations covering a wide spectrum of high-voltage to medium-voltage levels, ranging between 400 kV and 6 kV. Our product portfolio includes high-voltage step-up prefabricated substations for wind, solar and energy storage, as well as step-down prefabricated substations for high-voltage and medium-voltage urban power distribution, and specialized prefabricated substations tailored for application scenarios such as railways and data centers.

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We design customized prefabricated substations that reflect application-specific requirements and customer needs. The key components, such as power transformers, switchgear, and control systems, are manufactured in our factories and highly integrated within prefabricated enclosures to form complete modular substation units. Our professional teams then carry out on-site installation and commissioning services at customer locations.

Core PTD Equipment

We develop and manufacture core PTD equipment, including HV GIS, power transformers, gas-insulated ring main units (RMUs), and MV and LV switchgear, as well as control, protection and intelligent communication systems, and integrate them into our prefabricated substations. We also supply standalone PTD equipment and solutions directly to customers such as power plants and grid operators. We also provide installation and equipment rental services tailored to customer needs, reinforcing the reliability and flexibility of our solutions.

- *Switchgear:* We design and manufacture a wide range of core switchgear, including 40.5 kV to 252 kV HV GIS, gas-insulated RMUs, and MV and LV air-insulated switchgear (AIS), which serve as core components of our high-voltage prefabricated substations and are widely used in power generation and grid applications. Our products combine advanced technology with excellent quality to meet both domestic and international market requirements.
- *Power transformers:* We design and manufacture dry-type and oil-immersed transformers across voltage classes of 110 kV, 66 kV, 35 kV, and 10 kV. Our transformers are characterized by high reliability, low energy losses, low noise, and strong overload capacity.

EV Charging Network

EV Charging Equipment Manufacturing and Sales

According to CIC, we are the first in China to launch an intelligent cluster charging system based on a charging network architecture, moving beyond the limitations of traditional single chargers. By dynamically allocating energy through a power pool of up to 100 MW per charging station, the system maximizes equipment utilization and enables advanced V2G capabilities, supporting off-peak charging and peak-time discharge. Our EV charging equipment portfolio spans intelligent cluster charging systems, renewable energy microgrid systems, and standalone charging equipment.

EV Charging Network Operation

We operate TELD Platform, digital charging network platform, to provide EV drivers with intelligent charging services and provide charging station operators with online management tools enabling more efficient operations, energy management, and user

BUSINESS

engagement. For the power grid, we aggregate large numbers of EV to operate VPP, participating in peak shaving and responding to grid’s supply-demand balancing request. We leverage the massive data generated by our EV charging network to provide a wide range of value-added services to participants in the EV charging ecosystem, including automakers, insurance companies, banks, and mapping service providers.

For more details about our offering, see “— Our Products and Services.”

R&D Capabilities

R&D and innovation are the core drivers of our long-term growth. Guided by a forward-looking philosophy of staying “one step ahead at every stage,” we have built a systematic R&D and innovation framework that has established strong technological barriers in both prefabricated substation and EV charging network technologies.

Our R&D has always been driven by deep insights into industry trends and a focus on defining future needs. At the early stage of our founding, we seized the opportunity arising from railway development to launch highly reliable, intelligent remote-control cabinet-type substations used in telecommunication, signaling, and stations of China’s high-speed rail. We also pioneered 35 kV prefabricated substations along the world’s highest-altitude railway — the Qinghai-Tibet Railway—delivering 105 substations over 1,000 km at elevations up to 5,000 meters. Through our in-house R&D, we have gradually expanded our substation product portfolio to serve the needs of the grid, renewable energy, coal, oil, and data center sectors. We have pioneered in-depth R&D on the modularization, system integration, and intelligentization of high-voltage prefabricated substations, aiming to transform core nodes of the high-voltage grid from customized engineering projects into standardized, flexibly configurable intelligent equipment, providing the hardware foundation for the grid to manage the growing variability of renewable power. In 2014, at the outset of China’s EV market, we pioneered the charging network technology and developed a series of products to meet the needs of the emerging EV charging infrastructure.

Our R&D efforts not only address current market needs but also proactively anticipate future trends. We are developing high-voltage AC/DC prefabricated substations tailored for AI data centers that deliver an integrated, end-to-end power conversion solution from 110/220 kV AC down to 800 V DC. The solution is enabled by a high-power SST, which converts 10/35 kV AC into 800 V DC for data center loads, and is expected to offer high reliability, improved cost efficiency, and shorter delivery cycles. In preparation for autonomous driving scenarios, we have developed products such as intelligent flexible charging pantographs for buses, intelligent flexible charging robots for heavy-duty logistics trucks, and intelligent flexible charging arms for passenger vehicles. These technologies create a safe, reliable, high-precision and highly adaptable automated charging model designed to meet the large-scale commercial deployment needs of autonomous vehicles.

BUSINESS

We have been granted over 1,500 patents as of October 31, 2025, of which more than 200 are invention patents.

Global Presence

We adopt internationalization as a core development strategy and are accelerating our global expansion.

- *Global presence:* Our power equipment has been deployed in over 60 countries and regions worldwide, serving a wide range of industries, including renewable energy, power grids, data centers, and mining. We have gradually built a global marketing and service network centered on the Middle East, Southeast Asia, Central Asia, Europe, and Africa.
- *Global service capabilities:* We are establishing an overseas headquarters for high-voltage prefabricated substation intelligent manufacturing in Qingdao Qianwan Comprehensive Bonded Zone, aligning with international production standards and technical specifications to enhance our products’ competitiveness in the international markets. At the same time, by optimizing capacity allocation, we have steadily improved production capability and automation to meet the growing demand of overseas markets.
- *Global partnerships:* We have established long-term, stable partnerships with leading global power equipment companies such as Siemens, ABB, and Schneider. Through our collaborations in technology and product portfolio, we have continually enhanced our global market presence and overall competitiveness.

Financial Highlights

We have achieved solid growth during the Track Record Period. Our total revenue increased by 21.1% from RMB12,690.6 million in 2023 to RMB15,374.5 million in 2024, and increased by 8.7% from RMB10,425.8 million for the ten months ended October 31, 2024 to RMB11,328.7 million in the same period in 2025. Our net profit increased by 78.3% from RMB526.8 million in 2023 to RMB939.4 million in 2024, and increased by 65.5% from RMB504.6 million for the ten months ended October 31, 2024 to RMB835.1 million in the same period in 2025. Our return on equity was 6.6%, 11.3% and 11.1% in 2023, 2024 and for the ten months ended October 31, 2025.

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OUR STRENGTHS

We believe that the following strengths drive our success and differentiate us from our competitors.

Core Equipment Provider and Ecosystem Operator for Next-generation Power Systems

We are the world’s largest manufacturer of high-voltage prefabricated substations and prefabricated substations overall measured by revenue in both 2023 and 2024, according to CIC. Among the top five global manufacturers in this segment, we offer substations with the broadest voltage coverage, and were the earliest to introduce prefabricated, integrated substations and the only one to provide 400 kV prefabricated substations. As variable renewable energy sources such as solar PV and wind, together with energy storage systems, are integrated at scale into the evolving power system, the stability and reliability of the power grid are increasingly challenged, making substations capable of achieving efficient and reliable “step-up grid connection” and “step-down power distribution” critically important. We offer prefabricated substations covering the voltage levels between 400 kV and 6 kV, meeting equipment needs across the entire value chain of next-generation power systems — from power generation side to power grid side and ultimately end use side — thereby serving as a core provider of energy hub equipment for next-generation power systems.

According to CIC, we are one of the few companies in the industry capable of designing and manufacturing charging equipment, developing charging network systems, and operating a nationwide network, covering the full EV charging value chain. Leveraging our proprietary “charging network technology,” we aggregate distributed EV charging loads into controllable resources that can respond to grid dispatch. This allows EVs to function not only as energy consumption endpoints but also as mobile energy storage units, helping balance variability caused by renewable power generation and demand fluctuations in next-generation power systems.

Our charging equipment addresses diverse scenarios, ranging from public charging, public transit vehicle charging, logistics vehicle charging, industrial park charging, and residential charging. We have proactively developed products in key future-oriented technologies, including high-power ultra-fast charging, V2G interaction, and automated charging, continuously meeting the evolving demands for intelligent energy supply infrastructure. We also actively participate in load aggregation, V2G interaction, and energy management through our leading charging network operations. According to CIC, based on metrics including EV charging equipment sales revenue, number of public charging terminals, total charging volume, and total charging capacity in operation in 2023 and 2024, we ranked first among EV charging equipment providers and charging network operators in China.

BUSINESS

Strong R&D Capabilities and Deep Technological Expertise Powering Continuous Innovation

We follow a forward-looking philosophy of staying “one step ahead at every stage” to drive continuous innovation. Backed by a market-oriented R&D framework with substantial resources and systemic management, we have developed leading technological capabilities in high-voltage prefabricated substations and EV charging network technologies.

Our R&D is founded on insight into industry trends and guided by a commitment to defining future needs. As China’s power system continues to evolve, substation deployment has become a critical bottleneck for further development of the next-generation power system due to long construction cycles, large land requirements, and high investment. We have pioneered in-depth R&D for modular, systematic, intelligent, and digital high-voltage prefabricated substations, aiming to transform core grid nodes from customized projects into modular, highly-integrated, flexibly configurable intelligent equipment. These prefabricated substations offer a service life of over 35 years, enabling rapid deployment, reduced land use, optimized cost efficiency, and reliable operation throughout their lifecycle. Globally, as demand for high-voltage grid infrastructure grows, this solution is reshaping conventional substation design and investment models. We are committed to advancing this innovation worldwide, positioning ourselves as a leader and standard-setter in high-voltage prefabricated substations.

We focus our R&D resources on critical equipment that determines the safety, efficiency, and flexibility of the next-generation power system — particularly step-up substations serving large renewable energy generation and energy storage bases, flexible step-down substations that stabilize the backbone grid, and distributed energy hubs that enable intelligent load-side interaction.

- *Power equipment.* We manufacture industry-leading 400 kV prefabricated substations, which meet the stringent technical requirements at a 400 kV operating voltage, including those relating to insulation, power control and protection, electrical clearances, electromagnetic compatibility, and fault protection. In 2025, we successfully launched the 66 kV offshore prefabricated substation. These fully insulated, fully sealed, maintenance-free substations are specifically designed to withstand the complex environmental challenges of offshore renewable power generation, including high humidity and heavy salt spray. Additionally, we launched the 33 kV prefabricated substations for renewable power generation that meet the standards in overseas markets. In the same year, we also introduced the 252 kV GIS as a core component of high-voltage transmission and distribution systems. Compared with LV-MV switchgear, this GIS meets the stringent multi-dimensional requirements of high-voltage applications, including insulation, arc extinguishing, manufacturing, assembly, and monitoring. We are developing high-voltage AC/DC prefabricated substations tailored for AI data centers that deliver an integrated, end-to-end power conversion solution from 110/220 kV AC down to 800 V DC. The solution is enabled by a high-power solid-state transformer (SST), which converts 10/35 kV AC into 800 V DC for data center loads, and is expected to offer high reliability, improved cost efficiency, and shorter delivery cycles.

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- *EV charging networks.* We have been a pioneer in developing a comprehensive charging network technology. We introduced group-based control, orderly charging, V2G and VPP technologies, providing solid solutions for the coordination between a vast number of EV integration and the power grid, which have now evolved into mainstream technology directions within the industry. According to CIC, we have developed China’s first digitalized, intelligent EV charging network system and established an industry-leading big data platform for EV charging networks, laying the foundation for the operation of massive numbers of connected charging terminals. Our “CMS active flexible intelligent charging system” and “two-layer safety protection technology for new energy vehicles” were acknowledged as internationally leading technologies by the China Electricity Council (中國電力企業聯合會). Our “safety management system for new energy charging network operators” was acknowledged by the MIIT as the largest safety management system supporting charging networks. In addition, our “charging network technology for ultra-large-scale electric vehicle integration” was recognized by the World New Energy Vehicle Congress (世界新能源汽車大會) as one of the “Top 10 Global Cutting-Edge Innovations in New Energy Vehicles” in 2021.
- *EV charging equipment.* In preparation for autonomous driving scenarios, we have developed products such as intelligent flexible charging pantographs for buses, intelligent flexible charging robots for heavy-duty logistics trucks, and intelligent flexible charging arms for passenger EVs. These products create a safe, reliable, high-precision and highly adaptable automated charging model designed to meet the large-scale commercial deployment needs of autonomous vehicles.

We operate a systemic, end-to-end R&D management system covering the full product lifecycle, from concept development to mass production. Our central research institute coordinates firmwide R&D strategy, while dedicated technical centers focus on specialized technology breakthroughs. We have established a multi-tier R&D organizational structure, consisting of a postdoctoral research workstation, a National-Local Joint Engineering Research Center, expert workstations and provincial-level engineering laboratories. As of October 31, 2025, we have seven entities within our Group recognized as New Technology Enterprises (高新技術企業).

We consistently invest at a high level in R&D. In 2023, 2024 and the ten months ended October 31, 2025, our R&D expenses amounted to RMB489.4 million, RMB574.6 million, and RMB432.3 million, respectively. We have built a strong and talented R&D team, with 1,104 team members as of October 31, 2025, representing 12.2% of our workforce, approximately 70% of whom hold bachelor’s degrees or above.

Our long-term R&D efforts have built a strong and competitive intellectual property portfolio. We have been granted over 1,500 patents as of October 31, 2025, of which more than 200 are invention patents. We have led or participated in the formulation of 57 national standards and 28 industry standards, including the Technical Specifications for Prefabricated Combined Equipment for Substations (《變電站預制艙式組合設備技術規範》) and have undertaken multiple national- and provincial-level major research projects.

BUSINESS

Robust Customer Base and Partnerships across the Industry Value Chain

We serve a portfolio of well-recognized, leading customers in the industry and have established stable and long-term cooperative relationships with them.

We supply prefabricated substations and core PTD equipment to major state-owned power grid companies, such as State Grid Corporation of China and China Southern Power Grid, and leading power generation groups including China Energy Investment Corporation Co., Ltd., China Huaneng Group., Ltd., State Power Investment Corporation, China Huadian Corporation and China Datang Corporation Limited. Our products are widely applied in core areas such as renewable power generation, construction and upgrading of grids. We also provide reliable products and solutions to customers in the infrastructure sector, such as China Railway and rail transit enterprises, as well as customers who are leading manufacturers, such as CRRC Zhuzhou and Goldwind.

In our EV charging business, we cooperate with local government investment entities and public transportation enterprises to jointly develop a nationwide public charging networks. We have also partnered with more than 80 automotive brands and their affiliated entities, including IONCHI, Audi, Porsche, and General Motors, to provide EV charging services. Further, in the digital infrastructure sector, we work with leading telecom operators, such as China Mobile, China Unicom, and China Telecom, as well as technology companies such as Alibaba and ByteDance, with our products deployed in data centers and related energy infrastructure projects.

We serve numerous leading customers in the power and energy sectors, who uphold strict standards for product safety, reliability, performance, and ongoing service capabilities. Our quality products and services, as well as proven industry experience and brand, have enabled us to establish a long-term relationship with prestigious customers, continuously reinforcing our competitive advantages within the next-generation power system and energy ecosystem.

Through our TELD Platform, we have built an open, mutually beneficial EV charging network ecosystem that connects and empowers participants across the value chain. We collaborate with local governments, leading automobile manufacturers, major mobility and logistics companies, small- and mid-sized operators, and property and site owners to jointly advance construction and operation of EV charging infrastructure. We are at the center of this ecosystem, responsible for overall system planning and for providing charging equipment, digital management platforms, and technical support, while other participants contribute according to their own resources and needs. This collaborative model helps enhance the efficiency of charging infrastructure deployment, improve operational quality and user service standards, and promotes the formation of a healthy, dynamic charging service ecosystem with strong network effects.

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Successful Global Expansion Underpinned by Quality Products and Services

We are one of the first companies to offer high-voltage prefabricated substations to overseas customers, according to CIC. We have successfully sold and delivered our products to more than 60 countries and regions as of October 31, 2025, with a strategic focus in the Middle East, Southeast Asia, Central Asia, Europe and Africa. Our prefabricated substations, as well as key equipment for substations, have passed the international standard certifications, including KEMA certification for prefabricated substations and TÜV Rheinland certification for gas-insulated RMUs, establishing strong technical and product readiness for global expansion. Our revenue from overseas markets increased by 127.7% from RMB207.3 million in 2023 to RMB471.9 million in 2024 and reached RMB1,071.9 million for the ten months ended October 31, 2025.

Supported by our strengths in high-voltage prefabricated substations, strong manufacturing capabilities at our production bases, and effectively managed supply chain, we have successfully delivered a number of landmark and industry-impacting projects in overseas markets. These achievements have continuously enhanced our global brand recognition and market position.

- *Power grid sector.* In 2025, we participated in formulating the prefabricated substation standards for Saudi National Grid. Additionally, we completed a project under Saudi Arabia’s Vision 2030 framework aimed at optimizing Saudi grids and enhancing power system resilience. For this project, we delivered 15 sets of 132 kV high-voltage mobile substations for the Saudi national grid within just six months. Over this period, we completed manufacturing in China, international transportation to Saudi Arabia, on-site installation and commissioning, and final grid connection and commencement of operations. This accelerated delivery met Saudi grid’s demanding timelines and stringent reliability requirements, demonstrating our end-to-end capabilities in high-voltage substation manufacturing, system integration, and the execution and delivery of complex international projects.
- *Renewable energy sector.* In 2025, we successfully delivered the core substation equipment for the 600 MW Al-Ghat wind power project in Saudi Arabia, an important exemplary project under the Kingdom’s National Renewable Energy Program. Our prefabricated substations successfully meet the demand of this large-scale centralized wind farm, achieving stable operation under challenging conditions such as high temperatures and sandstorms. This fully validates our engineering adaptability and product reliability in renewable energy generation scenarios.
- *Industrial sector.* We completed a project for a global leading EV and battery manufacturer’s production base in Subang Industrial Park of Indonesia to meet its electricity demand during peak production periods, ensuring safe and continuous power supply. All substations we supplied were manufactured in our domestic factories, minimizing on-site civil construction and engineering work. This project highlights our ability to provide reliable power solutions for Chinese enterprises operating factories in overseas locations.

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We provide highly tailored solutions that adapt to the technical standards, climate conditions, and application scenarios of different countries. For example, in the MAK project implemented in Mongolia’s extreme cold regions, our prefabricated substation is based on our advanced factory prefabrication model, effectively mitigating the adverse impact of harsh environmental conditions on on-site construction and delivery. At the same time, by combining HVAC system simulation and testing with upgrades to critical materials and structural designs, our substation equipment sustained extreme cold, ensuring reliable operation of the prefabricated substations. This project validates our technical and delivery capabilities in extreme environments. Providing customized high-voltage prefabricated substations requires long-term project experience, strong R&D capabilities, and a deep understanding of diverse global market environments. We are confident in our ability to continuously transform these technological advantages into growth for our international business.

Smart Factories and Digitally Enabled Manufacturing Drive High Efficiency and Superior Quality

We have established large-scale production clusters across our five manufacturing bases equipped with digitalized and automated production lines. The MIIT has recognized our Qingdao Base and Chengdu Base as Excellence-Level Smart Factories (卓越級智能工廠), and our Qingdao Laoshan Base as an Advanced-Level Smart Factory (先進級智能工廠). Our smart manufacturing capabilities create high-quality, low-cost, and highly efficient production advantages.

We are implementing lean manufacturing principles in our key processes and have independently planned and established multiple industry-leading digitalized production lines that significantly enhance production responsiveness and product consistency. For example, we built China’s first pulse assembly line for renewable energy prefabricated substations. Unlike the traditional flat-layout assembly approach, this line leverages modular design and automated logistics to optimize space utilization and shorten delivery cycles. For power transformer manufacturing, we employ an integrated “line-and-warehouse” design, enabling unmanned coordination between storage, logistics, and core production processes, thereby improving efficiency and continuously optimizing production flow. Additionally, we have introduced advanced visual inspection equipment such as three-dimensional automated optical inspection into precision manufacturing and testing stages, achieving fully automated inspection from core components to finished products and ensuring industry-leading product quality.

We have established a digital management system centered on intelligent factories, fully integrating product lifecycle management (PLM), enterprise resource planning (ERP), manufacturing execution system (MES), warehouse management system (WMS), Internet of Things (IoT), and quality management system (QMS) to achieve closed-loop management across the entire value chain from sales to product delivery. Through our end-to-end digital quality management system, we enable full traceability, process visualization, and self-analysis throughout production, ensuring quality can be tracked across the entire product lifecycle.

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In supply chain collaboration, we leverage an intelligent scheduling system and supplier relationship management (SRM) platform to synchronize production planning, material dispatch, and supplier delivery in real time. This significantly enhances the responsiveness and accuracy of production plans, allowing us to maintain high-quality standards while effectively controlling manufacturing costs and shortening delivery cycles.

Visionary Leadership Fuels Innovation

Our management team combines visionary leadership with a deep understanding of technology and industry-specific knowledge, guiding our Company toward continuous advancements in the power industry.

Our founder and chairman of the Board, Mr. Yu, brings over 30 years of experience in power grid and energy. His extensive expertise provides clear leadership and strong assurance for achieving our mission, strategies, and business objectives. Mr. Yu’s leadership is widely recognized within the industry. He serves as an expert involved in drafting the guidelines for “Energy Storage and Smart Grids” under the 14th Five-Year National Key R&D Programs organized by the Ministry of Science and Technology (the “MOST”) (科技部國家十四五國家重點研發計劃“儲能與智能電網”指南編制項目), an expert member of the panel for the MOST’s 2030 National Major Science and Technology Project (科技部2030國家重大科技項目), and an evaluation and review expert for the “New Energy Vehicles Program” (新能源汽車評審論證項目). He is also a member of the Expert Committee of the National Energy and Transportation Integration Development Research Institute. In the early 2000s, Mr. Yu proactively seized the historical opportunity presented by high-speed rail electrification, launching China’s first 10 kV intelligent remote-control cabinet-type substations, according to CIC, which laid the foundation for our Company in the high-end rail transit power equipment sector. In 2014, Mr. Yu, with his forward-looking strategic vision, led our Company to enter the new EV charging network sector, establishing a first-mover advantage.

Through a combination of internal talent development and recruitment of top-tier professionals, we have built a comprehensive talent matrix. We have cultivated over 200 core management team members and assembled a group of specialists across areas including power system automation, high-voltage intelligent substations, smart charging, cloud platforms, big data, intelligent control, power electronics, and renewable energy microgrids.

OUR STRATEGIES

Deepen Our Global Growth Strategy

We are committed to a comprehensive internationalization strategy combining technological innovation, value-chain collaboration, and overseas manufacturing. Leveraging our technology, products, and system-level experience from China’s next-generation power system—including intelligent substation deployment, rapid network deployment, and efficient operations—we provide modular solutions to global markets, which we believe constitute our core competitive strengths in supporting the global energy transition.

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Over the next three years, we will concentrate our resources on strategic regions such as the Middle East, Southeast Asia, Central Asia, Europe and Africa, strengthening our position in grid upgrades and renewable energy deployments. We will focus on developing strategic customers, targeting national grids and large energy groups in overseas markets to establish deep, long-term partnerships.

To enhance our global competitiveness, we are implementing an overseas production strategy. We will establish regional manufacturing centers in high-demand regions, such as the Middle East, to handle local integration and assembly, commissioning, and product customization following local technical standards and regulatory requirements. These centers will significantly reduce delivery lead times and improve responsiveness to client requirements. Beyond manufacturing, these hubs will serve as technical adaptation and service centers, where local teams will provide end-to-end support, responding rapidly to unique regional standards and environmental conditions. This approach will allow us to deliver integrated solutions that cover the entire product lifecycle, and to deeply integrate our R&D innovation and intelligent manufacturing capabilities into local markets.

Continuous Innovations to Lead the Technologies for Data Center Power Supply and Autonomous Vehicles Charging

We will continue to follow our innovation-oriented strategy, while reinforcing our existing technological advantages to maintain long-term leadership. We are intensifying R&D efforts to develop technologies for emerging scenarios, including data centers, autonomous vehicle charging.

Data centers, as core infrastructure for AI and cloud computing, demand extreme reliability, energy efficiency, and rapid deployment for the power supply provided by high-voltage substations. To address these requirements, we have made data center energy systems a key focus of our R&D initiatives. We are developing high-voltage AC/DC prefabricated substations tailored for AI data center that deliver an integrated, end-to-end power conversion solution from 110/220 kV AC down to 800 V DC. The solution is enabled by a high-power SST, which converts 10/35 kV AC into 800 V DC for data center loads, and is expected to offer high reliability, improved cost efficiency, and shorter delivery cycles. Built in a highly integrated prefabricated modular form, it leverages modular structures for streamlined engineering and manufacturing, while enabling easy expansion and relocation. The design incorporates full redundancy with cross-backup and ring-network power supply to enhance reliability. In addition, it will include a digital intelligent operation and maintenance system, using virtual device models for fault diagnosis, prediction, and proactive maintenance.

The widespread adoption of autonomous vehicles will change the requirements for charging infrastructure. Our R&D for autonomous vehicle charging focuses on achieving fully automatic, high-success-rate, and damage-free connections between charging equipment and vehicle charging ports. For autonomous logistics vehicles, we will prioritize the development of high-power-density automated charging equipment to meet fast-charging requirements. For autonomous passenger vehicles, we will continue to optimize the safety, reliability and adaptability of bottom-mounted charging equipment, further reduce costs to enable large-scale adoption of the technology, and aim to play a leader’s role in the development of automatic charging technologies and related industry standards in the autonomous driving era.

BUSINESS

Deepen Strategic Customer Engagement and Expand Ecosystem Partnerships

We will continue strengthening long-term partnerships with key customer on the power generation, grids and load sides. Focusing on strategic business areas such as the construction of new power systems, development of large-scale renewable energy bases, grid upgrades, rail transit, oil, petrochemical and coal industries, and data centers, we aim to deepen product penetration, further increasing our market share.

Additionally, we will target emerging industry customers with rigid power demands and stringent requirements for supply reliability and energy efficiency management:

- we will increase our sales and marketing efforts targeting large-scale cloud and internet service providers, and third-party internet data center operators to provide them with prefabricated PTD equipment, AC-DC conversion equipment, equipment and backup power systems;
- we will continue delivering highly reliable prefabricated substation products and customized energy-saving retrofit solutions to new energy battery factories, semiconductor manufacturing, and high-end chemical parks; and
- we will collaborate automotive manufacturers and autonomous driving solution providers to provide automated charging systems for autonomous vehicles, featuring automatic connection and intelligent scheduling capabilities.

We will continue to establish joint ventures with local government investment entities, public transportation enterprises, and other partners to invest in and operate EV charging networks and integrated energy systems in industrial parks. Furthermore, we will continuously build a diversified ecological partnership system to strengthen the extension of our industrial value:

- strengthening collaboration with upstream and downstream partners — vehicle manufacturers, battery enterprises, and logistics and transport operators — to jointly explore new business models across charging infrastructure, electricity, and digital energy management; and
- leveraging operational data from charging networks and power equipment to develop value-added services, expanding our business toward a “build + operate + service” multi-revenue model.

Advance Smart Manufacturing

Following the guiding principles of standardization, lean production, automation, and digitalization, we are upgrading our manufacturing system toward fully intelligent and digital operations. Over the next three to five years, we will continue to increase investment in key areas such as automated equipment, industrial robots, and industrial internet platforms, while further integrating artificial intelligence into process optimization, quality early warning, and intelligent scheduling. Our goal is to build a new generation of smart manufacturing systems that are flexible, efficient, data-driven, and capable of sustainable evolution.

BUSINESS

OUR PRODUCTS AND SERVICES

Overview

The following table sets forth a breakdown of our revenue by business line, in absolute amounts and as percentages of the total revenue, for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%
(unaudited)								
(in thousands, except for percentages)								
Power equipment:								
High-voltage prefabricated substations	2,281,530	18.0	2,664,790	17.3	1,860,805	17.8	2,243,633	19.8
Medium-voltage prefabricated substations	2,875,609	22.7	4,304,726	28.0	3,004,373	28.8	3,667,917	32.4
Core PTD equipment ⁽¹⁾	3,403,802	26.8	3,515,182	22.9	2,760,859	26.5	2,468,937	21.8
Subtotal	8,560,941	67.5	10,484,698	68.2	7,626,037	73.1	8,380,487	74.0
EV charging network:								
EV charging equipment	2,675,333	21.1	3,282,815	21.4	1,512,803	14.5	1,696,511	15.0
EV charging network operation services	1,454,297	11.4	1,606,963	10.4	1,286,973	12.4	1,251,751	11.0
Subtotal	4,129,630	32.5	4,889,778	31.8	2,799,776	26.9	2,948,262	26.0
Total revenue⁽²⁾	12,690,571	100.0	15,374,476	100.0	10,425,813	100.0	11,328,749	100.0

Notes:

- (1) Core PTD equipment primarily consists of HV GIS, power transformers, gas-insulated RMU, and LV-MV switchgear.
- (2) Revenue includes lease income from leasing power equipment and EV charging equipment to meet certain customers' short-term demand for certain equipment. Lease income was RMB115.4 million, RMB142.6 million, RMB118.4 million and RMB96.4 million for the years ended December 31, 2023 and 2024 and the ten months ended October 31, 2024 and 2025, respectively, accounting for 0.9%, 0.9%, 1.1% and 0.9% of our total revenue for the year ended December 31, 2023 and 2024 and for the ten months ended October 31, 2024 and 2025, respectively.

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Power Equipment Business

We are primarily engaged in the research and development, manufacturing, sales, installation, and maintenance of high-voltage and medium-voltage prefabricated substations (also known as E-houses in overseas markets), covering voltage levels from 400 kV to 6 kV, as well as core PTD equipment ranging from 252 kV to 0.4 kV. Our core PTD equipment mainly includes HV GIS, power transformers, gas-insulated RMUs, and LV-MV switchgear. This product offering enables us to address diverse customer needs across a wide range of sectors, including power generation, grid systems, rail transit, oil, petrochemical and coal industries, data centers, industrial and commercial sectors, and energy storage. Leveraging core strengths including high quality, strong cost performance, rapid manufacturing and delivery, and excellent services, we have established a leading position in the industry.

Prefabricated Substations

Substations are the central hubs of power systems, performing critical functions including voltage transformation, power distribution, system protection, and safety control. They act as bridges between power generation — including renewable energy sources — and consumption, stepping up electricity for efficient long-distance transmission and stepping it down to deliver stable power to industrial, commercial, and residential users, while preventing outages and ensuring grid safety.

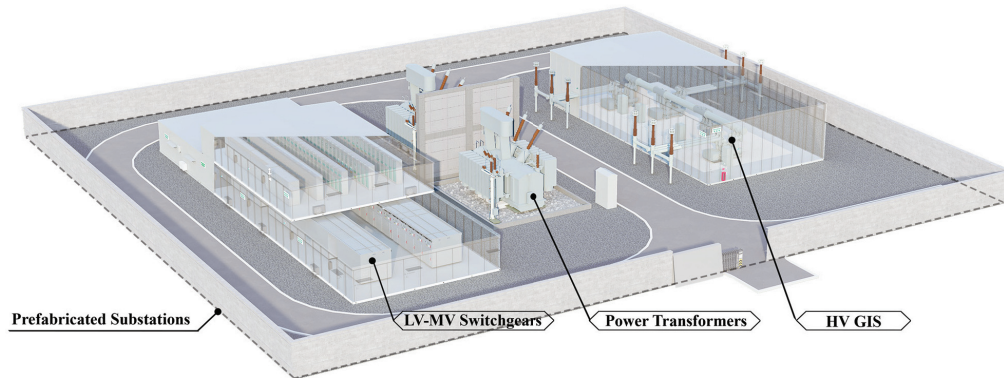
We are among the first to manufacture prefabricated substations in China, according to CIC. These innovative solutions are built on our strong manufacturing capabilities and long-term accumulated knowledge in the power industry. Our prefabricated substation consists of single or multiple containerized units, which house primary and secondary system equipment, together with control, protection, and communication systems. Where multiple units are used, they are interconnected on-site to form an integrated substation system. These units are manufactured, assembled and tested in the factory and then transported to the customer’s site for installation and commissioning. This approach significantly reduces on-site civil works, construction time and labor requirements, while improving quality consistency and operational reliability.

Our prefabricated substations are engineered-to-order products. Customers’ requirements primarily arise from grid interconnection specifications, application scenarios, site environmental conditions and operational requirements. Based on these factors, we tailor the design and configuration of each substation, including voltage level and capacity, primary and secondary equipment selection, control and protection systems, equipment layout and enclosure structure, environmental protection measures, and intelligent monitoring and communication functions. We provide these customized substations through a comprehensive process that includes overall substation design, equipment manufacturing and integration, on-site installation and commissioning, and grid connection.

In China, our prefabricated substations have been deployed in benchmark projects such as projects undertaken by state-level grid enterprises and major power generation enterprises, the Qinghai-Tibet Railway and the Beijing-Tianjin Intercity Railway. In overseas markets, our prefabricated substations have also been used in major landmark projects, including the Jakarta-Bandung High-Speed Railway and the China-Laos Railway. We have participated in drafting key industry standards, including *Technical Specification for Prefabricated Cabin Combined Equipment of Substation Part 1: Switchgear Cabin (DL/T 2821-2024)* (《變電站預制艙式組合設備技術規範第1部分：開關設備艙》), which provides essential technical guidance for the large-scale deployment of prefabricated substations.

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Our prefabricated substations typically consist of modular containerized units housing power transformers, HV GIS, switchgear, and control systems:



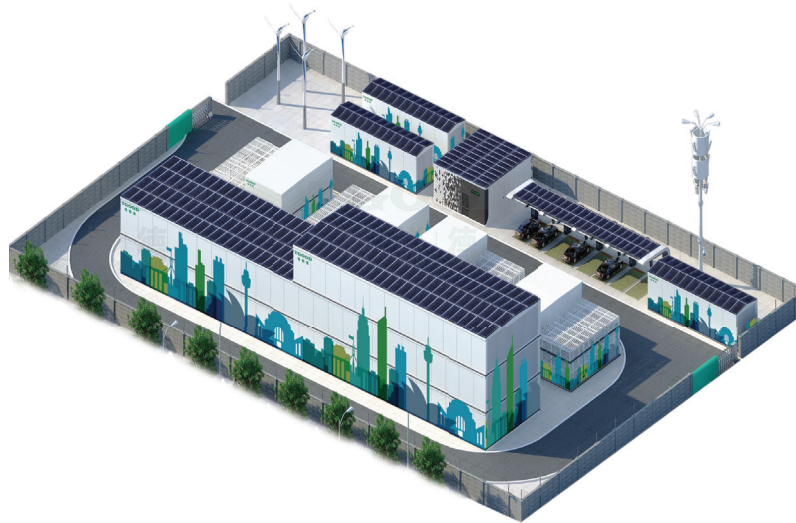
High-voltage Prefabricated Substations

High-voltage prefabricated substations are our flagship products. High-voltage substations are significantly more technically demanding than medium- and low-voltage substations and must comply with more stringent standards. They must quickly control the intense energy of electrical arcs and use carefully designed insulation, such as GIS technology, to safely manage high voltages. This high level of technical complexity makes high-voltage substations a core, high-value product.

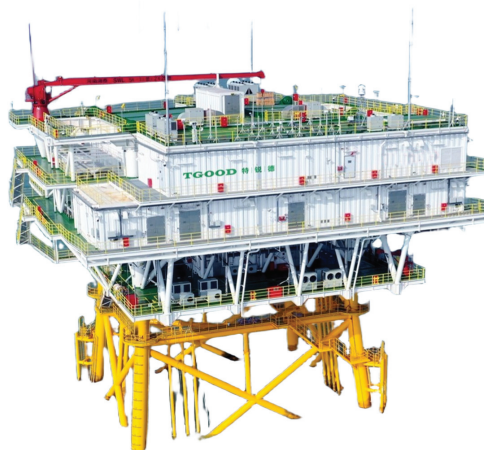
Our high-voltage prefabricated substations cover voltage levels from 400 kV to 35 kV. According to CIC, among the top five global manufacturers of prefabricated substations, we offer substations with the broadest voltage coverage. Our featured high-voltage prefabricated substation products are as follows.

- ***Substations above 110 kV.*** Prefabricated substations above 110 kV serve diverse applications across power generation, grid, and load sides. They can step up medium-voltage power from renewable energy facilities (such as large-scale wind farms, PV plants, and energy storage stations) to high-voltage levels to meet long-distance transmission requirements; they can also step down high-voltage power from the transmission grid to medium-voltage distribution levels for supply to downstream grids or end-user loads. They provide a one-stop solution, integrating substation site and project assessment, substation design, manufacturing, and installation. This series features an integrated structure with non-metallic composite exterior wall panels, combining decorative, sealing, thermal insulation, waterproofing, and fire-resistant functions. It also mitigates water leakage and condensation, eliminates corrosion and thermal bridging, and supports green, low-carbon substation deployment. Compact and flexible, our substations offer low noise, and one- to three-story installation options. Particularly, our substations designed for China’s major grids span 220 kV to 400 kV, enhancing the national backbone network and regional load capacity.

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- ***Offshore step-up substations.*** An offshore step-up substation is a core facility of an offshore wind farm. It steps up the electricity generated by the offshore wind farm to high-voltage levels to enable transmission through submarine cables to an onshore centralized control center and connection to the public grid. Designed for offshore deployment in harsh environments, our prefabricated offshore step-up substation features an integrated welded structure, and its electrical equipment meets classification society certification requirements. The interior is also equipped, in accordance with classification society standards, with fire protection, heating, ventilation, and air condition (HVAC), monitoring, and communication systems, ensuring reliable operation in high-salinity, high-corrosion, and high-humidity offshore environments. The modular cabins connect securely to the offshore platform, enabling convenient and reliable installation. Designed for full-structure lifting, the cabins remain intact even during 20° tilt or sway in transport, while meeting seismic, wind, and snow load requirements.



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- **Mobile substations.** A mobile substation is a specialized type of substation that integrates the core functions of a traditional substation built on permanent foundation and is installed on a movable vehicle chassis or skid-mounted base. This product can be rapidly transported to its destination by road, rail, or even sea, offering strong environmental adaptability and operational mobility. Our vehicle-mounted mobile substation features a compact design, enabling rapid deployment, easy assembly, and reliable power supply. They provide power for high-voltage networks during substation upgrades, equipment maintenance, temporary power supply for construction sites, emergency repairs, and natural disasters. Skid-mounted units come with a steel base, requiring no onsite foundation. Loads from the original substation can be quickly transferred to the mobile substation, minimizing onsite work and enabling flexible, rapid commissioning.



Medium-voltage Prefabricated Substations (中壓預制艙變電站)

Our medium-voltage prefabricated substations transform and distribute electricity across input voltage ranging from 6 kV to 35 kV. At the power generation side, they step up voltage to support efficient long-distance transmission. At the power consumption side, they step down voltage to deliver stable electricity to industrial, commercial, and residential users.

According to CIC, from 2023 to 2025, we consistently ranked first in centralized procurement bids from major Chinese power generation groups, demonstrating our market leadership in the medium-voltage prefabricated substation market.

Our featured medium-voltage prefabricated substation products are as follows.

- **35 kV substations.** Our 35 kV prefabricated substation series is widely applied across power generation, grid, and load-side scenarios. They can step up low-voltage electricity from renewable energy facilities (such as centralized PV plants and wind farms) to medium-voltage levels. This allows the electricity to be efficiently gathered across the site or connected directly to the local grid. It also can step down medium-voltage electricity from the upstream grid to low-voltage levels to supply end users, including industrial parks, commercial complexes, and residential communities. This product series features a compact, modular design, enabling a small footprint and short delivery cycle. It also offers robust protection and strong weather resistance, allowing reliable operation under harsh outdoor conditions such as windblown sand, salt spray, and extreme temperature variations. Particularly, our substations for renewable energy power plants are designed to

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address the large, intermittent, and unpredictable fluctuations that are common challenges in renewable power generation. They use wide-range voltage regulating transformers and flexible control systems to maintain stable system voltage during sudden changes in power and withstand frequent surges and repeated transitions between low and high loads.

- ***Battery energy storage systems (BESS) power conversion and step up substations.*** Our BESS power conversion and step up substation serves as the core equipment of an energy storage power station, with the power conversion systems (PCS), transformers, high- and low-voltage switchgear, and other devices integrated within a prefabricated cabin. During discharge by the BESS, the substation converts the DC power released by the batteries to AC through the inverter and then steps it up to meet the requirements for transmission to the grid. During charging by the BESS, the substation steps down high-voltage AC power from the grid through the transformer and converts it to DC through the converter for storage in the batteries.
- ***Railway telecontrol substations.*** Our railway telecontrol cabinet-type substations are engineered with a primary focus on power supply reliability for railway infrastructure. They mainly comprise transformers, RMUs, low-voltage switchgear, and automation devices. Equipped with real-time, intelligent monitoring and inspection systems, they establish a smart power distribution system characterized by comprehensive operational status monitoring and efficient signal processing, delivering a safer, more reliable, and eco-friendly power supply while ensuring flexible and intelligent operational management.
- ***Power distribution substations.*** Our distribution substations integrate switchgear, distribution transformers, and low-voltage devices into a compact unit, enabled by a carefully engineered wiring design. They step down 10 kV medium-voltage electricity to low-voltage levels to directly supply residential, commercial, and industrial loads. As end nodes of the distribution network, they perform voltage transformation, power distribution, circuit protection, and operational monitoring. We offer a versatile range of products — including European, American, and Chinese standard substations — adapted to different usage scenarios, environmental conditions, and protection requirements.

Our prefabricated substations are highly customized and the prices largely depend on product configurations and specifications. In 2023, 2024 and the ten months ended October 31, 2025, the sales volume of our high-voltage prefabricated substations amounted to 361, 472, and 409 sets, respectively, and the sales volume of our medium-voltage prefabricated substations amounted to 7,635, 11,019, and 9,751 sets, respectively.

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We sell our high-voltage and medium-voltage prefabricated substations primarily through tendering and bidding processes. The contracts for our sales of products or solutions often include installation, commissioning and warranty services, and the service period may be extended depending on the complexity of the products. These contracts usually require the customers to pay in installments based on key milestones, such as receipt of the equipment, completion of installation and commissioning, and final acceptance, with the remaining retention payable after the expiration of the warranty period. The warranty period varies depending on the complexity of the products and the installation environment, but generally ranges between 1 year to 2 years.

Case Study for Prefabricated Substation

Case Study 1 — 132 kV Vehicle-mounted Prefabricated Substations for Saudi Electricity Company

In early 2025, we deployed 15 sets of our 132 kV vehicle-mounted prefabricated substations for the Saudi Electricity Company across critical load centres and urban hubs in Saudi Arabia. This project addresses the urgent power demand during Saudi Arabia summer heatwaves, where temperatures frequently exceed 45°C.

Traditionally, constructing a 132 kV substation in Saudi Arabia required at least three years from design to commissioning. This rigid and lengthy process could not keep pace with the rapid surge in electricity demand and the need for flexible grid adjustments. With the introduction of our vehicle-mounted prefabricated substations, Saudi Electricity Company no longer needs to manage protracted on-site construction. Instead, we deliver a “end-to-end” service where we pre-assemble, test, and commission all core components including transformers and intelligent switchgear at our manufacturing facilities. Before leaving the factory, the entire system undergoes rigorous testing in a laboratory under simulated extreme conditions, such as high temperature and humidity. This reduces quality risks common in manual on-site construction and ensures stable operation in harsh environments. Saudi Electricity Company only needed to perform simple site levelling and rapid connection to begin power transmission on-site. We completed the delivery and power synchronization for all 15 sets in less than six months, only one-sixth of the traditional construction cycle. This high speed and product strength earned high recognition from the Saudi Electricity Company and demonstrated the leadership of our “intelligent manufacturing” to the global industry.

In addition, our mobile prefabricated substations provide flexibility as the “mobile force” of the power grid. Saudi Electricity Company can redeploy these units across different regions as demand shifts, significantly improving asset utilization and return on investment.

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We also embedded advanced digital intelligence into these units to enable “smart substation” functions:

- *State perception and digital twin:* We utilize sensors to monitor equipment health, including partial discharge, temperature, and mechanical characteristics in real time. This data synchronizes to a cloud-based “digital twin” that mirrors the physical substation.
- *Predictive maintenance:* Based on big data and AI algorithms, our system anticipates potential failures. This allows operators to shift from reactive repairs to proactive, on-demand maintenance, effectively avoiding unplanned outages.
- *Automated operation and remote control:* Our system supports remote monitoring, operation, and diagnosis. This is particularly valuable in Saudi Arabia’s vast territory, as it reduces the need for on-site personnel, providing significant safety and cost advantages.

Case Study 2 — 110 kV Prefabricated Substation Project

In 2025, we deployed 110 kV prefabricated substations for a leading battery manufacturer’s factory. The battery manufacturer required a fast, one-stop service to support its manufacturing expansion. The project featured a 110 kV prefabricated substation with four 63 MVA transformers.

We managed the entire project lifecycle, from initial design, equipment manufacturing and procurement to installation, testing, and final commissioning. By deploying our high-voltage prefabricated substation technology, a substantial proportion of our equipment was pre-installed at our factories prior to delivery. This allowed us to compress the on-site installation period to only 15 days, significantly shorter than the industry standard installation time. The entire project took only four months, significantly reducing the factory’s manufacturing launching time.

Core PTD Equipment

Our core PTD equipment includes HV GIS, power transformers, gas-insulated RMUs, and LV-MV switchgear, which can be supplied as standalone products or integrated into our prefabricated substations.

HV GIS

Our HV GIS products include gas-insulated switchgear (GIS) and hybrid GIS (HGIS). Our GIS product integrates circuit breakers, disconnectors, grounding switches, current transformers, voltage transformers, lightning arresters, busbars, and other primary high-voltage components into a single metal enclosure to form a complete, separate unit. Covering voltage levels from 40.5 kV to 252 kV, our GIS products utilize the insulating properties of gas (SF₆, SF₆/N₂ gas mixtures, or clean air) to minimize the effects of external environmental conditions

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on their operation. The products offer reliable operation, a compact footprint, and strong cost effectiveness. According to CIC, we are among the few manufacturers in China capable of manufacturing 252 kV GIS, a process that demands advanced technical expertise and rigorous qualifications.

Our hybrid GIS (HGIS), covering voltage levels between 40.5 kV to 145 kV, combines the advantages of traditional air-insulated switchgear (AIS) and GIS. Our hybrid GIS encloses the circuit breaker, disconnecter, and earthing switch — components that are precise, sensitive to environmental conditions, and require high insulation performance — within an SF₆-filled sealed gas compartment. The components connected to the transformer and busbar are placed in air and connected to the sealed core section through bushings. Its factory-prefabricated modular structure helps customers expand substations with limited space. It also mitigates the challenges of conducting on-site installation and commissioning during power outages.



The prices of our HV GIS products depend on product configurations and specifications. During the Track Record Period, the price for a single set of our HV GIS typically ranged between RMB0.4 million to RMB1.2 million. In 2023, 2024 and the ten months ended October 31, 2025, the sales volume of our HV GIS amounted to 99, 175, and 123 sets, respectively.

Power Transformers

Power transformers adjust voltage levels within AC power systems. We offer a comprehensive range of power transformers with voltage levels up to 110 kV and capacities up to 100,000 kVA, and are developing transformer products tailored for specialized applications such as data center power distribution.

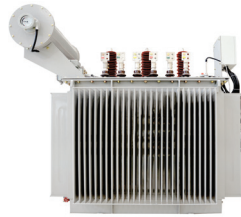
- ***Dry-type power transformer.*** Our dry-type power transformer is usually used for various indoor applications including industrial, commercial, and residential power supply.
- ***Oil-immersed transformer.*** We employ a structure design including laminated iron cores, submerging the core and windings in insulating oil. Its fully sealed structure allows it to operate reliably in diverse environments, including outdoor settings, high altitudes, heavily polluted areas, and coastal regions.

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**Epoxy Resin Cast Dry-Type
Power Transformer**



Oil-Immersed Transformer



**Oil-Immersed Amorphous Alloy
Transformer**



The prices of our power transformers depend on product configurations and specifications. During the Track Record Period, the price for a single set of our power transformers typically ranged between RMB0.16 million to RMB3.1 million. In 2023, 2024 and the ten months ended October 31, 2025, the sales volume of our power transformers amounted to 4,660, 6,897, and 3,706 sets, respectively.

Gas-insulated RMUs

Our gas-insulated RMUs are compact switchgear cabinets, specifically engineered for power distribution systems covering voltage levels from 12 kV to 40.5 kV. They feature advanced insulation for superior safety and an ultra-compact modular design.

We enclose high-voltage components, including circuit breakers, disconnectors, and current transformers, within a sealed, metal cubicle using SF₆ and eco-friendly gases, and employ the technology that safely interrupts electrical arcs to ensure reliable electrical isolation. For complex operating environments, our gas-insulated RMUs are equipped with multiple protection mechanisms, including resistance to dust and moisture, performance stability verified through high- and low-temperature testing for extreme cold or hot conditions, and safety features to prevent operational errors. Our RMUs have been certified by international industry authorities, including CESI (Centro Elettrotecnico Sperimentale Italiano), TÜV Rheinland (Technischer Überwachungsverein), ASTA (Association of Short-circuit Testing Authorities), and KEMA (Keuring Van Elektrotechnische Materialen) type test.

TGP Series



TGS Series



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The prices of our gas-insulated RMUs depend on product configurations and specifications. During the Track Record Period, the price for a single set of our gas-insulated RMUs typically ranged between RMB0.09 million to RMB0.52 million. In 2023, 2024 and the ten months ended October 31, 2025, the sales volume of our RMU amounted to 2,503, 854, and 836 sets, respectively.

LV-MV switchgear

LV-MV switchgear is core equipment in power distribution systems, performing power distribution and control functions. Our designs emphasize both functionality and safety. We primarily offer two product series: MV switchgear covering voltage levels from 6 kV to 35 kV, suitable for medium-scale industrial and commercial distribution applications; and LV switchgear with voltage level up to 690 V, meeting high-capacity and high-reliability power requirements.

Our LV-MV switchgear adopts a modular, intelligent architecture, enabling stable operation in extreme environments such as high temperature, high humidity, and strong electromagnetic interference. They are widely used in various scenarios, including power grid substations, railway power supply systems, power distribution centers of mining enterprises, transportation hubs, energy storage stations, and data centers.

MV Switchgear



LV Switchgear



The prices of our LV-MV switchgear depend on product configurations and specifications. During the Track Record Period, the price for a single set of our LV-MV switchgear typically ranged from RMB0.04 million to RMB0.19 million. In 2023, 2024 and the ten months ended October 31, 2025, the sales volume of our LV-MV switchgear amounted to 2,290, 2,168, and 1,855 sets, respectively.

EV Charging Network Business

According to CIC, we are a leading EV charging equipment provider and charging network operator in PRC in terms of revenue in both 2023 and 2024. We design, research and develop, manufacture, sell, install, and maintain EV charging equipment, and we operate EV charging networks. Through our intelligent EV charging platform, the TELD Platform, we provide EV users with comprehensive charging services and charging station operators with full operational support.

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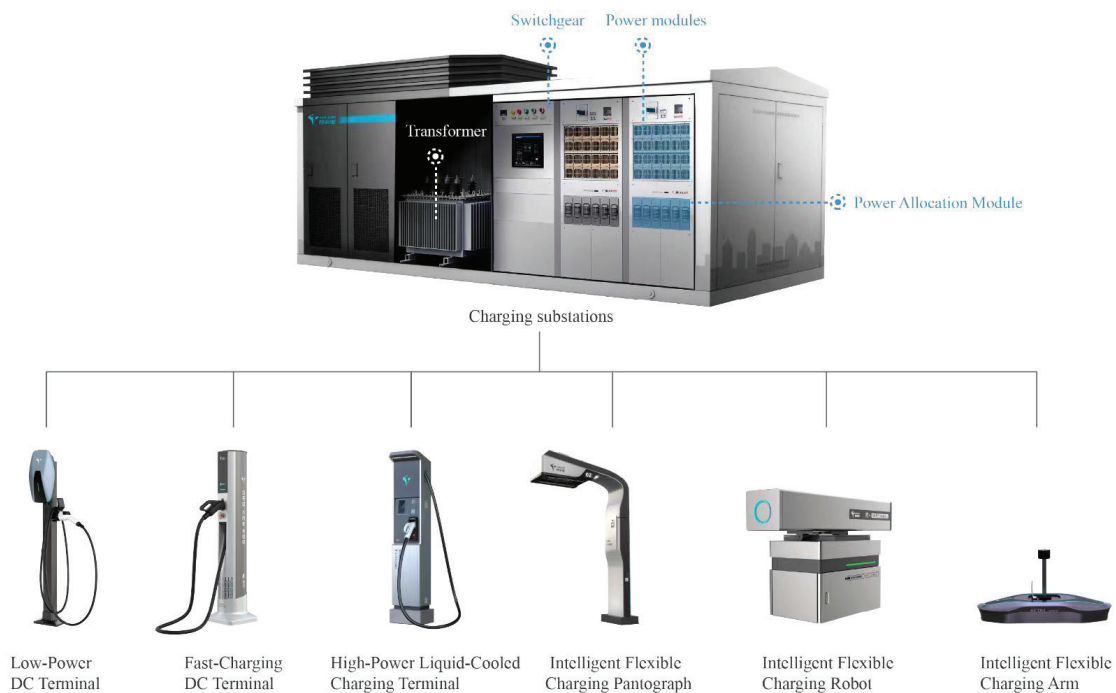
EV Charging Equipment

We sell EV charging equipment and provide construction and maintenance services of charging stations. We introduce an innovative charging network architecture that could leverage EVs as mobile energy storage resources. This architecture overcomes the limitations of traditional single-charger systems, whose charging piles operate independently and cannot be centrally managed. By consolidating the charging modules of all charging equipment into a shared power pool, our network can flexibly adjust output based on distribution grid capacity and different EV types.

Intelligent Cluster Charging System

We pioneered the industry’s first intelligent cluster charging system to address the limitations of traditional standalone EV chargers, according to CIC. Our system comprises charging substations, control cabinets, and charging terminals, and is adaptable to complex, large-scale energy distribution. We can also integrate PV and energy storage within the system to alleviate grid pressure.

The following picture illustrates the key hardware in our intelligent cluster charging system:



We use charging substations or charging control cabinets to centrally manage and intelligently distribute power to multiple charging terminals within a charging station. Charging substations and charging control cabinets are designed for different power supply conditions. For stations supplied by the high-voltage grid, we install charging substations, which mainly consist of transformers, SiC charging modules, power distribution modules, switchgear and control systems. The transformers step down high-voltage electricity to safe and suitable levels, ensuring stable charging operations and protecting charging equipment and

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EVs. We install charging control cabinets at stations supplied by low-voltage power, which do not require voltage conversion and therefore do not include transformers. These charging control cabinets mainly integrate SiC charging modules, power distribution modules, switchgear and control components to allocate power and manage system operations.

We offer a comprehensive range of charging cabinets to meet diverse application needs, including our megawatt-level air-cooled noise-reduction control cabinets for high-capacity urban charging stations, EU-standard control cabinets tailored to European markets, 720 kW liquid-cooled control cabinets designed for high-intensity ultra-fast charging, and DutyMax series of megawatt-level charging substations and control cabinets for heavy logistics trucks.

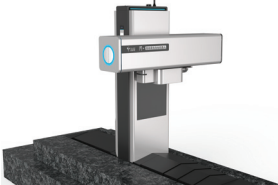
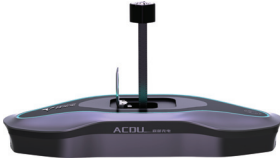
The charging module performs power conversion and precise power regulation throughout the charging process. It converts grid-supplied AC into the DC required by the EV’s battery while maintaining stable output to prevent battery damage from overcurrent. Our charging control cabinet is equipped with multiple SiC charging modules operating in parallel, enabling ultra-fast charging capacity beyond that of a single module. Leveraging intelligent control and “flexible power sharing” technology, the system dynamically allocates charging modules across different terminals based on real-time vehicle charging demand, maximizing efficiency and utilization.

The power allocation module serves as the core component enabling intelligent power scheduling. Positioned between the SiC charging modules and the charging terminals, it dynamically routes power from multiple charging modules to specific charging terminals based on real-time demand. By eliminating the fixed power limits of traditional “all-in-one” charging piles, it allows charging system to flexibly allocate power among multiple EVs based on each vehicle’s battery management system requests.

We deploy charging terminals as the direct power interfaces for EVs. Each charging terminal delivers power reliably, supports compatibility with a wide range of EV models, and provides user-friendly interaction features within a durable, weather-resistant enclosure. In addition to standard DC charging terminals, we also offer advanced terminals designed to support specialized charging scenarios.

Product	Features
<i>High-Power Liquid-Cooled Charging Terminal</i> 	• Supports a maximum charging current of up to 1,000A and a maximum charging voltage of up to 1,000V, delivering a fast charging experience; • Utilizes a high-efficiency liquid cooling control system, achieving low power consumption and low noise even under high-current charging conditions, ensuring stable operation and user comfort; • Real-time monitoring of temperature, cooling pipeline pressure and coolant tank liquid levels.

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Product	Features
<i>Intelligent Flexible Charging Pantograph</i> 	• Designed for high-power automated charging of electric buses, supporting both manned and automated charging scenarios; • Capable of high-power fast charging, with a maximum charging current of up to 1,000A and a maximum charging voltage of up to 1,000 V; • Automatically identifies EV information, enabling automatic charging and settlement without requiring the driver to leave the vehicle; • Features a compact footprint, allowing flexible installation at depots or roadside locations; • Incorporates multiple protection functions, including pressure-following control, foreign object detection, and winter snow-melting, ensuring reliable operation under harsh conditions with a mechanical service life of up to 100,000 cycles.
<i>Intelligent Flexible Charging Robot</i>  	• Designed for lateral automated charging of heavy-duty trucks, automated guided vehicles (AGVs), and other specialized vehicles; • Supports a maximum charging current of up to 1,600A and a charging voltage of up to 1,000 V; • Capable of coordinating with autonomous driving systems of the vehicle to automatically identify the vehicle and initiate charging.
<i>Intelligent Flexible Charging Arm</i> 	• Designed for underbody automated charging of various types of electric passenger vehicles; • Supports a maximum charging current of up to 250 A and a maximum charging voltage of up to 1,000 V; • Utilizes rigid-to-flexible chain-drive technology, enabling automatic connection through unidirectional movement only; • Incorporates passive flexible alignment and correction technology to effectively accommodate parking position deviations.

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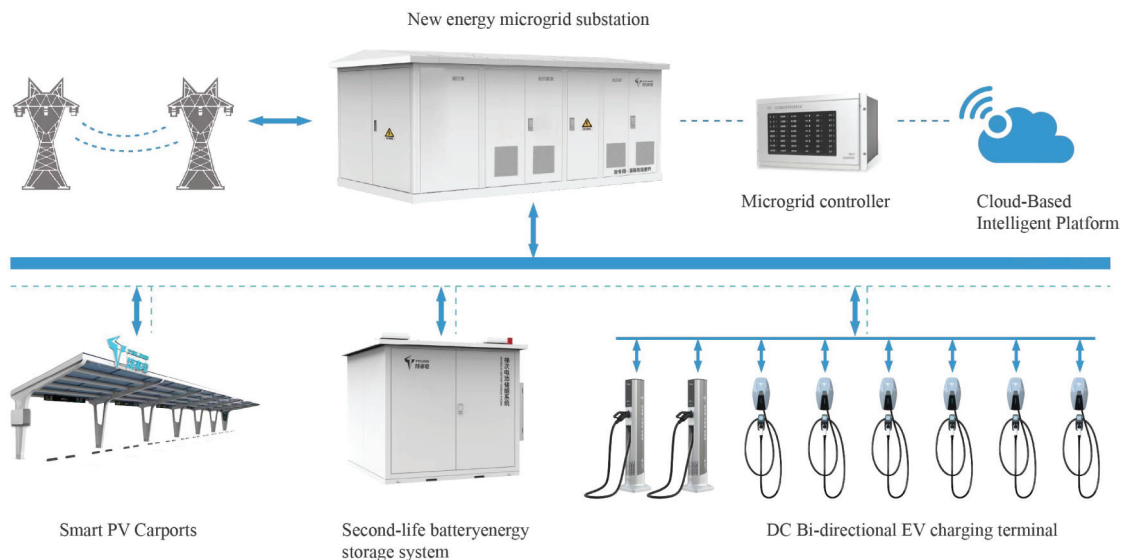
We have established comprehensive EV charging networks across diverse scenarios to meet a wide range of charging needs, including:

- **Public charging networks:** serve commercial use vehicles and private EVs at transportation hubs, shopping malls, highway service areas, and select public spaces.
- **Public transit charging networks:** cover city, intercity, and rural bus fleets, primarily at depots and terminal stations.
- **Logistics charging networks:** serve urban logistics vehicles at stations near logistics hubs, key routes, and drivers’ residential areas to ensure operational efficiency.
- **Industrial park charging networks:** serve employees’ EVs during working hours, enabling the development of on-site microgrids through coordinated energy management.
- **Residential charging networks:** serve private passenger EVs within residential communities.

Renewable Energy Microgrid System

We have developed a microgrid system which utilizes EVs as dispatchable energy storage units, and manages multiple vehicle batteries as a single pooled resource to enable bidirectional, orderly power flow with the grid. This system integrates distributed PV power generation, EV charging and discharging equipment and second-life energy storage batteries through a renewable energy substation, a microgrid controller and a cloud-based intelligent platform. The equipment within our microgrid system features standardized and modular designs, allowing flexible configuration, expansion, and future capacity upgrades.

The following picture illustrates the key equipment and platform in our renewable energy microgrid system:



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- *Renewable energy substation.* The substation, together with a control cabinet, serves as the microgrid system’s integrated power distribution and control system. This substation performs functions, including medium- and low-voltage transformation, connection to PV power generation and energy storage systems, and charging and discharging management. It executes dispatch commands from the cloud-based intelligent platform and performs power allocation and start-stop control for multiple charging and discharging terminals and second-life energy storage batteries within the microgrid, achieving efficient, safe and economically optimized operation of the microgrid.
- *Microgrid controller.* The microgrid controller serves as the on-site central controller. It monitors in real time the system’s power sources, including PV power generation and energy storage, the system loads in the form of charging demand, and the grid status. It directly controls all charging and discharging equipment to execute the prescribed dispatch strategy thereby ensuring safe and reliable system operation.
- *Bidirectional terminals.* The bidirectional EV charging and discharging terminals consist of both high-power and low-power DC devices. They are directly connected to EVs and enable the information exchange and bidirectional flow of electricity. These terminals are capable of rapidly responding to control instructions, allowing them to complete charging, discharging, start or stop, power regulation or power-direction switching within a short period of time.
- *Smart PV carport.* These carports which integrate PV power generation, energy storage and charging functions can provide localized PV power for the system. Electricity generated by the carport’s PV panels is prioritized for vehicle charging or storage in the energy storage system, reducing the microgrid’s reliance on the external grid and lowering electricity-related carbon emissions.
- *Second-life energy storage batteries.* These batteries serve as an important buffering and regulating unit within the microgrid. It can supplement discharging capacity when vehicle availability is low or discharging demand is high. When PV power generation is abundant but charging demand is insufficient, it also absorbs excess electricity, functioning as an energy storage resource.
- *Cloud-based intelligent platform.* This platform formulates dispatch strategies for power allocation and terminal scheduling. It forecasts PV power generation, vehicle plug-in times, and electricity demand. Based on the volume of electricity exchanged, and considering economic and carbon-emission objectives together with grid stability and energy efficiency, it determines the optimal power schedule for each charging and discharging terminal in each time period.

BUSINESS

Standalone Charging Equipment

Our standalone charging equipment are categorized into AC and DC types based on their power output forms, with two major product series, GB Standard and EU Standard, specifically engineered to meet the diverse requirements of the domestic and international markets.

The table below sets out key metrics of our EV charging equipment, including intelligent cluster charging system, renewable energy microgrid system, and standalone charging equipment, during the Track Record Period.

	For the year ended December 31,				For the ten months ended October 31,	
	2023		2024		2025	
	Sales Volume	Average Sales Price	Sales Volume	Average Sales Price	Sales Volume	Average Sales Price
	(MW)	(RMB/W)	(MW)	(RMB/W)	(MW)	(RMB/W)
EV charging equipment . . .	6,266	0.43	7,672	0.43	5,632	0.30

EV Charging Network Operation

We independently, or in collaboration with local partners, including local governments, deploy and operate EV charging stations across China. We also participate in large-scale projects initiated by government authorities or industrial leaders through a “build-operate-transfer” (BOT) framework. As of October 31, 2025, our TELD Platform connects 69,517 EV charging stations, comprising 854,809 charging terminals nationwide through both self-operated and partner-operated stations, and has more than 50 million registered users.

For our self-operated charging stations, we provide EV charging services to individual and enterprise EV users and charge service fees based on the electricity volume consumed by the users in accordance with our applicable fee rates. For our third-party-operated charging stations, we charge operators a fee for the operational and management tools that we provide through our TELD Platform, which is determined based on a percentage of the fees paid by EV users or a fixed amount per charging terminal.

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Our TELD Platform

Our TELD Platform is a self-developed, digital system and interface designed for both EV drivers and charging station operators. For EV drivers, the platform provides functions such as station navigation, charging, payment, and vehicle and battery diagnostics. For charging station operators, it offers digital tools including equipment connectivity and monitoring, operations management, safety management, pricing and settlement, user and membership management, and data analytics.

To expand our charging network and the coverage of the TELD Platform, local execution capability is important. We therefore often establish joint venture companies with local governments or local partners to co-invest in charging stations. These partners typically provide local resources, such as sites, traffic and fleet resources, and on-site coordination, while we contribute technology, equipment, and platform capabilities.

As a result, certain collaborating partners, including our joint ventures and associates, serve as both our customers and suppliers. They may buy charging equipment and subscribe to TELD Platform services from us, while we may procure support services from them in connection with station operations and charging services to EV drivers charging services. This overlap arises from our adoption of a model to leverage local partners’ resources to achieve cost efficiency for our charging network development. All such arrangements are subject to our internal approval and control procedures, and comply with relevant laws and regulations, to ensure they are conducted on normal commercial terms. For further details of transactions with our joint ventures, associates and other related parties, see “Financial Information — Related Party Transactions” and Note 44 to the Accountants’ Report in Appendix I to this document.

Value-added Services

Our charging network successfully connects users, EVs, batteries, and energy systems and generates massive amount of data. Through in-depth data analysis, the charging network can provide a wide range of value-added services for users and power grid operators.

We operate a VPP platform that aggregates distributed charging stations and EV charging loads into dispatchable, flexible resources. Through real-time coordination with grid dispatch and load management authorities, we provide peak-shaving services and respond to grid’s supply–demand balancing request, generating service fees. As of January 31, 2026, we had established interfaces with 39 power dispatch centers, VPP operation centers and load management centers, enabling us to manage and dispatch more than 10,000 charging stations.

In addition, leveraging the data accumulated on our TELD Platform on a daily basis, we provide value-added services to advertisers, map service providers, insurers, automakers and banks, thereby delivering high-quality charging services to EV owners while creating additional value for ecosystem partners.

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RESEARCH AND DEVELOPMENT

Our ability to create new technologies is the engine of our business. We are confident in our ability to develop industry-leading products and solutions for next-generation power systems. We have built a strong and talented R&D team, with 1,104 team members as of October 31, 2025, representing 12.2% of our workforce, approximately 70% of whom hold bachelor’s degrees or above.

Our Core Technologies

Through years of dedicated R&D efforts, we have developed a suite of core technologies in prefabricated substations and EV charging networks.

Structure Frame Technology for Prefabricated Substations

We have developed proprietary core-and-perimeter structural system (the “bedrock structure”) for the cabin frame structure of prefabricated substations. Prefabricated substations designed with this “bedrock structure” feature a framework composed of a “core wall” and a “closely spaced column frame.” The core wall, located inside a prefabricated cabin, provides structural support to meet overall wind and seismic resistance requirements and can also serve as a cable corridor for cable routing, effectively saving space and reducing manufacturing costs. The peripheral closely spaced column frame, constructed with a steel structure, enhances the overall robustness of the cabin and enables effective integration of the external enclosure and internal fireproof and thermal insulation decorative layers. This “bedrock structure” enables effective modular integration of power equipment, environmental and auxiliary control equipment, air duct and interior finishes in the substation, allowing them to meet transportation requirements and be assembled on site. It is the foundation of our capability to manufacture large-scale prefabricated substations.

Intelligent Operation and Maintenance Empowered by Digital Twin Technology for Prefabricated Substations

We integrate cutting-edge technologies across multiple fields — including digital twin, big data, machine vision, edge computing, and the Internet of Things (IoT) — to develop intelligent operation and maintenance technology covering the entire lifecycle of prefabricated substations. Our intelligent prefabricated substation operation and maintenance technology addresses key pain points of traditional substation maintenance, such as fragmented management, heavy reliance on manual labor, and delayed fault response, enhancing intelligence, operational efficiency, and safety of substations.

Built upon digital twin and building information modeling (BIM) technologies, this system digitally replicates each physical substation. Multi-dimensional sensors collect real-time operational data of substations, which, combined with big data analytics and fault diagnosis algorithms, enable early risk warnings and precise lifespan assessments. This approach effectively replaces the traditional “post-failure maintenance” model and reduces the

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risk of unplanned outages. The system also employs machine vision-based intelligent inspection technology to achieve full-coverage monitoring of substations, substantially reducing the need for manual inspections. AI technologies are applied for environmental control and energy management, leveraging deep learning to dynamically optimize internal conditions and energy-consuming equipment, improving overall energy efficiency. By applying edge computing and IoT technologies, intelligent auxiliary control modules ensure protocol compatibility and coordinated control among multiple subsystems — including fire protection, security, and environmental systems, enabling holistic awareness of substation operations and emergency response planning. All substation operational data is reflected in real time within the digital twin model, providing clear visualization of equipment status and precise, data-driven support for operation and maintenance decision-making.

Dual-layer Battery Safety Protection Technology

We have developed an EV battery safety protection system based on both real-time and historical charging and discharging data. We build multi-dimensional safety evaluation models to continuously monitor battery conditions. At the equipment level, we apply dynamic threshold detection through high-frequency data interaction to provide real-time protection. At the TELD Platform level, we analyze historical operating data to provide online monitoring and early warnings, forming a dual-layer protection mechanism that reduces safety risks such as thermal runaway.

Automated EV Charging Technology

We have developed the industry’s first fully automated charging technology for EVs to address the growing trend of autonomous driving. By integrating automated mechanical control with high-durability connection technologies, we enable automated charging across multiple EV types. For buses, our intelligent pantograph systems ensure stable high power transfer. For heavy-duty trucks, our charging robots tolerate large parking deviations through flexible alignment. Our intelligent flexible charging arm for passenger EVs and urban logistics vehicles adopts a rigid-to-flexible chain drive technology and achieves automatic connection through one-directional motion.

All-Scenario Ultra-High-Power Flexible EV Charging Technology

We integrate power distribution, conversion, and control systems into compact, modular charging stations. This design enables us to form scalable power pools of up to 100 MW. Our system dynamically adjusts charging strategies to allocate SiC charging modules in the power pool rationally. Supported by advanced liquid-cooling and safety technologies, we deliver ultra-fast charging of up to 1,000 kW for passenger vehicles, 1,000 kW for buses, and 4 MW dual-connector charging capability specifically for heavy-duty trucks.

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Key R&D Projects

Our key research projects during the Track Record Period include:

No.	Project Name	Description
1	High-voltage Prefabricated Substation for Data Center	We are developing high-voltage AC/DC prefabricated substations tailored for AI data centers that are connected to high-voltage grids and can provide DC power supply. These substations are designed to perform 110/220 kV high-voltage transformation, 10 kV medium-voltage distribution, and 800V DC distribution, offering high reliability, cost efficiency and reduced delivery cycles.
2	SST	We are developing SSTs for data centers that replace traditional bulky transformers using high-frequency power electronics, reducing size by over 60% while increasing supply efficiency. The SST delivers stable DC, supports bidirectional power flow, manages power quality in real time, and integrates with renewable energy and energy storage systems to provide flexible and reliable power.
3	110 kV High-voltage 100 MW Digital Super Charging Station	We launched our 110 kV, 100 MW digital super charging station in 2025. Leveraging our proprietary manufacturing expertise, we integrate energy generation, grid, load, storage, charging, and discharging into a single controllable ecosystem.
4	Intelligent Flexible Charging Arm	We launched the intelligent flexible charging arm 2.0 in 2025. The equipment supports a maximum charging current of 250A and features cost-effective performance, a concealed spatial design and robust durability. Leveraging bottom-mount docking technology, the system enables automatic vehicle-to-charger alignment and connection, thereby simplifying the charging process and improving operational efficiency. It is designed to meet the automatic charging requirements of autonomous and unmanned vehicles.

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MANUFACTURING AND SUPPLY CHAIN

Raw Materials and Supply Chain Management

During the Track Record Period up to the Latest Practicable Date, the raw materials for our power equipment manufacturing primarily consist of copper, grain-oriented silicon steel, power transformer oil, and aluminum, and the components we need to purchase for manufacturing the EV charging equipment primarily include printed circuit boards, magnetic components, power semiconductors, and structural components. All such raw materials and components are mainly sourced within the PRC. We maintained a stable supply chain and adequate inventory of these key raw materials.

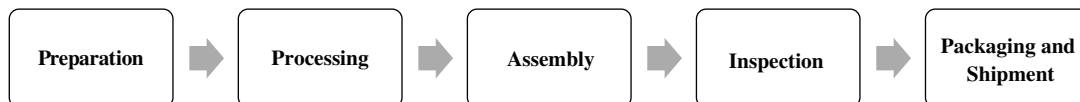
We have adopted various approaches to ensure the stability of our supply chain. Suppliers are graded into three tiers based on the quality of their products or services, and are required to strictly follow our quality standards. To mitigate price volatility and secure material availability, we have entered into framework supply agreements with some of our suppliers. During the Track Record Period, we did not experience material supply interruptions, early termination of contracts, or failure to secure sufficient raw materials. For more details, see “Risk Factors — Risks Relating to Our Business and Industry — Price fluctuation and inadequate supply of materials and equipment for our production could adversely affect our business, results of operations and financial condition.”

Manufacturing Process

Manufacturing Framework

Our manufacturing strategy focuses on maintaining product quality and enhancing operational efficiency. We manufacture key components of our products in-house and utilize outsourcing for non-critical parts, ensuring a cost-effective and flexible supply chain.

Prefabricated Substation, Gas-insulated RMUs, and LV-MV Switchgear

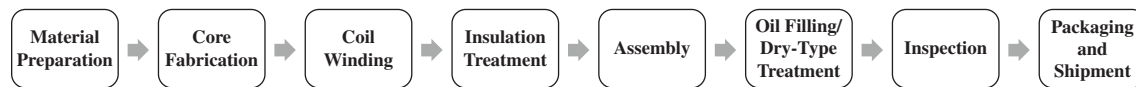


- **Preparation:** We conduct comprehensive assessments and technical analyses before manufacturing. We prepare customized designs based on our clients’ specific requirements and technical parameters. To ensure operational excellence, every design undergoes a rigorous internal quality audit and strict document control protocol.
- **Processing:** We leverage precision cutting and forming technologies to manufacture components and enclosures. Through high-strength structural welding, we ensure the mechanical strength of our casings and frames. Furthermore, we apply advanced surface coating treatments to enhance their anti-corrosion performance.

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- **Assembly:** We assemble the internal structures of our products, including the installation of circuit breakers, busbars, and secondary wiring, as well as external non-core components. Based on a prefabrication model, we finalize technical specifications and integrate core systems such as transformers and control units at our facilities to ensure the entire system functions reliably.
- **Inspection:** We conduct inspections at each critical stage and perform comprehensive functional testing to verify product performance before packaging and shipping.
- **Packaging and Shipping:** After final quality inspection, we package the finished products and manage the logistics to deliver them to our customers.

Power Transformer



- **Material Preparation:** Our process begins with the procurement and inspection of key raw materials, such as silicon steel sheets, copper or aluminum conductors, and specialized insulation materials. We conduct incoming quality control to ensure all materials meet our internal standards and industry specifications before entering production.
- **Core Fabrication:** We fabricate core by cutting and stacking silicon steel laminations.
- **Coil Winding:** We utilize advanced winding machines to wind insulated conductors into coils.
- **Insulation Treatment:** We apply specialized insulation treatments to the windings and active parts, typically through vacuum drying.
- **Assembly:** We assemble the core and windings into the transformer tank and install necessary accessories, such as bushings and tap changers.
- **Oil Filling/Dry-Type Treatment:** Depending on the product type, we either vacuum-fill the tank with insulating oil or apply resin casting for our dry-type power transformers to ensure optimal insulation.
- **Inspection:** We conduct inspections at each critical stage and perform comprehensive functional testing to verify product performance before packaging and shipping.
- **Packaging and Shipping:** After final test, we package the finished power transformers and manage the logistics to deliver them to our customers.

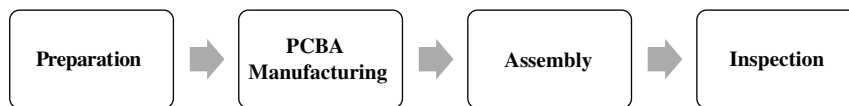
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Charging Equipment:



- **Preparation:** Our process begins with the procurement and inspection of key raw materials, such as copper busbars, wiring harnesses, sheet metal enclosures, and control units. We conduct incoming quality control to ensure all materials meet our internal standards and industry specifications before entering manufacturing.
- **Assembly:** During this stage, we employ parallel processes for busbar processing, wire harness manufacturing, and sheet metal fabrication.
- **Wire Harness Testing:** Each wire harness is tested to verify electrical continuity and insulation integrity, ensuring compliance with quality and safety requirements before assembly.
- **Inspection:** All finished products must pass multiple rounds of quality inspection to ensure robust reliability. We execute stringent final quality control procedures, including a review of the automated test data.
- **Packaging and Shipping:** After successfully passing all final tests, we package the verified charging units with protective materials and manage the logistics to ensure secure and timely delivery to our customers.

Charging Modules:



- **Preparation:** Our manufacturing process begins with raw material procurement and incoming quality control procedures. We inspect electronic components, semiconductor devices and other key materials to ensure compliance with applicable industry standards and internal quality requirements before they enter the manufacturing process.
- **PCBA Manufacturing:** Following material approval, we manufacture printed circuit boards using highly automated manufacturing processes, including surface mount technology (SMT) and dual-in-line package (DIP) processes.
- **Assembly:** Upon completion of PCBA manufacturing, we conduct solder inspection, PCBA testing and potting or spray coating to enhance electrical performance and environmental adaptability. PCBAs are then assembled with heat sinks, enclosures and structural components to form complete charging module sub-assemblies.
- **Inspection:** We conduct inspections at each critical stage and perform comprehensive functional testing to verify product performance.

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Manufacturing Facilities

During the Track Record Period, we manufactured most of our products at our own facilities. As of the Latest Practicable Date, we primarily operated 5 manufacturing bases. The table below sets forth details of our manufacturing bases:

Manufacturing Base	Location	Owned/ Leased	Gross Floor/ Land Area ⁽¹⁾	Commencement of Manufacturing	Key Products and Functions
Qingdao Laoshan Base	Qingdao, Shandong, China	Owned	Gross floor area of approximately 104,595 sq.m.	2012	Manufacturing of charging substations and control cabinet, modules, and charging terminals
Qingdao Jiaozhou Base	Qingdao, Shandong, China	Owned	Gross floor area of approximately 153,197 sq.m.	2015	Manufacturing of prefabricated substations, and core PTD equipment
Chengdu Base	Chengdu, Sichuan, China	Owned	Gross land area of approximately 117,003 sq.m.	2020	Manufacturing of prefabricated substations, and core PTD equipment
Yichang Base	Yichang, Hubei, China	Leased	Gross floor area of approximately 39,540 sq.m.	2019	Manufacturing of prefabricated substations, and core PTD equipment
Tangshan Base	Tangshan, Hebei, China	Leased	Gross floor area of approximately 5,264 sq.m.	2024	Manufacturing of charging terminals

Note:

(1) The gross floor/land area of our manufacturing facilities includes dedicated office spaces.

Set forth below are the production capacity, production volume and utilization rates of our major products for the periods indicated:

Product	Year Ended December 31,						Ten Months Ended October 31,		
	2023			2024			2025		
	Production Capacity	Production Volume	Utilization Rate	Production Capacity	Production Volume	Utilization Rate	Production Capacity	Production Volume	Utilization Rate
	(units)	(units)	%	(units)	(units)	%	(units)	(units)	%
Prefabricated cabinets	14,380	12,724	88.5	17,601	17,648	100.3	16,630	16,464	99.0
Core PTD equipment	52,610	47,145	89.6	57,078	47,980	84.1	52,180	45,191	86.6
Charging substations and charging control cabinets	15,495	14,274	92.1	11,370	10,677	93.9	8,640	7,900	91.4
Modules ⁽¹⁾	–	–	–	–	–	–	103,680	87,361	84.3
Charging terminals	119,520	112,412	94.1	101,724	97,796	96.1	158,880	146,692	92.3

Note:

(1) We commenced module manufacturing from 2025.

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Warehousing, Logistics and Inventory Management

Our inventories primarily consist of raw materials, work in progress, finished goods, contract fulfilment costs, goods in transit. For more information, please see “Financial Information — Discussion of Key Items of Consolidated Statements of Financial Position — Inventories.” We manage our inventories through integrated digital systems, which support effective warehouse operations and inventory oversight. We routinely monitor our inventories and ensure that all goods in transit are effectively managed.

We achieve highly efficient warehouse management through our integrated digital systems powered by Internet of Things (IoT) and barcode/radio-frequency identification (RFID) technologies. By utilizing portable service assistant (PDA) handheld devices, we have realized automated data collection across all operational stages. This technological integration allows us to maintain real-time and accurate oversight of our inventory levels. Furthermore, our warehouse management system is flexibly integrated with our broader information ecosystem, including Enterprise Resource Planning (ERP), Systems, Applications, and Products in Data Processing (SAP), Manufacturing Execution System (MES), and Supplier Relationship Management (SRM) systems, ensuring seamless data flow and operational synergy across our entire organization.

Our products are typically delivered directly from our warehouses to the venue specified by our customers, with the shipping costs borne by us. We engage qualified third-party logistics service providers for delivery to our customers in compliance with product specifications.

Quality Control

We emphasize product quality in our manufacturing operations. Our quality standards meet or exceed all applicable PRC quality standards. We have obtained a series of certificates including ISO 9001 for our quality management system, QC 080000 for our hazardous substance process management system, ISO 10012:2003 for our measurement management systems, IATF 16949 for our international standard for automotive quality management system. In our manufacturing processes, we strictly comply with internationally recognized welding standards and have successively obtained welding system certifications, including ISO 3834, EN 1090 (European standard) and AISC (U.S. standard), which provide reliable assurance for our product quality. In addition, we place emphasis on environmental protection and occupational health and safety management, and have obtained certifications including ISO 14001 for environmental management systems and ISO 45001 for occupational health and safety management systems.

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SALES, MARKETING AND PRICING

Sales and Marketing for Power Equipment Business

We have established domestic and international sales networks and maintain dedicated sales teams to serve our power equipment customers worldwide. As of October 31, 2025, our power equipment sales team consist of over 100 personnel dedicated to overseas markets. We market and sell power equipment directly to end customers. We typically participate in tendering and bidding processes initiated by our customers and also secure orders through strategic cooperation arrangements and repeat purchases by existing customers. With respect to sales through tendering and bidding processes, we participate in tenders in strict compliance with applicable laws and regulations, as well as the customer’s specific requirements. The tendering and bidding processes generally include the following stages:

- **Tender Information Collection and Evaluation:** We typically obtain the bidding opportunities through tender invitations or other customer communications and we will perform an initial assessment of key factors, including project scale, technical requirements, delivery schedule and the customer’s budget.
- **Feasibility Assessment:** We will coordinate our contract management, legal, finance and sales teams to evaluate the commercial, technical and compliance feasibility of the tender and to determine whether to participate in the bidding process.
- **Bidding Document Preparation and Submission:** If we decide to participate in the bidding process, we establish a dedicated team to prepare bidding documents in accordance with the tender announcement and tender requirements, including commercial, technical and pricing proposals. We submit the bidding documents in the required format and within the specified timeframe. We also arrange for the payment of bid deposits as required.
- **Tender Result Confirmation and Contract Execution:** Typically, it takes 1 to 3 months for our customers to announce the tender results based on their assessments on bidders. If we are selected as the successful bidder, we negotiate contract terms with the customer and, upon reaching agreement, execute the formal contract.

For sales that do not involve a tender and bidding process, such as strategic cooperation arrangements and repeat purchases by existing customers, customers typically contact us directly to discuss their demands, including configuration and specifications, and delivery timelines. We then develop technical solutions and pricing proposals for the customer’s review. Following commercial discussions on products details, pricing, contractual terms and delivery schedules, we execute a formal contract and commence project implementation.

See “— Our Customers — Summary of Contract Terms with Major Customers” for salient terms of our sales agreements.

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Sales and Marketing for EV Charging Network Business

We promote sales of our EV charging equipment by providing solutions tailored to the needs of five core scenarios — public charging, public transit charging, logistics fleet charging, industrial park charging, and residential charging. For our EV charging network operation services, we leverage our proprietary mobile app and nationwide station network to engage users and attract traffic through partnerships with EV charging ecosystem participants and social media promotion. In addition, we enhance user retention through a membership program and online and offline marketing activities.

As of October 31, 2025, our EV charging marketing team includes approximately 500 professionals across our headquarters and 22 regional offices in China. Our headquarters formulates and manages sales and business development strategies, and regional teams carry out local marketing activities and interactions with customers.

Direct Sales

We primarily adopt a direct sales model for our EV charging equipment and maintain robust relationships with key customers, such as charging station operators and public transit operators. We engage these customers through competitive tenders and bilateral negotiations. We also offer standalone charging equipment on e-commerce platforms.

Distributorship

We also cooperate with a limited number of distributors as a supplementary sales channel to broaden our customer base. Distributors purchase products from us and we have a seller-buyer relationship with them. In 2023, 2024 and the ten months ended October 31, 2025, we had 102, 127, and 106 distributors, respectively. We have maintained good business relationships with our distributors. In 2023, 2024, and the ten months ended October 31, 2025, our EV charging network business revenue generated from our distributors amounted to RMB87.1 million, RMB100.3 million and RMB56.0 million, respectively, accounting for approximately 0.7%, 0.7% and 0.5%, respectively, of our total revenue in the same periods.

In selecting our distributors, we consider factors such as their industry experience, financial conditions, marketing capabilities, warehousing and delivery capabilities, business scales and the breadth and quality of sales network. We manage our distributors through distribution agreements. We typically grant them exclusive rights within assigned territories and set sales targets periodically. We determine product prices based on market conditions and may require advance payments or grant credit terms based on each distributor’s credit standing.

A supervisor of Xi’an TELD, one of our principal subsidiaries, also served as supervisor of one of our distributors, Ningbo Jichong TELD Charging Network Technology Co., Ltd. (“Ningbo Jichong”). Additionally, Ningbo TELD New Energy Co., Ltd., one of our subsidiaries, holds a 20% equity interest in Ningbo Jichong. During the Track Record Period, our total sales amount to Ningbo Jichong was less than RMB1.0 million. To our best knowledge and after reasonable inquiry, as of the Latest Practicable Date, save as disclosed above, all other distributors are Independent Third Parties to us.

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Pricing

We generate revenue mainly through sales of products, and provision of installation, maintenance and lease services. We determine our prices based on various factors, mainly including raw material costs, products specification, project complexity, manufacturing costs and capacity, markets demand, and product competitiveness, which varies among different projects.

WARRANTY AND POST-SALE SERVICES

Warranty

We provide standard warranty terms to our customers. The warranty period varies depending on the complexity of the products and the installation environment, but generally ranges between 1 year to 2 years. Our warranty period entitles the customer to free repair and maintenance services. We set specific exclusions from the standard warranty coverage under certain circumstances as agreed by customers.

We accrue warranty expenses for potential claims in connection with repair and replacement of our products under the warranties we provide based on the sales volume and the projected unit costs required for warranty services. In 2023, 2024 and ten months ended October 31, 2024 and 2025, our warranty expenses amounted to RMB80.6 million, RMB114.4 million, RMB62.3 million and RMB65.7 million, respectively, representing 0.6%, 0.7%, 0.6% and 0.6% of the total revenue for the corresponding years or periods.

Post-Sale Services

We place great emphasis on after-sales service and have established policies that combine unified guiding principles with flexibility tailored to the characteristics of different business lines. We generally require our staff to respond to customer requests within 24 hours and propose solutions within 48 hours. To ensure timely response, we typically assign dedicated service teams from subsidiaries or branches in close proximity to relevant customers, and these teams conduct regular site visits to collect feedback and enhance service quality.

BUSINESS

OUR CUSTOMERS

Our major customers consist of power grid operators, power generation enterprises, transportation infrastructure entities, and general industrial users. Revenue generated from our largest customer in each year or period during the Track Record Period accounted for 10.3%, 9.2% and 9.0%, respectively, of our revenue for the respective year or period. Revenue generated from our five largest customers in each year or period during the Track Record Period accounted for 27.3%, 26.9% and 30.4%, respectively, of our revenue for the respective year or period.

Major Customers

The table below sets out certain details of our five largest suppliers for the periods indicated:

Customers	Major products provided	Year of commencement of business relationship	Credit period	Settlement method	Revenue	Percentage of total revenue
(RMB'000)						
For the ten months ended October 31, 2025						
Customer A ⁽¹⁾	Prefabricated substations	Over 10 years	Usually 60 business days	Bank transfer & bank's acceptance note	1,015,784	9.0%
Customer B ⁽²⁾	Transformers and switchgear	Over 10 years	Usually 60 days	Bank transfer & bank's acceptance note	861,012	7.6%
Saudi Electricity Company ⁽³⁾	Prefabricated substations	Less than 5 years	Usually 0 day	Bank transfer	586,892	5.2%
Customer C ⁽⁴⁾	Prefabricated substations	Over 10 years	Usually 30 days	Bank transfer	530,512	4.7%
Customer D ⁽⁵⁾	Substations and switchgear	Over 10 years	Usually 28 days or 60 days	Bank transfer	446,796	3.9%

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Customers	Major products provided	The duration of business relationships	Credit period	Settlement method	Revenue	Percentage of total revenue
(RMB'000)						

For the year ended December 31, 2024

Customer B . .	Transformers and switchgear	Over 10 years	Usually 60 days	Bank transfer & bank's acceptance note	1,418,317	9.2%
Customer A . .	Prefabricated substations	Over 10 years	Usually 30 days	Bank transfer & bank's acceptance note	1,006,267	6.5%
Customer E ⁽⁶⁾ .	Prefabricated substations	Over 10 years	Usually 30 business days	Bank transfer	747,072	4.9%
Customer C . .	Prefabricated substations	Over 10 years	Usually 30 days	Bank transfer	493,195	3.2%
Customer F ⁽⁷⁾ .	Prefabricated substations	5 to 10 years	Usually 30 days	Bank transfer & bank's acceptance note	466,720	3.0%

Customers	Major products provided	The duration of business relationships	Credit period	Settlement method	Revenue	Percentage of total revenue
(RMB'000)						

For the year ended December 31, 2023

Customer B . .	Transformers and switchgear	Over 10 years	Usually 60 days	Bank transfer & bank's acceptance note	1,308,114	10.3%
Customer A . .	Prefabricated substations	Over 10 years	Usually 15 to 30 days	Bank transfer & bank's acceptance note	906,530	7.1%
Customer C . .	Prefabricated substations	Over 10 years	Usually 30 days	Bank transfer	669,091	5.3%
Customer G ⁽⁸⁾ .	Prefabricated substations	Over 10 years	Usually 30 days	Bank transfer	295,994	2.3%
Customer F . .	Prefabricated substations	5 to 10 years	Usually 30 days	Bank transfer & bank's acceptance note	285,613	2.3%

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Notes:

- (1) Customer A: A state-owned company headquartered in Beijing, mainly engaged in investment, planning, design, and construction of global energy, water resources, and infrastructure projects.
- (2) Customer B: A state-owned company headquartered in Beijing, mainly engaged in investment, construction, and operation of power grids.
- (3) Saudi Electricity Company: A Saudi state-owned company headquartered in Riyadh, mainly engaged in electric power generation and electricity transmission.
- (4) Customer C: A state-owned company headquartered in Beijing, mainly engaged in the investment, construction, and operation of diverse power sources.
- (5) Customer D: A state-owned company headquartered in Beijing, mainly engaged in passenger and freight transport services by railway.
- (6) Customer E: A state-owned company headquartered in Beijing, mainly engaged in the investment, construction, and operation of power generation assets.
- (7) Customer F: A state-owned company headquartered in Beijing, mainly engaged in comprehensive solutions for the energy, power, and infrastructure industries.
- (8) Customer G: A state-owned company headquartered in Beijing, mainly engaged in power generation, heat production and supply, development of primary energy related with electricity such as coal and relevant technical service.

To the best of our knowledge, all of our five largest customers in each year/period during the Track Record Period were Independent Third Parties. As of the Latest Practicable Date, none of our Directors, their associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each year/period during the Track Record Period.

Summary of Contract Terms with Major Customers

During the Track Record Period, our major customers were primarily those who procured power equipment and EV charging equipment from us. The salient terms and conditions of these agreements with our major customers are summarized below:

- ***Payment and credit term.*** We generally follow a installment payment method, where customers are required to pay certain amount of deposit in advance and the remaining amount based on milestones progress. We typically grant our customers a credit period of approximately 30 days to 60 days from the date of billing invoice.
- ***Shipment and delivery.*** We assume the cost and risks associated with the shipment of ordered products and services to locations designated by our customers. The risks transfer to customers after they confirm receipt of our products.
- ***Product return arrangements.*** We typically do not allow our customers to return products to us except for product quality issues within the warranty period.
- ***Logistics.*** We are under the obligation to ship our products to locations designated by our direct sales customers.

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- **Product warranty and assurance.** The warranty period varies depending on the complexity of the products and the installation environment, but generally ranges between 1 year to 2 years.

OUR SUPPLIERS

Major Suppliers

Our suppliers mainly include electrical component suppliers, commodity raw material suppliers, and outsourced manufacturing service providers. The amount of our purchases from the five largest suppliers in each year or period during the Track Record Period accounted for 10.1%, 13.1% and 12.3%, respectively, of our cost of sales for the respective year or period. The largest supplier in each year or period during the Track Record Period accounted for 2.5%, 3.9% and 3.6% of our cost of sales, respectively. The table below sets out certain details of our five largest suppliers for the periods indicated:

The following tables set forth the details of our five largest suppliers during the Track Record Period.

Suppliers	Major products/services provided	The duration of business relationships	Credit period	Settlement method	Purchase	Percentage of total cost of sales
						(RMB'000)
For the ten months ended October 31, 2025						
Supplier A ⁽¹⁾	Magnet wire	Over 10 years	Usually 30 days	Bank transfer	300,462	3.6%
Supplier B ⁽²⁾	Copper strip	Around 5 years	Usually 30 days	Bank transfer	220,926	2.7%
Supplier C ⁽³⁾	Transformer tank; radiator	5 to 10 years	Usually 30 days	Supply Chain Finance	188,873	2.3%
Supplier D ⁽⁴⁾	Copper busbar	5 to 10 years	Usually 50 days	Telegraphic Transfer	156,370	1.9%
Supplier E ⁽⁵⁾	Construction services for high-voltage prefabricated substations	Less than 5 years	15 business days for banks from receipt of funds/payments from customer	Bank transfer	155,077	1.9%

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Suppliers	Major products/services provided	The duration of business relationships	Credit period	Settlement method	Purchase	Percentage of total cost of sales
						(RMB'000)

For the year ended December 31, 2024

Supplier A . . .	Magnet wire	Over 10 years	Usually 30 days	Bank transfer	447,561	3.9%
Supplier C . . .	Transformer tank; radiator	5 to 10 years	Usually 30 days	Supply Chain Finance	356,342	3.1%
Supplier B . . .	Copper strip	Around 5 years	Usually 30 days	Bank transfer	321,598	2.8%
Supplier F ⁽⁶⁾ . . .	Silicon steel sheets	Less 5 years	Usually 0 day ⁽⁹⁾	Bank transfer	183,009	1.6%
Supplier G ⁽⁷⁾ . . .	Transformer	Over 10 years	Usually 0 day ⁽⁹⁾	Bank transfer & bank's acceptance note	182,488	1.6%

Suppliers	Major products/services provided	The duration of business relationships	Credit period	Settlement method	Purchase	Percentage of total cost of sales
						(RMB'000)

For the year ended December 31, 2023

Supplier C . . .	Transformer tank; radiator	5 to 10 years	Usually 20 days	Supply Chain Finance	235,194	2.5%
Supplier A . . .	Magnet wire	Over 10 years	Usually 0 day ⁽⁹⁾	Bank transfer	229,700	2.5%
Supplier G . . .	Transformer	Over 10 years	Usually 0 day ⁽⁹⁾	Bank transfer	183,770	2.0%
Supplier B . . .	Copper strip	Around 5 years	Usually 30 days	Bank transfer	162,769	1.7%
Supplier H ⁽⁸⁾ . . .	Silicon steel sheets	5 to 10 years	Usually 0 day ⁽⁹⁾	Bank transfer	138,338	1.5%

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Notes:

- (1) Supplier A: A privately-owned PRC company located in Nantong, mainly engaged in the non-ferrous metal smelting and rolling processing industry.
- (2) Supplier B: A privately-owned PRC company located in Huzhou, mainly engaged in the research and development of ecological environment materials in the PRC.
- (3) Supplier C: A privately-owned PRC company located in Qingdao, mainly engaged in the manufacturing of mechanical and electrical equipment in the PRC.
- (4) Supplier D: A wholly owned subsidiary of a Shenzhen Stock Exchange listed company, mainly engaged in the non-ferrous metal smelting and rolling processing industry.
- (5) Supplier E: A 100% Saudi-owned construction company, mainly engaged in the installation and commissioning of power transmission lines as well as the installation, maintenance, and modernisation of gas turbines.
- (6) Supplier F: A privately-owned PRC company located in Changzhou, mainly engaged in the manufacturing of electrical machinery and equipment in the PRC.
- (7) Supplier G: A state-owned company headquartered in Shanghai, mainly engaged in high-end manufacturing and comprehensive solutions for electrical equipment.
- (8) Supplier H: A privately-owned PRC company, located in Changzhou, mainly engaged in the sales of electrical equipment, electromagnetic wires, metal products and metal materials in the PRC.
- (9) With respect to commodity raw materials purchases, our payment obligation arises upon the supplier's delivery of the materials.

Our Directors confirm that we had not experienced any significant material fluctuation in prices set by our suppliers, material breach of contract on the part of our suppliers or delay in delivery of our orders from our suppliers during the Track Record Period. As of the Latest Practicable Date, none of our Directors, their associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year or period during the Track Record Period.

Summary of Contract Terms with Major Suppliers

Because of the diversity of our products and services, we procure various materials and services from a wide variety of suppliers. The key commercial terms of our agreements with suppliers are set out below:

- **Payment and Credit Term.** Payments are generally made with progress linked to contract performance. For suppliers agree to use a back-to-back payment arrangement, our obligation to make payments to our suppliers is linked to our receipt of the corresponding payment from our customer.
- **Shipment and Delivery.** Suppliers assume the cost and risks associated with the shipment of ordered products and services to locations designated by us or our customers.

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- Price. Depending on the type of materials and suppliers involved, prices can either follow the procurement agreement or be determined/adjusted according to the latest market prices at the time of order.
- Inspection and returns. Product inspection shall be carried out within the specified period upon delivery. We have the right to return defective materials that fail to meet agreed quality standards.

OVERLAP OF MAJOR CUSTOMERS AND SUPPLIERS

Major Customers Who Are Our Suppliers

Among our five largest customers during the Track Record Period, Customer A, Customer B, Customer C, Customer D, Customer F and Customers G are also our suppliers.

In 2023, 2024 and the ten months ended October 31, 2025, our sales amount to Customer A was RMB906.5 million, RMB1,006.3 million and RMB1,015.8 million, respectively, accounting for 7.1%, 6.5% and 9.0% of our total revenue for the corresponding periods. During the same periods, certain subsidiaries of Customer A provided us with civil construction and other services, with an aggregate purchase amount of nil, RMB0.8 million and RMB0.2 million, respectively, less than 1% of our total cost of sales for the corresponding periods.

Our aggregate sales amount to certain subsidiaries of Customer B was RMB1,308.1 million, RMB1,418.3 million and RMB861.0 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, accounting for 10.3%, 9.2% and 7.6% of our total revenue for the corresponding periods. Our purchases from subsidiaries of Customer B consisted primarily of industrial ethernet switch and monitoring systems in an aggregate amount of RMB137.5 million, RMB164.3 million and RMB145.3 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, representing 1.5%, 1.4% and 1.8% of our total cost of sales for the corresponding periods.

Our sales amount to Customer C was RMB669.1 million, RMB493.2 million and RMB530.5 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, accounting for 5.3%, 3.2% and 4.7% of our total revenue for the corresponding periods. Certain subsidiaries of Customer C provided us with various products and services, such as transformer oil and civil construction services, and our aggregate purchase amount was RMB40.9 million, RMB6.2 million and RMB3.2 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, less than 1% of our total cost of sales for the corresponding periods.

Our sales to Customer D amounted to RMB217.9 million, RMB362.0 million and RMB446.8 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, accounting for 1.7%, 2.4% and 3.9% of our total revenue for the corresponding periods. Some subsidiaries of Customer D provided us with EV charging network operation services, and our aggregate purchase amount from them was RMB1.3 million, RMB0.9 million and RMB1.6 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, less than 1% of our total cost of sales for the corresponding periods.

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Our sales amount to Customer F was RMB285.6 million, RMB466.7 million and RMB337.6 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, accounting for 2.3%, 3.0% and 3.0% of our total revenue for the corresponding periods. Some subsidiaries of Customer F provided us with various products, such as protection and control devices for power equipment and spare parts, and our aggregate purchase amount from them was nil, RMB0.7 million and nil in 2023, 2024 and the ten months ended October 31, 2025, respectively, representing less than 1% of our total cost of sales for the corresponding periods.

Our sales amount to Customer G was RMB296.0 million, RMB271.1 million and RMB98.1 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, accounting for 2.3%, 1.8% and 0.9% of our total revenue for the corresponding periods. Some subsidiaries of Customer G provided us with services, such as engineering design and civil construction services, and our aggregate purchase amount from them was RMB86.1 million, RMB62.9 million and RMB40.7 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, less than 1% of our total cost of sales for the corresponding periods.

Major Suppliers Who Are Our Customers

Among our five largest suppliers during the Track Record Period, Supplier C and Supplier G were also our customers.

Our aggregate purchase amount from Supplier C’s subsidiaries was RMB235.2 million, RMB356.3 million and RMB188.9 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, accounting for 2.5%, 3.1% and 2.3% of our total cost of sales for the corresponding periods. Some subsidiaries of Supplier C purchased EV charging equipment from us, and our aggregate sales amount to them was RMB0.4 million, RMB2.3 million and nil in 2023, 2024 and the ten month ended October 31, 2025, respectively, less than 1% of our total revenue for the corresponding periods.

Our purchase amount from Supplier G was RMB183.8 million, RMB182.5 million and RMB98.8 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, accounting for 2.0%, 1.6% and 1.2% of our total cost of sales for the corresponding periods. Some subsidiaries of Supplier G purchased EV charging equipment and operation services from us, and our aggregate sales amount to them was RMB0.1 million, RMB1.0 million and RMB0.1 million in 2023, 2024 and the ten months ended October 31, 2025, respectively, less than 1% of our total revenue for the corresponding periods.

Apart from the overlap among our five largest customers and five largest suppliers, there was also overlap between other customers and suppliers during the Track Record Period. Such overlap primarily arose because, among others, (i) certain entities within the customer group also provided construction and engineering services; (ii) certain entities within the customer group also provided raw materials and/or relevant services for power equipment; and (iii) certain entities within the suppliers’ groups became our customers. In addition, we promoted the sale of EV charging equipment and the provision of EV charging network construction and operation services to certain suppliers to meet their demands.

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According to CIC, overlap between customers and suppliers is not uncommon in the power industry. Such overlap typically arises when enterprises on the power generation or grid sides purchase products from power equipment manufacturers and, in turn, provide certain products or services to these manufacturers.

Our Directors have confirmed that (i) negotiations of the terms of our sales and purchases with our customer-suppliers were conducted on a transaction-by-transaction basis, and such sales and purchases were neither inter-connected nor inter-conditional; (ii) all sales to and purchases from our customer-suppliers were carried out in the ordinary course of business, on normal commercial terms, and at arm’s length; and (iii) the terms of transactions with our customer-suppliers are consistent with those applied to our other customers and suppliers.

THIRD-PARTY PAYMENT ARRANGEMENTS

During the Track Record Period, we accepted payments from parties who are not the contractual counterparties under the corresponding agreements (the “Third-Party Payment Arrangements”). In 2023, 2024 and the ten months ended October 31, 2025, the aggregate amount settled through such Third-party Payment Arrangements was RMB22.3 million, RMB41.6 million and RMB36.1 million, respectively, representing approximately 0.2%, 0.3% and 0.3% of our total revenue for the corresponding periods. The number of customers who settled payments through the Third-Party Payment Arrangements (the “Third-Party Settled Customers”) was 303 in 2023, 585 in 2024, and 628 in the ten months ended October 31, 2025. The parties who made the payments to us under these Third-Party Payment Arrangements (the “Third-Party Payers”) included, among others, individuals who are the controlling shareholders, legal representatives, employees of the relevant contractual parties, or in certain cases family members of the controlling shareholders of the contractual parties. For a majority of the Third-Party Payment Arrangements made by the Third-Party Settled Customers, we verified the identities of the designated Third-Party Payers before accepting the Third-Party Payment Arrangements to facilitate our collection of outstanding payments. According to CIC, it is not an uncommon practice for customers to settle payments through third-party payors for various reasons.

During the Track Record Period and up to the Latest Practicable Date, (i) we had not encountered any material disputes with, nor received any refund request from, any Third-Party Settled Customer or Third-Party Payer solely based on Third-Party Payment Arrangements; (ii) we had not been subject to any administrative penalties by any PRC competent government authorities with respect to the Third-Party Payment Arrangements; (iii) we had not been subject to any administrative penalties by the competent government authorities concerning the PRC tax laws and regulations as a result of the third-party payments we received; and (iv) we required and have obtained written confirmations about the payers’ identities or their consents to make the payments from most of the Third-Party Payers and relevant customers regarding their respective Third-Party Payment Arrangements.

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As advised by our PRC Legal Advisors, during the Track Record Period and up to the Latest Practicable Date, (i) the Third-Party Payment Arrangements did not contravene any prohibitive or restrictive provisions under the applicable PRC laws and regulations; (ii) in respect of those Third-party Payment Arrangements that we have obtained proper confirmations, risk that our Group would be obligated to return any funds received under Third-Party Payment Arrangements is relatively low; (iii) none of the entities within our Group is a financial institution or a specific non-financial institution that is obligated to fulfill anti-money laundering and counter-terrorist financing responsibilities as stipulated under the Anti-Money Laundering Law of the PRC, the Anti-Terrorism Law of the PRC, or the Notice of the General Office of the People’s Bank of China on Strengthening the Anti-Money Laundering Supervision over Specific Non-Financial Institutions; and (iv) based on the Company’s confirmation that the Third-Party Payments are made for legitimate transactions with reasonable commercial terms during the ordinary course of the Company’s business, the likelihood that we are decided to violate relevant tax PRC laws and regulations by the competent tax authority for the abovementioned Third-Party Payment Arrangements and are imposed any material administrative penalties is relatively low and the risk of the Third-Party Payment Arrangements being deemed as constituting the crime of money laundering under Article 191 of the Criminal Law of the PRC (《中華人民共和國刑法》) for the purpose of disguising or concealing the source and nature of proceeds or gains is relatively low.

To manage the potential risks associated with third-party payments, we have adopted and implemented enhanced internal control measures to rectify the Third-Party Payment Arrangements. As a general policy, we require our customers to pay us directly from their own corporate bank accounts. Where there are reasonable circumstances to accept payment by a party other than the purchaser of our products or services, we will only accept such third-party payments if both the customer and we agreed to designate another party to settle the payments with written agreements. We will regularly review the effectiveness of the aforementioned internal control measures, and we plan to organize training for our employees on the third-party payments and compliance requirements. After consultation with our internal control consultant, our Directors believes that the foregoing internal control measures are sufficient to prevent the financial and legal risks associated with third-party payments.

INTELLECTUAL PROPERTY

Intellectual property is a vital component of our core competitiveness. We place a high importance on the intellectual property protection and have established a comprehensive intellectual property management system.

As of October 31, 2025, we own 100 material registered patents, 36 material computer software copyrights, 19 material registered trademarks, and 3 material filed domains in China. See “Appendix IV — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights” for details of our material intellectual property rights.

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We may rely, in some circumstances, on trade secrets and/or confidential information to protect our technologies. We have entered into agreements with confidentiality and non-competition clauses with our senior management and certain key members of our R&D team and other employees who have access to trade secrets or confidential information about our business.

We have formulated our intellectual property management protocols. Our standard employment contract, contains an assignment clause, under which we own all the rights to all inventions, technology, know-how and trade secrets derived from employees’ work. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material legal, arbitral or administrative proceedings or claims of infringement of any intellectual property rights, in which we may be a claimant or a respondent. Our Directors confirm that they are not aware of any legal, arbitral or administrative proceedings of infringement of any third parties’ intellectual property rights by us as of the Latest Practicable Date. For risks related to intellectual property rights, see “Risk Factors — Risks Relating to Our Business and Industry — Intellectual property infringement by and disputes with third parties may adversely affect our business, financial condition and results of operations, and harm our competitive position.”

AWARDS AND RECOGNITIONS

During the Track Record Period, we received numerous recognitions for our technologies as well as our products and services. The table below sets forth a summary of the major awards and recognitions we received:

Award Year	Award/Recognition	Awarding Institution/Authority
2025	National Key “Little Giant” Enterprise (國家專精特新重點“小巨人”)	MIIT
2025	National Industrial and Information Technology Sector Energy and Carbon Reduction Technology Equipment (國家工業和信息化領域節能降碳技術裝備)	MIIT
2025	National Typical Case of Power Demand Side Management in Industrial Sector (2025) (全國工業領域電力需求側管理典型案例(2025年))	MIIT
2025	Excellence Level Smart Factory (2025) (2025年度卓越級智能工廠)	MIIT
2025	Advanced and Applicable Technology (先進適用技術)	MIIT
2023, 2024 . .	High and New Technology Enterprise (高新技術企業)	Torch High Technology Industry Development Center, MIIT
2024	Patent-intensive Product (專利密集型產品)	Patent Protection Association of China

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Award Year	Award/Recognition	Awarding Institution/Authority
2024	China Patent Award (中國專利獎)	China National Intellectual Property Administration
2024	Green and Low-carbon Technology for Public Institutions (2024) (2024年公共機構綠色低碳技術)	Energy Saving Office of National Government Offices Administration
2024	National “Little Giant” Enterprise (國家專精特新“小巨人”企業)	MIIT
2024	National Manufacturing Individual Champion Enterprise (國家製造業單項冠軍企業)	MIIT
2023	CMMI Certification (CMMI認證)	CMMI Institute
2023	2023 Global Top 500 New Energy Enterprises Carbon Neutrality Green Influence Leading Brand (2023年全球新能源企業500強碳中和綠色影響力領跑品牌)	China Institute of Energy Economics Research
2023	National Intellectual Property Advantage Enterprise (國家知識產權優勢企業)	China National Intellectual Property Administration

RISK MANAGEMENT AND INTERNAL CONTROLS

Risk management is critical in our business operations. We have established and currently maintain risk management and internal control systems consisting of policies and procedures that we deem appropriate for our business operations. We are dedicated to continuously improving these systems. We have adopted and implemented comprehensive risk management policies in various aspects of our business operations.

Business Operational Risk Management

Business operational risk refers to the risk of direct or indirect financial loss or reputational damage resulting from inadequate or failed internal processes, human errors, IT system vulnerabilities, or external disruptions. We have established a comprehensive operational risk management framework consisting of institutionalized policies and standardized protocols to ensure a robust internal control environment. Our approach to operational risk management is characterized by a decentralized responsibility mechanism coupled with centralized oversight, where risk identification and mitigation are integrated into various aspects of our business operations. Specifically, we have implemented rigorous risk management measures across various functional areas, including sales and marketing, procurement and project execution, project accounting, installation engineering, finance and budgeting, information technology, general corporate administration, legal and compliance, as well as internal audit. In the event of a major adverse occurrence, the matter will be escalated to our senior management and, where necessary, to our Board for strategic intervention. Through this integrated management approach, we strive to maintain our operational risks within an acceptable range and minimize potential disruptions to our business operations.

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Financial Reporting Risk Management

We have put in place a set of accounting policies and internal control procedures in connection with our financial reporting risk management, such as our accounting and treasury management policies. We have designed and maintained consistent standards for the financial management across our subsidiaries and associates. Our finance department is responsible for reviewing our management accounts and ensuring the accuracy and completeness of our financial records. To mitigate risks associated with significant financial estimates, we have implemented standardized management protocols for credit control and overdue receivables to ensure appropriate asset impairment assessments. Furthermore, we maintain an internal audit function that independently monitors our financial reporting process and tracks the rectification of any identified control gaps to ensure a closed-loop oversight mechanism.

Compliance Risk Management

We have implemented a comprehensive framework for compliance risk management which involves our Board and senior management, and functional departments responsible for legal affairs and internal control. To ensure ongoing compliance with applicable laws, regulations, and industry standards, we continually monitor regulatory changes and assess their potential impact on our business operations. We maintain well-defined internal policies, such as our anti-corruption and integrity management protocols and provide regular training to our employees to enhance their compliance awareness. Furthermore, our internal audit functions oversee the compliance duties of each department, identifying potential risks and ensuring timely rectification through our audit tracking mechanism. We also seek advice from external legal counsels on specialized matters to ensure our operations remain in strict adherence to the latest legal requirements.

Human Resources Risk Management

We have established internal control policies that cover all aspects of human resource management, including recruitment, training, professional ethics, and legal compliance. We require all our employees to enter into an employment agreement with us, which contains clauses governing confidentiality and intellectual properties. We also require key management and R&D personnel to enter into a non-compete agreement with us. We require our employees to adhere to high professional ethical standards as set out in our code of conduct and integrity agreements. We provide our employees with an employee handbook that outlines our internal policies and expectations. While the departure of key personnel may have an adverse effect on our business, we mitigate this risk through proactive talent management and succession planning.

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DATA PRIVACY AND SECURITY

We place the highest priority on data security and user privacy and are committed to protecting the data security and privacy of our individual end-users, employees, recruitment candidates, corporate customers, and business partners. We strictly comply with relevant laws and regulations such as the Cybersecurity Law, the Data Security Law, and the Personal Information Protection Law. For further details on potential regulatory risks associated with data security and privacy, see “Risk Factors — Risks Relating to Government Regulations — Our failure to comply with the laws and regulations relating to cybersecurity, privacy and data protection could have a material adverse effect on our business, results of operations and financial condition.”

To ensure compliance, we have established a comprehensive security management system, internal control systems on data collection, processing and usage as follows:

- ***Management Governance and Personnel.*** We have established a Leadership Group comprising heads of key departments to oversee network and information security. We have appointed a dedicated Data Security Officer to take charge of data protection and a Personal Information Protection Officer responsible for personal information protection.
- ***Comprehensive Internal Policy Framework.*** We have implemented a series of internal systems, such as the Network and Data Security Management System, Information Security Emergency Management System, and Data Classification and Grading Management Procedures. We have also established personal information processing protocols, personal information protection impact assessment mechanisms, and procedures for responding to the exercise of data subject rights.
- ***Cybersecurity Obligations and Compliance.*** Our core systems have completed Level 3 Multi-Level Protection Scheme (MLPS) testing and filing. We possess necessary cybersecurity capabilities, including data encryption, access control, and backup recovery mechanisms. We utilize firewalls, IPS, WAF, and VPN systems to prevent network attacks and ensure that important logs are retained for over six months.
- ***Content Safety, AI Registration.*** We utilize third-party monitoring and manual spot checks to ensure information content safety. Our generative AI services for EV charging operations, designed for individual charging users and partner users, have completed the required regulatory registration.

During the Track Record Period and up to the Latest Practicable Date, our Data Security Legal Advisor is of the view that we did not face any material risks in relation to data compliance (including cybersecurity, data security, and personal information protection), nor have we experienced any material cybersecurity, data security, or personal information security incidents. In accordance with applicable laws and regulations regarding personal information protection, we have not been subject to any material risks in all material respects.

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Furthermore, for the personal information processing, we (i) collected personal information only after obtaining consent or having other lawful bases for processing personal information; (ii) used personal information only within the scope of the stated purposes or for other purposes required or permitted by laws and regulations; (iii) adopted various measures to protect such data from being misused, attacked, or leakage; (iv) did not experience any incidents in breach of personal information or any other relevant issues which could cause a material adverse effect on our reputation, business, financial condition or results of operations; and (v) were not subject to any enquiry, notice, review, warning or investigation by any government authorities in respect of any laws, regulations or policies relevant to data privacy protection with material adverse effect. Based on the above, our Data Security Legal Advisor is of the view that we do not face any material risks in relation to applicable personal information protection laws and regulation in PRC in all material respects during the Track Record Period and up to the Latest Practicable Date.

SEASONALITY

Our business operations are subject to seasonal fluctuations, which are primarily in line with the procurement, budgeting, and project implementation cycles of our major customers, particularly those in the power and infrastructure sectors. A significant portion of our projects are obtained through a competitive bidding process. Generally, the first half of the fiscal year is focused on the initiation of bidding and procurement activities, while the completion, acceptance, and settlement of projects tend to be more concentrated in the latter half of the year.

We actively manage the impact of this seasonality by optimizing our manufacturing planning and ensuring efficient resource allocation throughout the year. Due to these seasonal variations, comparisons of our operational results between different quarters within a single fiscal year or across different fiscal years may not necessarily be meaningful. Therefore, such comparisons should not be relied upon as indicators of our future performance. We expect this seasonal trend to continue as a characteristic of our industry and will remain committed to mitigating its impact through operational management.

COMPETITION

We operate in prefabricated substation market and EV charging network market.

The global prefabricated substation market is relatively fragmented, with the combined market share of the top five manufacturers reaching approximately 27.3% in 2024. In terms of revenue from prefabricated substation in 2024, we are the largest prefabricated substation manufacturer globally, holding a market share of 8.6%. High-voltage prefabricated substations exhibit a much higher market concentration due to stringent requirements for manufacturers' system integration and engineering capabilities. In terms of revenue from high-voltage prefabricated substations in 2024, we are also the largest manufacturer globally, with a market share of 47.3%.

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The EV charging network market is highly competitive. We are one of the few companies with an integrated business model encompassing both charging network operation services and charging equipment sales. For charging network operators, in terms of revenue, total annual public charging volume, number of public charging terminals, total charging volume and total charging capacity in operation in 2023 and 2024, we are the largest EV charging network operator in China. Among charging equipment manufacturers, in terms of revenue of the charging equipment sales in 2024, we are the largest EV charging equipment provider in China.

EMPLOYEES

As of October 31, 2025, we have 9,033 full-time employees, most of whom were based in China. The table below sets forth the number of our employees by function as of October 31, 2025:

	Number of employees as of October 31, 2025	
	Number	% of Total
Manufacturing	2,802	31.0
R&D and technology	2,384	26.4
Sales and marketing	1,502	16.6
Administration and finance	1,753	19.4
Operation	592	6.6
Total employees	9,033	100.0

Recruitment, Training and Diversity

We require fairness and transparency in our recruitment processes and place emphasis on diversity in our recruitment. We provide training for newly hired employees and conduct training sessions from time to time. We believe that diversity, including but not limited to gender diversity, is crucial to our success in the business environment. We are committed to advancing equal pay among male and female employees, ensuring that every employee has equal opportunities to enjoy benefits, participate in training programs and achieve career development.

Remuneration and Benefits

As required under PRC law and regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, maternity, work-related injury and unemployment benefit plans. Moreover, we provide various forms of incentives and employee benefits for our employees.

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During the Track Record Period and up to the Latest Practicable Date, we had not made social insurance and housing provident fund contributions for some of our employees in full in accordance with the relevant PRC laws and regulations.

We have obtained relevant corporate credit reports through the Credit China website, stating that we and the relevant subsidiaries are not subject to any significant administrative penalties due to non-compliances with the laws and regulations relating to social insurance and labor rights, and housing provident funds during the Track Record Period. In addition, during the Track Record Period and up to the Latest Practicable Date, (i) we had not received any notification from the competent PRC authorities requiring us to pay any shortfall with respect to social insurance and housing provident funds or imposing any administrative penalties on us, and (ii) we were not aware of any material employee complaints or involved in any material labor disputes with our employees with respect to social insurance and housing provident fund. We undertake to make contributions for our employees within the required period and pursuant to the required manner if we receive the notification from the relevant government authorities to require us to make contribution for the outstanding amounts. Based on the foregoing, our PRC Legal Advisors are of the view that, the risk that the relevant competent authorities impose significant administrative penalties on us or require us to pay for the group-wide shortfall amount, causing material adverse effect on our Group, is low, provided that there are no significant changes in applicable laws, regulations, policies and local enforcement practices and supervision nor any employee complaints are made, and our Group shall rectify its non-compliance in a timely manner as required by the competent authorities. See “Risk Factors — Risks Relating to Our Operations — We have not made adequate contributions to the social insurance and housing provident fund, which could subject us to penalties.”

Relationship with Employees

We believe that we have a good working relationship with our employees. We set clear performance standards and may dismiss employees with low performance and employees who do not conform to our values. We abide by the relevant labor laws and regulations in our dismissal process and labor disputes. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant labor disputes.

INSURANCE

We have arranged insurance coverage for certain aspects of our operations, including property liability insurance, and accident insurance. We believe that such coverage addresses the principal risks encountered in our ordinary course of business. However, there can be no assurance that our insurance coverage will be sufficient to cover all potential losses. See “Risk Factors — Risks Relating to Our Operations — We currently have limited business insurance coverage.” We will continue to review and assess our risk portfolio and will make necessary and appropriate adjustments to our insurance program based on actual needs and industry practices.

BUSINESS

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

Governance

We have actively integrated ESG concepts into our strategic planning and formulated the ESG Management System. The Board of Directors, as the highest decision-making body for our ESG work, assumes overall supervision and leadership responsibilities. Its main duties include formulating ESG governance policies, strategies, objectives, and medium-to-long-term plans; supervising the implementation of ESG development directions and strategic objectives and providing guidance; reviewing and approving ESG-related systems and ESG annual reports; and systematically identifying ESG-related risks and opportunities that may have significant impacts on our business model, value chain, cash flows, financing access, and cost of capital over the short, medium, and long term. The Board of Directors has authorized the establishment of an ESG Management Committee composed of senior management and heads of various business departments to coordinate and guide ESG management work. The Board of Directors and the ESG Management Committee actively fulfill their related functions to ensure the ESG management is comprehensive, effective, and aligned with our strategic objectives. Under the ESG Management Committee, an ESG Implementation Working Group has been established, dedicated to assisting the Board of Directors and the ESG Management Committee in overseeing and implementing ESG matters. It is also responsible for regularly identifying and assessing ESG risks and opportunities relevant to the company, with the evaluation results being submitted annually to the Board of Directors for review. Under the coordination of the ESG Implementation Working Group, various departments follow the ESG work division, take charge of the daily practice of ESG work, and ensure the integration of our ESG strategies into all aspects of work planning, execution, and review.

To enhance the Board of Directors’ understanding of ESG concepts and its oversight effectiveness, we organized ESG training activities to stay abreast of latest developments and incorporate ESG-related performance indicators, such as climate change, into the compensation assessment mechanisms for Directors and senior management.

Upholding Business Ethics

We strictly comply with laws and regulations related to business ethics. We have formulated systems such as the TGOOD Group Anti-Corruption and Supervision Management Measures, and TGOOD Group Red Line Management System, established strict anti-corruption regulations and rules and an independent supervision mechanism, and clearly defined the scope and authority of supervision work.

We signed the Integrity Compliance Self-Discipline Agreement with employees in key positions, and strengthened supervision and inspection of employees’ commercial behavior through measures such as implementing integrity questionnaires, interviews and the filing of integrity-related personnel. At the same time, we signed the Agreement on Integrity and Compliance for Partners with suppliers, requiring them to adhere to the principle of integrity in business interactions and jointly create a fair and equitable business environment.

BUSINESS

We have established multiple reporting channels, including telephone, mail, email, official website and public account reporting links, continuously improving the procedures for handling reported clues and strengthening the confidentiality of whistleblower information. Whistleblowers could choose to report anonymously or by name, and we would regularly provide feedback on investigation results to the whistleblowers.

Strengthening Risk Control

We have established a comprehensive risk management system. We have set up a Risk Control Committee and a Decision-Making Committee to systematically evaluate factors such as project alignment with our development strategy, profit expectations, changes in the market environment, counterparty credit status, and legal compliance, comprehensively identifying and assessing risks and their impact levels. We attach great importance to risk management training, enhancing employees’ ability to identify and respond to market, financial, operational, legal, and other risks through a systematic training curriculum.

Environmental

Addressing Climate Change

To effectively manage climate-related risks and seize transformation opportunities, we deeply integrated climate change-related responsibilities into our ESG governance system, ensuring that climate-related governance bodies receive sufficient expertise and resources. We have established the ESG Management Committee to coordinate the formulation, implementation, and supervision of climate strategies. Through clear division of responsibilities, regular risk assessments, and the integration of climate factors into key business decision-making considerations, we ensured that climate change challenges are effectively identified, assessed, and addressed in all aspects from strategic planning to daily operations, continuously enhancing climate resilience and governance effectiveness. We have systematically identified climate change-related physical risks, transition risks, and opportunities. We have further assessed the financial impacts of these risks and opportunities on our assets and business activities, and formulated targeted response measures.

Metrics and Targets

Our greenhouse gas (GHG) emissions primarily originated from direct emissions (Scope 1) from natural gas, gasoline, diesel, etc., consumed in daily office and production operations, and indirect emissions (Scope 2) from purchased electricity. We have set a GHG emission target: by 2028, GHG emissions per unit of product will be 10% lower than in 2024.

In 2025, we conducted the inaugural GHG inventory of value chain emissions (Scope 3). GHG emissions from employee commuting totaled 2,631.17 metric tons of carbon dioxide equivalent (tCO₂e), and those from employee business travel amounted to 5,254.80 tCO₂e. We will continue to monitor our GHG emissions across our value chain and expand our Scope 3 inventory to additional categories.

BUSINESS

GHG Emission Performance Metrics

Key Performance Indicators	Unit	For the year ended December 31,		For ten months ended October 31,
		2023	2024	2025
Direct GHG Emissions				
(Scope 1)	tCO ₂ e	3,962.35	5,209.90	5,038.77
Indirect GHG Emissions				
(Scope 2)	tCO ₂ e	17,615.84	23,070.30	22,983.04
Total GHG Emissions	tCO ₂ e	21,578.19	28,280.20	28,021.80

Environmental Management

We adhere to the environmental protection principle of “improving efficiency, reducing consumption, conserving energy, and reducing pollution,” and have formulated the Strategic Guidelines and Medium-to-Long-Term Development Plan for a Green Factory, to build an efficient, clean, circular and low-carbon green factory, and realize an organic unity of our economic and environmental benefits. We strictly comply with relevant national laws and regulations, and have established dedicated environmental management functional departments with clearly defined responsibilities, fully leveraging their leadership role to ensure the continuous optimization and efficient operation of the environmental management system. During the Track Record Period, we have obtained the ISO 14001 Environmental Management System certification and Green Factory certification.

While upholding product quality and user experience, we have designated low-carbon environmental protection as the core strategy for product innovation and we have been driving systematic green transformation. Through manufacturing process optimization and material utilization improvement, we have achieved a substantial reduction in raw material consumption, and built a full-chain circular system integrating supplier collaboration, waste closed-loop management and recycling and reuse to systematically cut waste across the entire lifecycle. Our subsidiary Qingdao TELD New Energy has earned certifications including the Green Enterprise Certification, Green and Low-Carbon Product Certification, and Green Design Product Management System Certification. During the Track Record Period, our operations have not experienced any significant environmental incidents.

BUSINESS

Emission Performance Metrics

Key Performance Indicators	Unit	For the year ended December 31,		For ten months ended October 31, 2025
		2023	2024	
Total Exhaust Gas				
Emissions	10,000 m ³	83,067	131,769	255,773
Total Wastewater Discharge .	Tons	69,658	73,379	65,548
General Waste Generation . . .	Tons	2,646	3,145	8,384
Hazardous Waste Generation .	Tons	421	583	1,299

Resource Utilization

We have formulated the Energy Resource Management Procedure, clearly defining the responsibilities and authorities of various departments to ensure the systematic and standardized nature of energy management work. By establishing a comprehensive energy risk management system and relying on activities such as regular energy audits and assessments, we have accurately identified key areas of energy consumption and carbon emissions and introduced a series of energy-saving and carbon-reduction measures to reduce resource consumption and environmental pollution at the source. In 2025, our energy management system was launched, leveraging IoT data collection to accurately pinpoint high-energy-consuming equipment, systems, and processes. Meanwhile, through process analysis, equipment diagnostics, identification of critical variables, and on-site research findings, we have implemented targeted improvement measures.

As a practitioner of green energy consumption, we have achieved deep integration between new EVs and new energy power generation through our charging network. We have continued to deepen the strategic layout for green electricity trading, achieving large-scale procurement of renewable energy electricity. We have incorporated water resource management into our sustainable development strategy. Through scientific planning and refined management, we strived to achieve efficient use and conservation of water resources while ensuring our operations.

BUSINESS

Resource Usage Performance Metrics

Key Performance Indicators	Unit	For the year ended December 31,		For the ten months ended October 31,
		2023	2024	2025
Natural Gas Consumption . . .	m ³	1,781,797.00	2,278,731.00	2,142,360.00
Gasoline Consumption	Tons	3.80	3.56	2.59
Diesel Consumption	Tons	56.00	88.00	155.50
Total Purchased Electricity . .	kWh	32,828,622.00	42,993,482.00	43,315,181.59
Photovoltaic Power				
Generation	kWh	2,502,448.00	2,987,662.00	4,987,818.95
Total Water Consumption . . .	Tons	219,475.00	238,902.00	226,085.00

Social

Employee Recruitment and Rights

We have standardized the recruitment process to eliminate bias against candidates based on factors such as gender, race, and religious belief, fostering a diverse and inclusive workplace. As of October 31, 2025, female employees accounted for 24.3% of the total workforce.

We have established a dual-career ladder system with tailored training programs to empower employee growth across roles and career stages. We have provided all employees with competitive compensation and benefits and have established a profit-sharing system covering the entire business chain, implementing equity incentives and employee stock ownership plans to stimulate employee potential and innovation.

Occupational Health and Safety

We strictly comply with laws and regulations such as the Work Safety Law of the PRC, and have established a comprehensive work safety responsibility system, covering all aspects of occupational health and safety management. We have obtained ISO 45001 Occupational Health and Safety Management System certification.

We prioritize employee safety training, formulating the Occupational Health and Safety Training Plan annually. Through systematic training content, employees have acquired necessary safety knowledge and operational skills, reducing workplace safety risks.

BUSINESS

Product Quality Control

We prioritize a customer-centric and forward-thinking quality policy, evolving our management from a singular product focus to a comprehensive “product + service” model. By strictly adhering to national regulations, implementing a robust risk-based quality management system, and conducting meticulous internal audits, “redline” management, and closed-loop improvements, we ensure data integrity and operational excellence. During the Track Record Period, we did not experience any major quality incidents or product recalls.

We attach great importance to improving the professional capabilities of the customer service team, formulating service process standards for various products with respect to installation, commissioning, maintenance. We provide our employees with specialized training to improve their skillset. During the Track Record Period, we have further clarified accident classification criteria, enhanced internal accountability, and optimized emergency response procedures.

Responsible Supply Chain

We have standardized procurement business processes and established production material supplier management standards. We have established a comprehensive ESG scoring standard for suppliers to conduct self-assessments, covering dimensions such as labour rights, health and safety, environment, business ethics, and management systems. We prioritize suppliers that comply with environmental regulations and possess low-carbon production capabilities, and conduct regular assessments of suppliers’ green performance.

Safeguarding Information Security

We have built a comprehensive information security management system, strictly implementing standards in data collection, storage, transmission, and other aspects to ensure the security and privacy of internal and customer information. During the Track Record Period, we have obtained the ISO 27001 Information Security Management System Certification, and we have not experienced any information security or customer privacy violation incidents.

Community Investment

We uphold an altruistic philosophy and actively fulfil our social responsibilities by continuously carrying out public welfare practices. In September 2024, we cooperated with Qingdao Special Warmth Charity Foundation and donated computer equipment to Jiudian Primary School in Pingdu City during Teachers’ Day, helping to improve teaching conditions in rural schools and promote educational equity. During International Children’s Day in 2025, we sent representatives to visit and offer condolences to sponsored underprivileged students in Pingdu City, paying attention to their growth needs and supporting educational development. In September 2025, we organised a visit to Datian Primary School in Pingdu City to provide sustained targeted assistance to students in need, delivering support and warmth through one-on-one care.

BUSINESS

PROPERTIES

Owned Properties

As of the Latest Practicable Date, we held property ownership certificates for 7 properties used for production and operation with an aggregate gross floor area of approximately 290,007.3 sq.m and aggregate gross land area of approximately 778,714.9 sq.m.

Leased Properties

As of the Latest Practicable Date, we leased and occupied 22 properties each with a floor area of 500 sq.m and above. These properties occupied an aggregate floor areas of approximately 67,493.99 sq.m. We use our leased properties mainly for office, warehouse, display, manufacturing, R&D and commercial use.

Pursuant to the applicable PRC laws and regulations, both lessors and lessees must register lease agreements with the relevant authorities and obtain property leasing filing certificates. As of the Latest Practicable Date, 18 of our above leased properties had not been registered with the governmental authorities. The failure to register and obtain the required certificates for these leases could result in fines ranging from RMB1,000 to RMB10,000 per unfiled agreement. If such fines are imposed, the maximum penalty we may be required to pay would be approximately RMB180,000 for the above leased properties. As advised by our PRC Legal Advisors, such non-compliance registration does not automatically render the lease agreements invalid. However, in the event of challenges by third-party owners, we may be required to vacate the affected premises.

Taking into account that the relevant leased properties are replaceable and involve low relocation costs, the Directors consider that the non-registration of the relevant leases would not have material adverse impact on our business, financial condition or results of operations. During the Track Record Period and as at the Latest Practicable Date, we had not received any notice from any regulatory authority with respect to administrative penalties or enforcement actions as a result of the non-registration of the aforementioned leases. Provided that we take prompt action to rectify such non-compliances within the prescribed time limits granted by the relevant authorities, our PRC Legal Advisors are of the view that the non-registration of these leases will not have a material adverse effect on our business operations. See “Risk Factors — Risks Relating to Our Business and Industry — We are subject to risks relating to some of our leased properties.”

LICENSES, PERMITS AND CERTIFICATES

Our PRC Legal Advisors have advised us that during the Track Record Period and up to the Latest Practicable Date, we had obtained all material licenses, permits, approvals and certificates from the relevant government authorities that are material for our business operations in the PRC. The following table sets forth the details of the material licenses and permits which we have obtained as of the Latest Practicable Date in China:

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License/Permit	Expiration Date	Issuing Authority
Installation (Repair, Test) Electric Power Facility Permit (承裝(修、試)電力設施許可證)	December 7, 2028	Shandong Office, National Energy Administration
Construction Enterprise Qualification Certificate (建築業企業資質證書)	January 5, 2029	Shandong Provincial Department of Housing & Urban-Rural Development
Work Safety Permit (安全生產許可證)	May 13, 2027	Shandong Provincial Department of Housing & Urban-Rural Development
Engineering Design Qualification Certificate (工程設計資質證書)	December 13, 2028	Shandong Provincial Department of Housing & Urban-Rural Development
Engineering Survey Qualification Certificate (工程勘察資質證書)	December 14, 2028	Shandong Provincial Department of Housing & Urban-Rural Development
Value-added Telecom Business Operation License (增值電信業務經營許可證)	November 27, 2030	Ministry of Industry & Information Technology, PRC

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time become a party to various litigation, arbitration or administrative proceedings arising in the ordinary course of our business. See “Risk Factors — Risks Relating to Our Operations — We are subject to risks relating to litigation and disputes, which could materially and adversely affect our reputation, business, results of operations and financial condition.” Our Directors confirm that, as of the Latest Practicable Date, we were not a defendant or arbitration respondent in any ongoing material litigation, arbitration or administrative proceeding in which the amount claimed exceeds both 10% of our Group’s audited net assets for the most recent fiscal year and RMB10 million, and we were not aware of any pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Our Board consists of six executive Directors and three independent non-executive Directors. The term of office for our Directors is three years, and they are eligible for re-election upon expiry of their term. The independent non-executive Directors shall not hold office for more than six consecutive years pursuant to the relevant PRC laws and regulations.

The following table sets forth certain information regarding our Directors:

Name	Age	Position	Time of joining our Group	Date of appointment as a Director	Major Roles and Responsibility
Mr. Yu Dexiang (于德翔)	60	Executive Director and chairman of the Board	March 2004	March 2004	Overseeing our Group’s strategic development and major business activities and guiding decision-making and overall operations
Mr. Kang Xiaobing (康曉兵)	51	Executive Director and deputy chairman of the Board	September 2008	May 2025	Overseeing the expansion of our Group’s business in the new energy sector, the integration and management of strategic resources and supporting overall business development
Mr. Zhou Jun (周君)	43	Executive Director and executive president	August 2005	January 2022	Overseeing the operations and management of the integrated services business and assisting in manufacturing operations and the execution of overseas projects
Mr. Li Jun (李軍)	52	Executive Director and senior vice president	October 2015	January 2022	Assisting in strategic positioning and coordination among the subsidiaries of our Group and integrating the relevant resources
Ms. Chang Meihua (常美華)	49	Executive Director and vice president	March 2004	January 2022	Overseeing matters relating to administration and corporate culture

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position	Time of joining our Group	Date of appointment as a Director	Major Roles and Responsibility
Ms. Han Zengxue (韓增雪)	40	Executive Director	July 2009	May 2025	Overseeing the workforce, operational efficiency and management coordination
Dr. Zheng Xiaoming (鄭曉明)	59	Independent non-executive Director	February 2026	February 2026	Supervising and providing independent opinion and judgment to the Board
Mr. Sun Yuliang (孫玉亮)	53	Independent non-executive Director	January 2022	January 2022	Supervising and providing independent opinion and judgment to the Board
Dr. Wang Yuanzhuo (王苑琢)	38	Independent non-executive Director	January 2025	January 2025	Supervising and providing independent opinion and judgment to the Board

None of our Directors and members of senior management is related to each Directors or members of senior management.

Executive Directors

Mr. Yu Dexiang (于德翔), aged 60, is an executive Director and the chairman of the Board. He founded our Group and was appointed as our Director in March 2004. Mr. Yu also holds directorship and managerial positions across our subsidiaries. Mr. Yu is primarily responsible for overseeing our Group’s strategic development and major business activities, as well as guiding decision-making and overall operations. Mr. Yu is also the chairperson of the Strategy Committee.

Mr. Yu obtained his bachelor’s degree in electrical automation from Gezhouba Institute of Water Conservancy and Hydroelectric Power (葛洲壩水電工程學院, currently known as China Three Gorges University (三峽大學)) in June 1988. He obtained his EMBA from Tsinghua University (清華大學) in January 2011 and his doctoral degree in management from Paris Dauphine University in May 2016.

Mr. Yu was certified as a senior engineer by the State Power Corporation Senior Professional and Technical Qualification Review Committee (國家電力公司高級專業技術資格評審委員會) in December 1999 and as a professional level senior engineer by the Human Resources and Social Security Department of Shandong Province (山東省人力資源和社會保障廳) in March 2019.

Mr. Yu serves as the deputy to the 13th and 14th Shandong Provincial People’s Congress, respectively, and currently serves as the deputy chairman of the board of supervisors of the China Association for Public Companies (中國上市公司協會) and the chairman of Qingdao Listed Companies Association (青島市上市公司協會).

DIRECTORS AND SENIOR MANAGEMENT

Mr. Kang Xiaobing (康曉兵), aged 51, is an executive Director and the deputy chairman of the Board. He was appointed as a Director and the deputy chairman of the Board in May 2025. He joined our Group in September 2008 and is primarily responsible for overseeing the expansion of our Group’s business in the new energy sector, the integration and management of strategic resources, as well as supporting overall business development. Mr. Kang is a member of the Strategy Committee.

Mr. Kang graduated with a bachelor’s degree in power system and automation from Huazhong University of Science and Technology (華中理工大學, currently known as Huazhong University of Science and Technology (華中科技大學)) in July 1996 and his master’s degree in business administration from China Europe International Business School (中歐國際工商學院) in November 2017.

Mr. Zhou Jun (周君), aged 43, is an executive Director and the executive president. He was appointed as a Director in January 2022. He joined our Group in August 2005 and is primarily responsible for overseeing the operations and management of the integrated services business, as well as assisting in manufacturing operations and the execution of overseas projects. Mr. Zhou is a member of the Remuneration and Appraisal Committee and the Strategy Committee.

From August 2005 to January 2023, Mr. Zhou served in various positions within our Group, including electrical designers, assistant to the director of the technology centre, deputy director and director of the customer centre, vice president and president of our Company. He has also served as the director of TELD, a Principal Subsidiary of our Group, since November 2022.

Mr. Zhou obtained his dual bachelor’s degrees in automation and business administration from Shanxi University (山西大學) in July 2005. He subsequently obtained his master’s degree in electrical engineering from North China Electric Power University (華北電力大學) in June 2023.

Mr. Zhou was awarded the title of Taishan Industrial Leading Talent (泰山產業領軍人才) in November 2022. Furthermore, he was recognized by the Shandong Province Engineering and Technology Position Qualification Senior Appraisal Committee (山東省工程技術職務資格高級評審委員會) and obtained the professional title of senior engineer in February 2026.

Mr. Li Jun (李軍), aged 52, is an executive Director and the senior vice president. He was appointed as our Director in January 2022. Mr. Li also holds directorship positions across our subsidiaries. He joined our Group in October 2015 and is primarily responsible for assisting in strategic positioning and coordination among the subsidiaries of our Group and integrating the relevant resources. Mr. Li is a member of the Strategy Committee.

Prior to joining our Group, from January 2000 to October 2015, Mr. Li worked at various positions at Chuankai Electric before its acquisition by our Group in 2015.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Li obtained his Master of Business Administration from Southwest Jiaotong University (西南交通大學) in September 2013 and obtained his Master of Business Administration from Peking University (北京大學) in July 2016. He later obtained his doctoral degree in business management from the University of Hong Kong in July 2025.

Mr. Li was certified as a senior engineer (associate senior) by the Chengdu Municipal Professional Title Reform Leading Group (成都市職稱改革工作領導小組) in May 2018.

Ms. Chang Meihua (常美華), aged 49, is an executive Director and the vice president. Ms. Chang was appointed as a Director in January 2022. Ms. Chang also holds directorship positions across our subsidiaries. She joined our Group in March 2004 and is currently responsible for overseeing matters relating to administration and corporate culture. Ms Chang is a member of the Nomination Committee.

From March 2004 to December 2008, Ms. Chang held the position of office director of our Company.

Ms. Chang obtained her diploma in electronic engineering from Dalian Maritime University (大連海事大學) in July 1997.

Ms. Han Zengxue (韓增雪), aged 40, is an executive Director and was appointed in May 2025. She joined our Group in July 2009 and is primarily responsible for overseeing the workforce, operational efficiency and management coordination.

Since joining our Group, Ms. Han has served in multiple positions in our Group, including technical designer, assistant director of the large cabinet-type substation division, the deputy general manager of the small cabinet-type substation division, deputy director of the domestic customer centre, the deputy director of the command and dispatch centre, the general manager of the charging equipment division, the general manager of the command and supply chain centre, the general manager of the operations centre, the general manager of the manufacturing supply chain centre, the general manager of the basic management centre, the general manager of the value operations centre and the general manager of the human resources centre.

Ms. Han obtained her bachelor’s degree in mechanical design, manufacturing and automation from Qingdao University of Science and Technology (青島科技大學) in July 2009.

Ms. Han was certified as a senior engineer (associate senior) by the Qingdao Municipal Engineering and Technology Position Qualification Senior Appraisal Committee (青島市工程技術職務資格高級評審委員會) in October 2021.

DIRECTORS AND SENIOR MANAGEMENT

Independent Non-executive Directors

Dr. Zheng Xiaoming (鄭曉明), aged 59, is an independent non-executive Director and was appointed in February 2026. He is primarily responsible for supervising and providing independent opinion and judgment to the Board. Dr. Zheng is the chairperson of the Remuneration and Appraisal Committee. He is also a member of the Audit Committee, Nomination Committee and Strategy Committee.

From July 2012 to December 2018, Dr. Zheng had served as an independent Director of our Company.

Dr. Zheng has been working at the school of economics and management of Tsinghua University (清華大學) since August 1998 and is currently a tenured professor in leadership and organizational management.

He obtained his doctoral degree in industrial and organizational psychology from the Institute of Psychology of the Chinese Academy of Sciences in 1998.

Mr. Sun Yuliang (孫玉亮), aged 53, is an independent non-executive Director and was appointed in January 2022. He is primarily responsible for supervising and providing independent opinion and judgment to the Board. Mr. Sun is the chairperson of the Nomination Committee and a member of the Audit Committee.

Mr. Sun has extensive experience in law and corporate governance. From September 2005 to November 2007, Mr. Sun practiced as a lawyer at Shandong Haihui Law Firm (山東海暉律師事務所). From December 2007 to October 2012, he served as a senior partner of Shandong Qingtai Law Firm (山東清泰律師事務所). He has been the chairman general manager of Morning Capital Co., Ltd. (青島清晨資本管理有限公司) since January 2011.

Mr. Sun has held several independent directorships. He served as the independent director of Shandong Hiking International Co., Ltd. (山東新華錦國際股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600735), from April 2019 to August 2025. From September 2020 to May 2022, he also served as the independent director of Guangxi Jiade Machinery Co., Ltd. (廣西嘉德機械股份有限公司), a company whose shares were formerly listed on the National Equities Exchange and Quotations (stock code: 837331).

Mr. Sun obtained his bachelor's degree in surface vessel technical command from Dalian Naval Academy (海軍大連艦艇學院) in July 1995. He obtained his Master of Law from University of Kwazulu-Natal, South Africa in November 2004. He subsequently obtained his Master of Business Administration from Tsinghua University (清華大學) in July 2019. He obtained the PRC Legal Professional Qualification (律師資格) from the Lawyer Qualification Examination Committee of the Ministry of Justice of the PRC (中華人民共和國司法部律師資格審查委員會) in October 1997. He later obtained the Fund Practice Qualification (基金從業資格) from the Asset Management Association of China (中國證券投資基金業協會) in June 2017.

DIRECTORS AND SENIOR MANAGEMENT

Dr. Wang Yuanzhuo (王苑琢), aged 38, is an independent non-executive Director and was appointed in January 2025. She is primarily responsible for supervising and providing independent opinion and judgment to the Board. Dr. Wang is the chairperson of the Audit Committee and a member of the Remuneration and Appraisal Committee.

She has been with college of management of Ocean University of China (中國海洋大學管理學院) since July 2010, initially serving as a research assistant and later as an associate professor starting in October 2020.

Dr. Wang has held several independent directorships. From October 2023, she served as an independent director and chairperson of the audit committee of Techking Tires Limited (青島泰凱英專用輪胎股份有限公司), a company whose shares are listed on the Beijing Stock Exchange (stock code: 920020). She has also served as the independent director and the chairperson of the audit committee of Qingdao Yunlu Advanced Materials Technology Co., Ltd (青島雲路先進材料技術股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange (stock code: 688190) since February 2025.

She obtained her bachelor’s degree in accounting in June 2010, master’s degree in accounting in June 2014 and PhD in financial management in June 2019 all from Ocean University of China (中國海洋大學).

OTHER INFORMATION IN RELATION TO OUR DIRECTORS

Each of our Directors has confirmed with respect to himself/herself that (i) save as disclosed in “Appendix IV — Statutory and General Information — D. Disclosure of Interests — 3. Interests and short positions of the Directors or the chief executive of our Company in the Share, underlying Shares and debentures of our Company and its associated corporations,” he/she did not hold other long positions or short positions in the Shares, underlying Shares or debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) as of the Latest Practicable Date; (ii) he/she had no other relationship with any Directors, senior management, substantial Shareholders of our Company as of the Latest Practicable Date; (iii) save as disclosed herein, he/she did not hold any other directorships in the three years prior to the Latest Practicable Date in any public company the securities of which are listed on any securities market in Hong Kong or overseas.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Name	Age	Position	Time of joining our Group	Major Roles and Responsibility
Mr. Li Guangzhi (李廣智)	42	President	July 2005	Overseeing the business operations at various subsidiaries of our Group
Mr. Zhou Jun (周君)	43	Executive Director and executive president	August 2005	Overseeing the operations and management of the integrated services business and assisting in manufacturing operations and the execution of overseas projects
Mr. Wang Chao (王超)	42	Executive president	July 2010	Overseeing the execution of global strategic objectives and the overall management of international business
Mr. Li Jun (李軍)	52	Executive Director and senior vice president	October 2015	Assisting in strategic positioning and coordination among the subsidiaries of our Group and integrating the relevant resources
Ms. Chang Meihua (常美華)	49	Executive Director and vice president	March 2004	Overseeing matters relating to administration and corporate culture
Ms. Zhao Wucun (趙物存)	48	Vice president and financial controller	May 2011	Responsible for the overall financial management of our Group
Ms. Yang Kun (楊坤)	39	Vice president and the secretary to the Board	November 2012	Handling capital market operations and affairs of our Board
Mr. Yang Jie (楊傑)	41	Vice president	October 2015	Overseeing the business operations and management of the subsidiaries of our Group
Mr. Cui Zhiwei (崔志偉)	39	Vice president	July 2009	Managing the marketing strategies in Greater China and sales staff development of our Group

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position	Time of joining our Group	Major Roles and Responsibility
Mr. Liu Xuebao (劉學寶).	39	Vice president	July 2009	Responsible for management of supply chain system and domestic market support operations of our Group
Mr. Ji Guanghui (姬廣輝).	43	Vice president	October 2015	Overseeing the business operations and management of our subsidiaries

Mr. Li Guangzhi (李廣智), aged 42, is the president. He joined our Group in July 2005 and is primarily responsible for overseeing the business operations at various subsidiaries of our Group. Mr. Li also holds directorship positions across our subsidiaries.

Since joining our Group, Mr. Li has served in various roles within our Company, including as an assistant engineer, assistant director of the technology centre, as the general manager of the metalworking business division, as the director of the planning and scheduling centre, as the assistant to the president, as the general manager of the intelligent manufacturing business group, as the general manager of the west coast base, as the general manager of the Yichang base, as the general manager of the group research institute, as the chief engineer as the vice president.

Mr. Li obtained his bachelor’s degree in mechanical engineering and automation from Qingdao University (青島大學) in July 2005. He obtained his master’s degree in business administration from Nankai University (南開大學) in December 2018 and his master’s degree in engineering management from Tsinghua University (清華大學) in October 2024.

Mr. Li was recognized by the Shandong Province Engineering and Technology Position Qualification Senior Appraisal Committee (山東省工程技術職務資格高級評審委員會) and obtained the professional title of senior engineer in January 2025. He also obtained the Advanced Manufacturing Technology Talent Certificate (先進製造技術人才證書) issued by the MIIT in January 2025.

Mr. Zhou Jun (周君), see “— Board of Directors — Executive Directors” for details.

Mr. Wang Chao (王超), aged 42, is the executive president of our Group. He joined our Group in July 2010 and is primarily responsible for overseeing the execution of global strategic objectives and the overall management of international business. Mr. Wang also holds directorship and managerial positions across our subsidiaries.

DIRECTORS AND SENIOR MANAGEMENT

Since joining our Group, Mr. Wang has served in various positions within our Company, including the general manager of the international marketing center, the vice president and the president of our Company.

Mr. Wang obtained his bachelor’s degree in electrical engineering and automation from Qufu Normal University (曲阜師範大學) in 2007. He obtained his master’s degree in power electronics and power drives from Shandong University (山東大學) in July 2010 and his master’s degree in business administration from Tsinghua University (清華大學) in June 2024.

Mr. Wang was recognized by the Shandong Province Engineering and Technology Position Qualification Senior Appraisal Committee (山東省工程技術職務資格高級評審委員會) and obtained the professional title of senior engineer in December 2023. He was also recognized as the Leading Innovate Talent under the Taishan Industrial Experts Programme by the Leading Group for Talent Work of the CPC Shandong Provincial Committee (中共山東省委人才工作領導小組) in June 2023.

Mr. Li Jun (李軍), see “— Board of Directors — Executive Directors” for details.

Ms. Chang Meihua (常美華), see “— Board of Directors — Executive Directors” for details.

Ms. Zhao Wucun (趙物存), aged 48, is the vice president and financial controller. She joined our Group in May 2011 and is primarily responsible for the overall financial management of our Group. Ms. Zhao also holds managerial positions across our subsidiaries.

Prior to joining our Group, Ms. Zhao worked at Alstom Sifang (Qingdao) Transportation Ltd. (青島四方阿爾斯通鐵路運輸設備有限公司) from August 2000 to August 2007. From January 2008 to May 2011, she worked as subsidiaries of Haier Group Corporation (海爾集團公司).

Ms. Zhao obtained her bachelor’s degree in public finance from Shandong University (山東大學) in July 2000. She has been a non-practicing member of the Chinese Institute of Certified Public Accountants since December 2004. She was certified as a senior accountant by the Shandong Provincial Senior Review Committee for Accounting Professional Qualifications (山東省會計專業資格高級評審委員會) in February 2023.

Ms. Yang Kun (楊坤), aged 39, is the vice president and the secretary to the Board. She joined our Group in November 2012 and is primarily responsible for handling capital market operations and affairs of our Board.

Since joining our Group, Ms. Yang has served in multiple positions within our Company, including the assistant to the director of the Board office and securities affairs representative.

Ms. Yang obtained her bachelor’s degree in statistics from Shandong Finance Institute (山東財政學院, currently known as Shandong University of Finance and Economics (山東財經大學)) in July 2009. She obtained her master’s degree in statistics from Xi’an Institute of Finance and Economics (西安財經學院, currently known as Xi’an University of Finance and Economics (西安財經大學)) in July 2012. She also obtained the certificate of board secretary qualification issued by the Shenzhen Stock Exchange in June 2013.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Yang Jie (楊傑), aged 41, is the vice president. He joined our Group in October 2015 and is primarily responsible for overseeing the business operations and management of the subsidiaries of our Group. Mr. Yang also holds directorship and managerial positions across our subsidiaries.

Prior to joining our Group, from July 2005 to October 2015, Mr. Yang worked at various positions at Chuankai Electric before its acquisition by our Group in 2015.

Mr. Yang obtained his bachelor’s degree in project management from University of Electronic Science and Technology of China (電子科技大學) in January 2017 and his EMBA from Peking University (北京大學) in July 2024.

Mr. Yang is certified as an engineer by the Human Resources and Social Security Bureau of Shuangliu District, Chengdu (成都市雙流區人力資源和社會保障局) in March 2025.

Mr. Cui Zhiwei (崔志偉), aged 39, is the vice president. He joined our Group in July 2009 and is primarily responsible for managing the marketing strategies in Greater China and sales staff development of our Group. Mr. Cui also holds managerial positions across our subsidiaries.

Since joining our Group, Mr. Cui has served in various roles within our Company, including as an assistant engineer, as the regional assistant, the regional manager, the marketing director and the deputy general manager in the marketing centre.

Mr. Cui obtained a bachelor’s degree in mechanical engineering and automation from Dalian Polytechnic University (大連工業大學) in July 2009.

Mr. Liu Xuebao (劉學寶), aged 39, is the vice president. He joined our Group in July 2009 and is responsible for management of supply chain system and domestic market support operations of our Group.

Since joining our Group, Mr. Liu has served various roles within our Company, including as the technical support engineer, the deputy director and director of the domestic customer centre, as the general manager of the cabinet-type substation business division, as the assistant to the president, as the general manager of the market support centre and as the executive deputy general manager of the integrated business group.

Mr. Liu obtained his bachelor’s degree in automation from Shandong University of Technology (山東理工大學) in July 2009.

Mr. Liu was certified as a senior engineer by the Qingdao Municipal Engineering and Technology Position Qualification Senior Appraisal Committee (青島市工程技術職務資格高級評審委員會) in December 2020.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Ji Guanghui (姬廣輝), aged 43, is the vice president. He joined our Group in October 2015 and is primarily responsible for overseeing the business operations and management of our subsidiaries.

Prior to joining our Group, from June 2006 to October 2008, he worked at Chongqing Bosen Electric Co., Ltd (重慶博森電氣有限公司). From October 2008 to October 2015, he served as the technical staff at Chuankai Electric before its acquisition by our Group in 2015.

Mr. Ji obtained his bachelor’s degree in electrical engineering and automation from Chongqing University (重慶大學) in June 2005.

FURTHER INFORMATION ABOUT OUR DIRECTOR AND SENIOR MANAGEMENT

There were two incidents where some of our Directors have received warning letter or regulatory letter, details of which are as follows:

- (i) In April and May 2022, Mr. Yu and Mr. Zhou, our executive Directors and our Company, received a warning letter and a notice of criticism from the Qingdao Securities Regulatory Bureau (青島證監局) of the CSRC and the Shenzhen Stock Exchange in relation to our historical accounting errors, respectively (the “**Regulatory Incident**”). Due to errors in the accounting treatment of certain items, we made retroactive adjustments to our financial statements for the financial years 2016 to 2020 and the first three quarters of 2021. The adjustment resulted in a decrease in net profit attributable to owners of the parent company by approximately RMB26.45 million for 2016, approximately RMB86.76 million for 2017, approximately RMB27.82 million for 2018 and approximately RMB29.71 million for 2019. Furthermore, there is an increase in total net profit attributable to owners of the parent company by approximately RMB31.30 million for 2020 and approximately RMB12.62 million for the first three quarters of 2021.

As at the Latest Practicable Date, and to their best knowledge, the Directors confirm that, (i) the Regulatory Incident has been concluded, (ii) our Company has rectified the issues in financial accounting and internal control, and (iii) other than disclosed above, Mr. Yu and Mr. Zhou have not been imposed any other penalties or involved in any other investigation, hearing or proceeding brought or instituted by the CSRC or Shenzhen Stock Exchange relating to the Regulatory Incident.

Notwithstanding the Regulatory Incident, our Board is of the view that such disciplinary action does not impugn the integrity or suitability of Mr. Yu and Mr. Zhou to serve as our Directors and/or senior management members of the Company under Rules 3.08 and 3.09 of the Listing Rules, based on the following factors:

- the Regulatory Incident was primarily due to unfamiliarity with and/or mistaken interpretation of the relevant accounting standards, and did not involve fraud and dishonesty on the part of each of Mr. Yu and Mr. Zhou or raise concern on their respective integrity; and once being aware of the

DIRECTORS AND SENIOR MANAGEMENT

accounting errors, our Company together with the relevant individuals took rectification measures, including making adjustments to the relevant financial statements and making public disclosure on the same;

- as advised by our PRC Legal Advisors, according to the Administrative Penalty Law of the PRC (《中華人民共和國行政處罰法》), the Notice on Further Improving the Administrative Penalty System of the China Securities Regulatory Commission (《關於進一步完善中國證券監督管理委員會行政處罰體制的通知》), and the Shenzhen Stock Exchange Guidelines for Self-Regulatory Supervision of Listed Companies No. 12 - Standards for the Implementation of Disciplinary Sanctions (《深圳證券交易所上市公司自律監管指引第12號 — 紀律處分實施標準》), the aforementioned regulatory measure (i) does not constitute administrative penalty, (ii) are not serious violations of law and material non-compliance of law, and (iii) will not affect the qualifications of Mr. Yu and Mr. Zhou; and from the PRC legal perspective, will not constitute any material impediment to our [REDACTED] and [REDACTED];
 - the Regulatory Incident took place before the Track Record Period and each of Mr. Yu and Mr. Zhou has not experienced any similar incident thereafter; and
 - the Group’s internal controls and remedial measures are adequate and effective in preventing the recurrence of similar incidents. Our Company has strengthened its financial reporting systems and organized training sessions for Directors and senior management regarding the listing rules and financial disclosure requirements to ensure future compliance.
- (ii) on February 2, 2010, the Management Department of the ChiNext of the Shenzhen Stock Exchange issued a regulatory letter (監管函) to Ms. Chang Meihua, an executive Director, in relation to the purchase of 500 Shares by her spouse on the trading day immediately preceding the Company’s disclosure of its preliminary earnings report for the year ended December 31, 2009 on February 1, 2010. Such transaction occurred within the restricted period prior to the publication of financial results and constituted a violation of the Rules Governing the Listing of Stocks on ChiNext of the Shenzhen Stock Exchange (《深圳證券交易所創業板股票上市規則》) and the Guidelines of Shenzhen Stock Exchange on the Normative Operation of Listed Companies on the ChiNext and other relevant provisions. The incident was primarily attributable to the unfamiliarity with and insufficient attention paid to the relevant trading restriction rules by Ms. Chang’s spouse. The Shenzhen Stock Exchange required the Company and Ms. Chang to attach importance to the issue, learn from the incident and take effective measures to prevent the reoccurrence of similar incidents. There is no other incidents thereafter. The regulatory letter does not constitute an administrative penalty under PRC laws, regulations or rules. Furthermore, given that this incident took place more than 15 years ago and Ms. Chang has not experienced any similar incident since then, our Directors are of the view that such incident does not impugn the integrity or suitability of Ms. Chang to serve as a Director of our Company.

DIRECTORS AND SENIOR MANAGEMENT

JOINT COMPANY SECRETARIES

Mr. Sun Yingtao (孫穎濤), aged 41, was appointed as a joint company secretary of our Company in February 2026.

Mr. Sun joined our Group in December 2016 and served as vice president and secretary to the Board of our Company from December 2016 to March 2022. He has served as vice president, chief financial officer and secretary to the board of TELD since December 2021.

Prior to joining our Group, Mr. Sun worked at PricewaterhouseCoopers LLP. He subsequently obtained an MBA degree from Columbia University and thereafter worked in the investment banking division of Goldman Sachs. Mr. Sun became a U.S. Certified Public Accountant in 2017.

Ms. Chan Ching Nga (陳靜雅), aged 43, was appointed as a joint company secretary of our Company in February 2026. She has over 20 years of experience in the corporate secretarial and compliance service field. She serves as a senior manager of the company secretarial services of a leading global professional service firm and has been providing professional corporate services to Hong Kong listed companies as well as multi-national, private and offshore companies.

Ms. Chan obtained her master’s degree in corporate governance from the Hong Kong Polytechnic University in October 2012. She is a chartered secretary, a chartered governance professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

CONFIRMATION FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in February 2026; and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules; (ii) he or she has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date; and (iii) that there are no other factors that may affect his independence at the time of his or her appointment.

DISCLOSURE UNDER RULE 8.10(2) OF THE LISTING RULES

As of the Latest Practicable Date, none of our Directors had interests in any business, which competes directly or indirectly with our business for the purpose of Rule 8.10(2) of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

BOARD COMMITTEES

Our Company has established four board committees, namely, the Audit Committee, Strategy Committee, the Nomination Committee and the Remuneration and Appraisal Committee in accordance with the relevant PRC laws and regulations and corporate governance practices under the Listing Rules.

Audit Committee

Our Audit Committee consists of three Directors, including Dr. Wang Yuanzhuo, Dr. Zheng Xiaoming and Mr. Sun Yuliang. Dr. Wang Yuanzhuo is the chairperson of Audit Committee and holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are to review the financial controls and the internal control and risk management systems of our Group, monitor the integrity of the Company’s financial statements, review and monitor the external auditor’s independence and objectivity and effectiveness of the audit process and perform other duties and responsibilities as assigned by our Board.

Strategy Committee

Our Strategy Committee consists of five Directors, namely Mr. Yu Dexiang, Dr. Zheng Xiaoming, Mr. Kang Xiaobing, Mr. Zhou Jun and Mr. Li Jun. Mr. Yu Dexiang serves as the chairperson of the Strategy Committee. The primary duties of the Strategy Committee include, but not limited to, conducting research and making recommendations on our Company’s long-term development plan, business strategies and objectives and development policies, and major strategic investment and financing programs.

Nomination Committee

Our Nomination Committee consists of three directors, including Mr. Sun Yuliang, Dr. Zheng Xiaoming, and Ms. Chang Meihua. Mr. Sun Yuliang is the chairperson of the Nomination Committee. The primary duties of the Nomination Committee are to review the Board structure, size and composition, make recommendations to our Board on the appointment or re-appointment of Directors and review the Company’s board diversity policy (the “**Board Diversity Policy**”).

Remuneration and Appraisal Committee

Our Remuneration and Appraisal Committee consists of three Directors, including Dr. Zheng Xiaoming, Dr. Wang Yuanzhuo and Mr. Zhou Jun. Dr. Zheng Xiaoming is the chairperson of the Remuneration and Appraisal Committee. The primary duties of the Remuneration and Appraisal Committee are to establish and review the policy and structure of the remuneration for our Directors and senior management and make recommendations on remuneration packages of individual executive Directors and senior management.

DIRECTORS AND SENIOR MANAGEMENT

CORPORATE GOVERNANCE

We recognize the importance of incorporating elements of good corporate governance in our management structure and internal control procedures so as to achieve effective accountability and foster a compliance culture throughout our organization. The Board plays a central role in the formulation, approval, and oversight of governance policies and measures, ensuring that they are effectively implemented and aligned with applicable laws, regulations, and best practices.

We will comply with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules after the [REDACTED]. Our Directors will review our corporate governance policies and compliance with the Corporate Governance Code on an annual basis.

To ensure proper supervision and execution of compliance-related matters, we have designated specific staff members who are responsible for overseeing the implementation of internal control systems, conducting regular internal compliance checks, and escalating any material risks or non-compliance issues to the Board as necessary.

The Board has also established a three-tier environmental, social and governance (ESG) governance structure, comprising the Board, an ESG working group, and an implementation level. The Board holds ultimate responsibility for ESG strategy formulation and reporting. For further details, see “Business — Environmental, Social and Governance Matters — Governance.”

We also take into consideration the ability of our Directors to devote sufficient time and attention to our affairs, particularly in light of their existing commitments to other companies or organizations. Each Director has confirmed that he or she is able to fulfill their duties to the Company and has not exceeded the number of directorships or equivalent roles that would impair their effectiveness. The Nomination Committee will evaluate the time commit of Directors on an ongoing basis and as part of the annual performance assessment.

DIVERSITY POLICY OF THE BOARD OF DIRECTORS

We have adopted the Board Diversity Policy, which sets out the approach to achieve and maintain diversity on our Board in compliance with the Listing Rules, pursuant to which our Company seeks to achieve Board diversity through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of service and any other factors that the Board may consider relevant and applicable from time to time. We will select potential Board candidates based on merit and his/her potential contribution to our Board while taking into consideration our own business model and specific needs from time to time.

DIRECTORS AND SENIOR MANAGEMENT

Our Board has a balanced mix of knowledge and skills, including overall management and strategic development, accounting and financial management and corporate governance in addition to industry experience relevant to our Group’s operations and business. We have three independent non-executive Directors from different industry backgrounds, representing more than one third of the members of our Board. With regards to gender diversity on the Board, we recognize the particular importance of gender diversity. Our Board currently comprises three female Directors and six male Directors. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company, including but without limitation to our Board and senior management levels.

We will continue to implement measures and steps to promote our Board Diversity Policy. The Nomination Committee will review the Board composition at least once annually taking into account the benefits of all relevant diversity aspects and adhering to the Board Diversity Policy when making recommendation to the Board on appointment of new Directors. The Nomination Committee will also review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness. We will disclose the implementation of the Board Diversity Policy in our corporate governance report on an annual basis. We will continue to appoint Directors to our Board based on recommendations from the Nomination Committee, who will consider the Directors’ merits with reference to our Board Diversity Policy as a whole.

REMUNERATION

The compensation and remuneration of our Directors are determined by our Shareholders’ general meetings and the compensation and remuneration of members of the senior management are determined by the Board. We also reimburse them for expenses which are necessary and reasonably incurred in providing services to us or discharging their duties in relation to our operations. When reviewing and determining the specific remuneration packages for our Directors and members of the senior management, our Shareholders’ general meetings and the Board take into consideration factors such as salaries paid by comparable companies, time commitment, level of responsibilities and desirability of performance-based remuneration.

Our Company offers our executive Directors and senior management members, who are also our employees, compensation in the form of salaries, social insurance, housing provident fund, discretionary bonus, equity-settled share-based payments, and other benefits in kind. Our independent non-executive Directors receive fixed compensation.

The aggregate amounts of remuneration paid by us to our Directors in 2023, 2024 and ten months ended October 31, 2025 were RMB17.3 million, RMB19.6 million and RMB16.0 million, respectively.

It is estimated that remuneration equivalent to approximately RMB13.05 million in aggregate will be paid to the Directors by our Company for the year ending December 31, 2026 based on the arrangements in force as of the date of this document.

DIRECTORS AND SENIOR MANAGEMENT

No remuneration was paid by us to our Directors or the five highest paid individuals as inducement to join or upon joining us or as a compensation for loss of office during the Track Record Period. Furthermore, none of our Directors had waived or agreed to waive any remuneration during the same periods.

Save as disclosed above, no other payments have been paid or are payable, in 2023, 2024 and ten months ended October 31, 2025, respectively, by us to our Directors.

Employee Share Incentive Scheme

As of the Latest Practicable Date, our Company has three share incentive plans currently in effect, namely the 2023 Restricted Share Incentive Plan, the 2024 Restricted Share Incentive Plan and the 2024 Employee Stock Ownership Plan. For more information, see “History, Development and Corporate Structure — Major Shareholding Changes of Our Company,” “Appendix IV — Statutory and General Information — D. Disclosure of Interests — 5. 2024 Employee Stock Ownership Plan” and “Appendix IV — Statutory and General Information — D. Disclosure of Interests — 6. Restricted Share Incentive Plans.”

COMPLIANCE ADVISOR

Our Company has appointed Somerley Capital Limited as our compliance advisor pursuant to Rules 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, we shall consult the compliance advisor timely under the following circumstances and, if necessary, seek its advice:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (c) where our Company proposes to use the [REDACTED] of the [REDACTED] in a manner that is different from that detailed in this document or where our business activities, developments or results deviate from any forecasts, estimates or other information in this document; and
- (d) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or [REDACTED] of our H Shares or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of appointment of the compliance advisor will commence on the [REDACTED] and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED] and such appointment may be subject to extension by mutual agreement.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED]), the following persons are expected to have an interest and/or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

LONG POSITIONS IN THE SHARES OF OUR COMPANY

Name	Nature of interest	Shares interested in as of the Latest Practicable Date ⁽²⁾		Shares interested in immediately following the completion of the [REDACTED] ⁽³⁾		
		Number and description	Approximate percentage of shareholding in the total issued share capital	Number and description	Approximate percentage of shareholding in the A Shares ⁽²⁾	Approximate percentage of shareholding in the total issued share capital
Derui Investment ⁽⁵⁾	Beneficial Owner	333,290,422 A Shares	31.58%	[REDACTED] A Shares	[REDACTED]%	[REDACTED]%
Mr. Yu ⁽⁴⁾	Beneficial owner	13,119,434 A Shares	32.82%	[REDACTED] A Shares	[REDACTED]%	[REDACTED]%
	Interest in controlled corporation ⁽³⁾	333,290,422 A Shares		[REDACTED] A Shares		

Notes:

- (1) All interests stated are long position.
- (2) The calculation is based on the total number of 1,055,537,713 A Shares as of the Latest Practicable Date.
- (3) The calculation is based on the assumption that immediately following completion of the [REDACTED], there will be (i) a total number of [REDACTED] A Shares in issue; and (ii) a total number of [REDACTED] H Shares to be issued pursuant to the [REDACTED] (assuming that the [REDACTED] is not exercised and that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED]).
- (4) As of the Latest Practicable Date, Derui Investment was held as to 69.27% by Mr. Yu. For the purpose of the SFO, Mr. Yu is deemed to be interested in the Shares held by Derui Investment.
- (5) As of the Latest Practicable Date, Derui Investment had pledged an aggregate of 131,130,000 A Shares, representing approximately 12.42% of the total issued share capital of our Company. Of the 131,130,000 A Shares pledged by Derui Investment as of the Latest Practicable Date, 26,800,000 A Shares were pledged to CITIC Securities Co., Ltd., 27,950,000 A Shares to China Merchants Securities Co., Ltd., 6,650,000 A Shares to GF Securities Co., Ltd., 40,000,000 A Shares to China Galaxy Securities Co., Ltd., 9,000,000 A Shares to Huafu Securities Asset Management Co., Ltd., 12,330,000 A Shares to Guotai Haitong Securities Co., Ltd. and 8,400,000 A Shares to Caitong Securities Asset Management Co., Ltd, representing approximately 2.54%, 2.65%, 0.63%, 3.79%, 0.85%, 1.17% and 0.80% of the total issued share capital of our Company, respectively. These pledges were made to secure financing in an aggregate amount of approximately RMB1.1 billion pursuant to the relevant share pledge agreements. Further, as of the Latest Practicable Date, Derui Investment had an aggregate of 2,917,030 Shares under judicial freezing by the Qingdao Laoshan District People’s Court, representing approximately 0.28% of the total issued share capital of our Company. For more details in relation to the Pledged Shares and Frozen Shares, see “History, Development and Corporate Structure — Our Single Largest Shareholders Group.”

SUBSTANTIAL SHAREHOLDERS

Save as disclosed above and in “Statutory and General Information — D. Disclosure of Interests — 2. Interests and short positions of the substantial shareholders in other members of our Group” of Appendix IV in this document, our Directors are not aware of any other person who will, immediately following completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED]), have any interest and/or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of issued voting shares of any other member of the Group.

SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the [REDACTED].

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered share capital of our Company was RMB1,055,537,713, consisting of 1,055,537,713 A Shares (including 8,205,340 treasury Shares), with a nominal value of RMB1.00 each, which are all listed on the ChiNext Market of the Shenzhen Stock Exchange.

UPON COMPLETION OF THE [REDACTED]

Immediately following completion of the [REDACTED], assuming that the [REDACTED] is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate % to total issued share capital
A Shares in issue	[1,055,537,713]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED] (excluding any shares which may be issued under the [REDACTED])	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.0%

Assuming the [REDACTED] is exercised in full and there are no other changes in the issued share capital of the Company, the share capital of our Company immediately following the [REDACTED] will be as follows:

Description of Shares	Number of Shares	Approximate % to total issued share capital
A Shares in issue	[1,055,537,713]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED] (excluding any shares which may be issued under the [REDACTED])	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the exercise of the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.0%

SHARE CAPITAL

OUR SHARES

Our H Shares in issue upon completion of the [REDACTED], and our A Shares, are ordinary Shares in our share capital and are considered as one class of Shares. Shenzhen-Hong Kong Stock Connect has established a stock connect mechanism between mainland China and Hong Kong. Our A Shares can be subscribed for and traded by mainland Chinese investors, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in RMB. As our A Shares are eligible securities under the Northbound Trading Link, they can also be subscribed for and traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shenzhen-Hong Kong Stock Connect. Our H Shares can be subscribed for or traded by Hong Kong and other overseas investors and qualified domestic institutional investors. If our H Shares are eligible securities under the Southbound Trading Link, they can also be subscribed for and traded by mainland Chinese investors in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

RANKING

Our H Shares and our A Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of our A Shares will receive share dividends in the form of A Shares.

NO CONVERSION OF OUR A SHARES INTO H SHARES FOR [REDACTED] AND TRADING ON THE HONG KONG STOCK EXCHANGE

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and our H Shares may be different after the [REDACTED]. The Guidelines on Application for “Full Circulation” of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請“全流通”業務指引》) announced by the CSRC are not applicable to companies dual [REDACTED] in the PRC and on the Hong Kong Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A shares held by them into H shares for [REDACTED] and [REDACTED] on the Hong Kong Stock Exchange.

SHARE CAPITAL

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE [REDACTED]

Approval from holders of A Shares is required for our Company to issue H Shares and seek the [REDACTED] of H Shares on the Hong Kong Stock Exchange. Such approval was obtained by us at the shareholders’ general meeting of our Company held on February 9, 2026 and is subject to the following conditions:

- (i) *Size of the [REDACTED]*. The proposed number of H Shares to be [REDACTED] shall be no more than 10% of the total issued share capital enlarged by the H Shares to be issued pursuant to the [REDACTED] (before the exercise of the [REDACTED]). The number of H Shares to be issued pursuant to the full exercise of the [REDACTED] shall not exceed 15% of the total number of H Shares to be [REDACTED] initially under the [REDACTED].
- (ii) *Method of [REDACTED]*. The method of [REDACTED] shall be by way of [REDACTED] and international placement of new shares.
- (iii) *Target investors*. Institutional investors, enterprises and natural persons outside China, as well as qualified domestic institutional investors and other investors in compliance with regulatory requirements.
- (iv) *[REDACTED] basis*. Fully considering the interests of the Company’s existing shareholders, the acceptability of investors, the domestic and overseas capital markets and the issuance risks, and adopting a [REDACTED] method according to international practices, market subscriptions, roadshows and bookkeeping results.
- (v) *Validity period*. The issue of H Shares and [REDACTED] of H Shares on the Hong Kong Stock Exchange shall be completed within 24 months from the date of passing the resolution at the shareholders’ meeting held on February 9, 2026.

There are no other approved [REDACTED] plans for our Shares except the [REDACTED].

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

For details of circumstances under which our Shareholders’ general meetings are required, see “Appendix III — Summary of Articles of Association — Shareholders and Shareholders’ Meeting.”

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You should read the following discussion and analysis in conjunction with our consolidated financial statements, included in the Accountants’ Report in Appendix I, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with the HKFRS Accounting Standards.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this document, including the sections headed “Risk Factors” and “Business,” and elsewhere in this document. For further details, see “Forward-Looking Statements.”

OVERVIEW

We are the world’s largest manufacturer of high-voltage prefabricated substations, and China’s largest EV charging equipment provider and charging network operator. Our business covers the R&D, manufacturing, and sales of high-voltage and medium-voltage prefabricated substations, transformers, switchgear and EV charging equipment, as well as building and operation of EV charging networks. For details about our products and services, see “Business — Our Products and Services.”

We have achieved a solid growth in recent years. Our total revenue increased by 21.1% from RMB12,690.6 million in 2023 to RMB15,374.5 million in 2024, and increased by 8.7% from RMB10,425.8 million for the ten months ended October 31, 2024 to RMB11,328.7 million in the same period in 2025. Our net profit increased by 78.3% from RMB526.8 million in 2023 to RMB939.4 million in 2024, and increased by 65.5% from RMB504.6 million for the ten months ended October 31, 2024 to RMB835.1 million in the same period in 2025. Our return on equity was 6.6%, 11.3% and 11.1% in 2023, 2024 and for the ten months ended October 31, 2025.

BASIS OF PRESENTATION

Our consolidated financial information has been prepared in accordance with HKFRS Accounting Standards, which include all standards and interpretations approved by the Hong Kong Institute of Certified Public Accountants. All HKFRS Accounting Standards effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, have been consistently applied by us in the preparation of the consolidated financial information throughout the Track Record Period. The revised and new accounting standards and interpretations issued but not yet effective for the Track Record Period are set out in Note 3 to the Accountants’ Report in Appendix I to this document.

FINANCIAL INFORMATION

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations and financial condition have been and will continue to be affected by a number of factors that will affect our industry, including macroeconomic trends, industry competition, technology innovations and competitive landscape. Any negative change in these conditions may adversely impact our industry and our results of operations. Besides the aforementioned general factors, our business and results of operations are also affected by factors that are specific to us.

Development of the Global and China’s Power Industry

The global grid upgrades and rapid growth in China’s EV charging network have driven, and will continue to drive, our financial performance.

To meet the requirements of carbon neutrality and energy security, power generation is shifting from a centralized supply model dominated by thermal power to renewable energy dominated by intermittent resources such as solar and wind. According to CIC, global renewable power generation reached approximately 9,900 terawatt-hours in 2024, accounting for about 32% of total global electricity generation. China’s renewable power generation represented approximately 35% of the global renewable power generation in the same year. Global renewable power generation is expected to increase to approximately 16,200 terawatt-hours by 2030, representing 43% of total global electricity generation. China’s renewable power generation is expected to account for more than half of this increase. Our key products, prefabricated substations, serve as critical hubs within the power to step up or step down voltage to match the requirements of different stages of electricity transmission and consumption. According to CIC, the global prefabricated substation equipment market has grown rapidly, increasing from RMB31.0 billion in 2020 to RMB81.5 billion in 2024, representing a CAGR of 27.3%. The market is projected to reach approximately RMB179.7 billion by 2030, implying a CAGR of 14.1% from 2024 to 2030.

The growth in our EV charging network business depends on our ability to capitalize on the development of China’s EV market. China is the world’s largest EV market and its charging network market is expanding rapidly. According to CIC, China’s charging network market reached approximately RMB40.4 billion in 2024 and is expected to reach RMB203.4 billion by 2030, representing a CAGR of 30.9%. As V2G interaction deepens and operating efficiency improves, the charging network operations market will grow from RMB17.3 billion in 2024 to an estimated RMB106.5 billion by 2030, a CAGR of approximately 35.4%.

Our Ability to Advance Our Technological Innovation and Upgrade our Products and Services

Our financial performance depends on our ability to develop and launch new products and services. During the Track Record Period, we had made continuous efforts to broaden our product portfolio that provides our customers with one-stop solutions. The improvement and diversification of our product and service offerings have resulted in a more balanced growth of our business and revenue, and reduced the risk of our dependence on any single type of product or service.

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Our results of operations also depend on our ability to maintain our technical edge, keep abreast of the technological upgrades and timely adapt to evolving industry trends. Therefore, we have continuously invested in R&D to maintain and promote our technological capabilities. Our research and development expenses amounted to RMB489.4 million, RMB574.6 million, RMB418.8 million and RMB432.3 million in 2023 and 2024 and for the ten months ended October 31, 2024 and 2025, respectively, representing 3.8%, 3.7%, 4.0% and 3.8% of our total revenue for the same periods. Our ability to bring more value to our customers through continuous innovation in solutions and technologies influences customers’ decisions to choose our power equipment and charging equipment, which in turn affects our results of operations and financial condition.

Our Ability to Strengthen Relationships with Customers and Expand Customer and User Base

For our power equipment business, our results of operations are affected by our ability to maintain and deepen customer penetration in the domestic market while continuing our expansion and penetration in selected overseas markets. We have established a broad, stable customer base in China, serving customers across various application scenarios. At the same time, we have expanded our business into overseas markets. We have successfully sold and delivered our products to more than 60 countries and regions as of October 31, 2025. We will focus on developing strategic customers, targeting national grids and large energy groups in overseas markets to establish deep, long-term partnerships.

For our EV charging network business, our ability to attract and retain charging station operators and EV users to our charging network is crucial to our business growth. Our platform connects a vast number of charging terminals and millions of EV users. Our revenues are driven by end-users’ charging behaviors. Key behavioral shifts may include but are not limited to: preferences for locations, preferences for public or private fast charging, preference for home or workplace charging, and the emergence of autonomous vehicles. All these shifts could change end-users’ charging behaviors, which in turn could affect the demand for our services and our results of operations.

Our Ability to Further Expand into Overseas Markets

Building upon our leading market position and proven track record in China, we have strategically expanded our footprint to global markets by leveraging our deep-seated technical expertise and comprehensive service capabilities. Through continuous products and services adaptation and innovation, we are uniquely positioned to capture the enormous growth opportunities arising from the global energy transition and grid infrastructure upgrades. Our ability to replicate our domestic success internationally, while securing strategic partnerships with global energy and industrial leaders, is critical to our future revenue diversification and the establishment of a sustainable global competitive advantage.

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Cost Management and Operational Efficiency

Our results of operations are significantly influenced by our ability to effectively manage costs and optimize operating leverage and efficiency, which are important to maintaining the competitiveness of our products and services.

In 2023, 2024 and for the ten months ended October 31, 2024 and 2025, our cost of sales was RMB9,360.1 million, RMB11,389.2 million, RMB7,845.5 million and RMB8,288.7 million, respectively, accounting for 73.8%, 74.1%, 75.3% and 73.2% of our revenue for the same periods, respectively. Our cost of sales primarily includes: (i) raw material costs, primarily relating to our procurement of copper, grain-oriented silicon steel, power transformer oil, and aluminum used in manufacturing power equipment and EV charging equipment, (ii) outsourced costs, mainly relating to transportation and logistics services for delivering our products to customer-designated locations, manufacturing services for non-core components that are integrated into our products, and installation services, and (iii) staff costs for employees responsible for production. Changes in any major components of our cost of sales and our overall cost structure could have an impact on our gross profit and gross margin. Specifically, raw material costs accounted for 70.9%, 73.4%, 73.9% and 72.9% of our total cost of sales in 2023, 2024 and for the ten months ended October 31, 2024 and 2025, respectively. The procurement costs for raw materials may fluctuate due to a number of factors beyond our control, such as commodity price fluctuations, supply chain disruptions and inflation, and we are susceptible to significant changes in the availability and prices of raw materials.

Our results of operations and profitability are also significantly affected by our operating expenses. Our operating expenses ratio, defined as total operating expenses (consisting of selling and marketing expenses, administrative expenses, and research and development expenses) divided by total revenue, was 17.5%, 16.5%, 17.3% and 17.0% in 2023, 2024 and for the ten months ended October 31, 2024 and 2025, respectively, remaining at a relatively stable level. We expect to improve our operating leverage, such as by increasing manufacturing facility utilization rate and by increasing the level of automation and data-driven decision-making across our operations. These efforts are intended to drive greater efficiency and support scalable, sustainable growth.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

We have identified certain accounting policies that are significant to the preparation of our financial statements. In applying these policies, our management is required to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period,

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or in the period of the revision and future periods if the revision affects both current and future periods. For details of our material accounting policies, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, are set forth in Note 4 to the Accountants’ Report in Appendix I to this document.

RESULTS OF OPERATIONS

The following table sets forth a summary of our consolidated statements of profit or loss for the years/periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Revenue	12,690,571	100.0	15,374,476	100.0	10,425,813	100.0	11,328,749	100.0
Cost of sales	(9,360,077)	(73.8)	(11,389,214)	(74.1)	(7,845,486)	(75.3)	(8,288,700)	(73.2)
Gross profit	3,330,494	26.2	3,985,262	25.9	2,580,327	24.7	3,040,049	26.8
Other income, gains and losses	155,445	1.2	85,567	0.6	108,303	1.0	162,814	1.4
Selling and marketing expenses	(831,326)	(6.5)	(891,166)	(5.8)	(669,330)	(6.4)	(755,685)	(6.6)
Administrative expenses	(911,771)	(7.2)	(1,070,590)	(7.0)	(721,709)	(6.9)	(756,254)	(6.6)
Research and development expenses	(489,357)	(3.8)	(574,588)	(3.7)	(418,809)	(4.0)	(432,318)	(3.8)
Impairment losses under expected credit loss model, net	(566,117)	(4.5)	(389,927)	(2.6)	(276,614)	(2.6)	(222,572)	(2.0)
Share of profits of associates	55,068	0.4	70,577	0.5	60,803	0.6	68,896	0.6
Finance costs	(208,912)	(1.6)	(188,947)	(1.2)	(157,201)	(1.5)	(135,815)	(1.2)
Profit before tax	533,524	4.2	1,026,188	6.7	505,770	4.9	969,115	8.6
Income tax expenses	(6,765)	(0.1)	(86,787)	(0.6)	(1,157)	(0.0)	(134,056)	(1.2)
Profit for the year/period	526,759	4.1	939,401	6.1	504,613	4.9	835,059	7.4

NON-HKFRS ACCOUNTING STANDARDS MEASURES

To supplement our consolidated financial statements which are presented under HKFRS Accounting Standards, we also use adjusted net profit as additional financial measures, which are not required by, or presented in accordance with HKFRS Accounting Standards. We believe that such non-HKFRS Accounting Standards measures facilitate comparisons of operating

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performance from period to period and company to company by eliminating potential impact of certain items. We believe that such measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of such non-HKFRS Accounting Standards measures has limitations as analytical tools, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under HKFRS Accounting Standards.

We define adjusted net profit (non-HKFRS Accounting Standards measure) as profit for the year adjusted for share-based payments. Our share-based payments consist of non-cash expenses arising from granting options and restricted shares to eligible individuals under our restricted share incentive plans, the amount of which may not directly correlate with the underlying performance of our business operations. See “Statutory and General Information — D. Disclosure of Interests — 6. Restricted Share Incentive Plans.”

	For the year ended December 31,		For the ten months ended October 31,	
	2023	2024	2024	2025
	<i>(RMB in thousands)</i>			
Profit for the year/period . .	526,759	939,401	504,613	835,059
Add:				
Share-based payments	67,312	105,713	82,664	109,093
Adjusted net profit (non- HKFRS Accounting Standards measure)	594,071	1,045,114	587,277	944,152

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we generated revenue from two businesses — power equipment business and EV charging network business. In 2023, 2024 and for the ten months ended October 31, 2024 and 2025, our revenue was RMB12,690.6 million, RMB15,374.5 million, RMB10,425.8 million, RMB11,328.7 million, respectively.

For power equipment business, we provide customers with high-voltage and medium-voltage prefabricated substations, core PTD equipment, and in most cases, installation and maintenance services for these products. We design customized prefabricated substations tailored to customer needs. The key equipment and components — including transformers, switchgear, and control systems — are manufactured in our factories and fully integrated into transportable cabins to form complete modular substation units. The finished units are then transported to the customer-designated sites, where our professional teams perform final on-site installation and commissioning. We also offer core PTD equipment, including HV GIS,

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power transformers, gas-insulated RMUs, and LV-MV switchgear. These products can be supplied either as standalone power equipment or seamlessly integrated into our prefabricated substations, offering customers maximum flexibility and efficiency. Revenue from our power equipment business represented 67.5%, 68.2%, 73.1% and 74.0% of our total revenue for the year ended December 31, 2023 and 2024 and for the ten months ended October 31, 2024 and 2025, respectively.

For EV charging network business, we design and develop, manufacture, and sell various EV charging equipment, including intelligent cluster charging systems, microgrid systems and standalone charging equipment. We also lease EV charging equipment to customers under operating lease arrangements for use at their charging stations. In addition, we operate a nationwide charging network with our TELD Platform, offering charging services across a wide range of scenarios and value-added services to meet ecosystem participants’ needs. Revenue from our EV charging network business represented 32.5%, 31.8%, 26.9%, and 26.0% of our total revenue for the year ended December 31, 2023 and 2024 and for the ten months ended October 31, 2024 and 2025, respectively.

We expect both power equipment and EV charging businesses to continue to grow, serving as key contributors to our total revenue going forward. For more details about these services, see “Business — Our Products and Services.”

Revenue by Product and Service

The table below sets forth a breakdown of our revenue by the product or service type for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(unaudited)</i>								
Power equipment:								
High-voltage								
prefabricated								
substation	2,281,530	18.0	2,664,790	17.3	1,860,805	17.8	2,243,633	19.8
Medium-voltage								
prefabricated								
substation	2,875,609	22.7	4,304,726	28.0	3,004,373	28.8	3,667,917	32.4
Core PTD equipment ⁽¹⁾	3,403,802	26.8	3,515,182	22.9	2,760,859	26.5	2,468,937	21.8
Subtotal	8,560,941	67.5	10,484,698	68.2	7,626,037	73.1	8,380,487	74.0
EV charging network:								
EV charging equipment	2,675,333	21.1	3,282,815	21.4	1,512,803	14.5	1,696,511	15.0

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	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)								
(unaudited)								
EV charging network operation services ⁽²⁾ . . .	1,454,297	11.4	1,606,963	10.4	1,286,973	12.4	1,251,751	11.0
Subtotal	4,129,630	32.5	4,889,778	31.8	2,799,776	26.9	2,948,262	26.0
Total revenue	12,690,571	100.0	15,374,476	100.0	10,425,813	100.0	11,328,749	100.0

Notes:

- Revenue from core PTD equipment consists primarily of (i) sales of HV GIS, power transformers, gas-insulated RMU, and LV-MV switchgear, (ii) on-site installation and maintenance services, and (iii) operating lease relating to these equipment. Lease income was RMB111.3 million, RMB137.3 million, RMB114.3 million and RMB83.9 million for the years ended December 31, 2023 and 2024 and the ten months ended October 31, 2024 and 2025, respectively.
- Revenue from EV charging network operation services includes lease income from operating lease of these equipment to customers used at their charging stations. Lease income was RMB4.1 million, RMB5.3 million, RMB4.0 million and RMB12.5 million for the years ended December 31, 2023 and 2024 and the ten months ended October 31, 2024 and 2025, respectively.

Revenue by Geographical Region

During the Track Record Period, we generated revenue from multiple countries and regions, primarily including Chinese mainland, Middle East and Southeast Asia. The following table sets forth a breakdown of our revenue by geographical region for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)								
(Unaudited)								
Chinese mainland	12,483,271	98.4	14,902,528	96.9	10,020,686	96.1	10,256,871	90.5
Overseas	207,300	1.6	471,948	3.1	405,127	3.9	1,071,878	9.5
Total	12,690,571	100.0	15,374,476	100.0	10,425,813	100.0	11,328,749	100.0

Our revenue from Chinese mainland and overseas markets increased from 2023 to 2024 and from the ten months ended October 31, 2024 to the same period in 2025, primarily due to greater market acceptance of, and customer demand for, our power equipment, supported by continued growth in demand for power infrastructure and EV charging solutions in both Chinese mainland and other countries. The contribution of revenue from overseas markets, as

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a percentage of our total revenue, increased from 1.6% in 2023 to 3.1% to 2024 and further increased from 3.9% for the ten months ended October 31, 2024 to 9.5% for the same period in 2025, reflecting the successful execution of our overseas expansion strategies.

Cost of Sales

Our cost of sales consists primarily of (i) raw material costs primarily relating to our procurement of copper, grain-oriented silicon steel, power transformer oil, and aluminum, (ii) outsourced service costs, mainly relating to logistics services for the delivery of our products to customer-designated locations, manufacturing services for non-core components that are integrated into our products, and installation services, (iii) staff costs, consisting primarily of salaries, bonuses, social security and welfares for our manufacturing and production personnel, and (iv) depreciation and amortization for manufacturing facilities. Our cost of sales amounted to RMB9,360.1 million, RMB11,389.2 million, RMB7,845.5 million and RMB8,288.7 million in 2023, 2024 and for the ten months ended October 31, 2024 and 2025, respectively. The following table sets forth a breakdown of our cost of sales by nature for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Raw material costs	6,633,702	70.9	8,360,348	73.4	5,798,592	73.9	6,043,511	72.9
Outsourced service costs .	1,034,289	11.1	1,037,994	9.1	573,417	7.3	742,185	9.0
Staff costs	335,376	3.6	501,831	4.4	352,902	4.5	403,260	4.9
Depreciation and amortization	418,382	4.4	424,849	3.7	367,421	4.7	334,313	4.0
Others ⁽¹⁾	938,328	10.0	1,064,192	9.4	753,154	9.6	765,431	9.2
Total	9,360,077	100.0	11,389,214	100.0	7,845,486	100.0	8,288,700	100.0

Note:

- (1) Others primarily consist of rental fees for charging stations, utility costs, warranty expenses and other miscellaneous costs.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross margin represents gross profit divided by our revenue, expressed as a percentage. Our gross profit amounted to RMB3,330.5 million, RMB3,985.3 million, RMB2,580.3 million and RMB3,040.0 million in 2023, 2024 and the ten months ended October 31, 2024 and 2025, respectively. Our gross profit margin was 26.2%, 25.9%, 24.7% and 26.8% in 2023, 2024 and the ten months ended October 31, 2024 and 2025, respectively.

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The following table sets forth a breakdown of our gross profit and gross profit margin by product or service for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Gross profit	Gross profit margin (%)	Gross profit	Gross profit margin (%)	Gross profit	Gross profit margin (%)	Gross profit	Gross profit margin (%)
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Power equipment:								
High-voltage prefabricated substation	604,337	26.5	727,308	27.3	540,708	29.1	678,746	30.3
Medium-voltage prefabricated substation	662,085	23.0	751,132	17.4	524,435	17.5	751,627	20.5
Core PTD equipment ⁽¹⁾	765,625	22.5	881,437	25.1	675,609	24.5	654,629	26.5
Subtotal	2,032,047	23.7	2,359,877	22.5	1,740,752	22.8	2,085,002	24.9
EV charging network:								
EV charging equipment	945,903	35.4	1,141,018	34.8	489,171	32.3	530,289	31.3
EV charging network operation services	352,544	24.2	484,367	30.1	350,404	27.2	424,758	33.9
Subtotal	1,298,447	31.4	1,625,385	33.2	839,575	30.0	955,047	32.4
Total	3,330,494	26.2	3,985,262	25.9	2,580,327	24.7	3,040,049	26.8

Note:

- (1) Consists of gross profit from (i) sales of HV GIS, power transformers, gas-insulated RMU, and LV-MV switchgear, (ii) on-site installation and maintenance services, and (iii) operating lease relating to these equipment.

For analysis for fluctuations of gross profit and gross profit margins for each period during the Track Record Period, see “— Period-to-period Comparison of Results of Operations.”

Other Income, Gains and Losses

Other income, gains and losses during the Track Record Period primarily consisted of (i) bank interest income, (ii) government grants, (iii) gains/(losses) on disposal of property, plant and equipment, (iv) write-off of property, plant and equipment, (v) impairment losses on property, plant and equipment, and (vi) gains/(losses) on disposal of subsidiaries.

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The following table sets forth a breakdown of our other income, gains and losses for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Bank interest income . . .	28,727	18.5	19,123	22.3	14,051	13.0	18,706	11.5
Government grants	215,006	138.3	220,463	257.6	153,115	141.4	146,408	89.9
Gains/(losses) on disposal of property, plant and equipment	13,766	8.9	61,898	72.3	(6,970)	(6.5)	34,466	21.2
Write-off of property, plant and equipment . .	(79,948)	(51.4)	(36,329)	(42.4)	(29,583)	(27.3)	(30,921)	(19.0)
Impairment losses on property, plant and equipment	(42,996)	(27.7)	(210,454)	(246.0)	(63,466)	(58.6)	(50,196)	(30.8)
Gains/(losses) on disposal of subsidiaries and associates	3,371	2.1	(6,477)	(7.5)	(206)	(0.2)	25,619	15.7
Others ⁽¹⁾	17,519	11.3	37,343	43.7	41,362	38.2	18,732	11.5
Total	155,445	100.0	85,567	100.0	108,303	100.0	162,814	100.0
<i>As % of total revenue . . .</i>		<i>1.2</i>		<i>0.6</i>		<i>1.0</i>		<i>1.4</i>

Note:

- (1) Others primarily consist of VAT refunded, gains/(losses) on termination of leases, write-offs of other intangible assets, fair value (losses)/gains on financial assets stated at fair value through profit or loss, impairment losses of inventories, and other miscellaneous gains or losses. For more details, see note 7 to the Accountants’ Report in Appendix I to this document.

During the Track Record Period, government grants were the largest component of other income, gains and losses. We recognized government grants of RMB215.0 million and RMB220.5 million in 2023 and 2024, and RMB153.1 million and RMB146.4 million for the ten months ended October 31, 2024 and 2025, respectively, primarily relating to subsidies for our construction and operation of EV charging stations.

During the Track Record Period, our gains/(losses) on disposal of property, plant and equipment were primarily attributable to the disposal of our machinery, equipment and lease rights for EV charging station sites.

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We recognized write-offs of property, plant and equipment primarily due to the decommissioning of EV charging stations. As one of the first operators of EV charging networks in China, we optimized the site selection of our initial charging stations during the Track Record Period, resulting in the retirement of a number of older stations.

During the Track Record Period, our impairment of property, plant and equipment was primarily due to (i) the impairment on old charging stations scheduled to be phased out, and (ii) the impairment of the equipment for an energy storage project, whose returns could not meet our expectation because of the changes in local government policies.

Selling and Marketing Expenses

Our selling and marketing expenses consist primarily of (i) staff costs consisting primarily of salaries, bonuses, social security and welfares, and equity-settled share-based payments for our sales and marketing personnel and after-sale service staff, (ii) business development expenses in relation to our customer acquisition activities, (iii) traveling expenses of sales and marketing personnel, (iv) bidding expenses primarily relating to our bidding preparations, and (v) promotional expenses mainly relating to advertisements and promotion activities.

The following table sets forth a breakdown of our selling and marketing expenses for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Staff costs	508,619	61.2	601,086	67.4	450,116	67.2	479,641	63.5
Business development expenses	101,251	12.2	101,954	11.4	75,464	11.3	83,727	11.1
Traveling expenses	75,242	9.1	47,091	5.3	37,836	5.7	58,832	7.8
Bidding expenses	50,123	6.0	45,122	5.1	33,559	5.0	39,438	5.2
Promotional expenses . . .	37,916	4.6	55,323	6.2	37,818	5.7	54,500	7.2
Others ⁽¹⁾	58,175	6.9	40,590	4.6	34,537	5.1	39,547	5.2
Total	831,326	100.0	891,166	100.0	669,330	100.0	755,685	100.0
<i>As a % of total revenue . .</i>		6.5		5.8		6.4		6.6

Note:

- (1) Others primarily consist of office expenses, vehicle expenses, depreciation, consulting service fees, and after-sales service fees and material costs.

In 2023, 2024 and for the ten months ended October 31, 2024 and 2025, our selling and marketing expenses were RMB831.3 million, RMB891.2 million, RMB669.3 million and RMB755.7 million respectively, accounting for 6.5%, 5.8%, 6.4% and 6.6% of our total revenue for the same periods, respectively.

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Administrative Expenses

Our administrative expenses primarily include (i) staff costs consisting primarily of salaries, bonuses, social security and welfare, and equity-settled share-based payments for our administrative and management personnel, (ii) taxes and surcharges, mainly including urban maintenance and construction tax, education surcharges and stamp duty, (iii) depreciation and amortization expenses in connection with office equipment, (iv) office expenses consisting primarily of office rental fees, (v) traveling and client relationship expenses of management personnel, and (vi) professional service fees.

The following table sets forth a breakdown of our administrative expenses for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Staff costs	594,896	65.2	686,905	64.2	462,599	64.1	455,004	60.2
Taxes and surcharges . . .	63,872	7.0	87,972	8.2	52,879	7.3	62,876	8.3
Depreciation and amortization	42,936	4.7	56,972	5.3	47,886	6.6	54,651	7.2
Office expenses	54,130	6.0	72,209	6.7	39,607	5.5	51,296	6.8
Traveling and client relationship expenses . .	63,225	6.9	62,387	5.8	43,658	6.0	49,129	6.5
Professional service fees .	39,068	4.3	37,282	3.5	19,863	2.8	26,117	3.4
Others ⁽¹⁾	53,644	5.9	66,863	6.3	55,217	7.7	57,181	7.6
Total	911,771	100.0	1,070,590	100.0	721,709	100.0	756,254	100.0
<i>As a % of total revenue . .</i>		<i>7.2</i>		<i>7.0</i>		<i>6.9</i>		<i>6.6</i>

Note:

- (1) Others consist of bank processing service fees, motor vehicle related expenses and other miscellaneous expenses.

In 2023, 2024 and for the ten months ended October 31, 2024 and 2025, our administrative expenses amounted to RMB911.8 million, RMB1,070.6 million, RMB721.7 million and RMB756.3 million, respectively, accounting for 7.2%, 7.0%, 6.9% and 6.6% of our total revenue for the same periods, respectively.

Research and Development Expenses

Our research and development expenses primarily include (i) staff costs consisting primarily of salaries, bonuses, social security and welfare, and equity-settled share-based payments for our research and development personnel, (ii) costs of materials and consumables used in product designs during research and development process, and (iii) equipment commission and testing fees for experimental equipment used in our R&D activities.

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The following table sets forth a breakdown of our research and development expenses for the periods indicated.

	For the year ended December 31,				For the ten months ended October 31,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>								
<i>(Unaudited)</i>								
Staff costs	248,707	50.8	283,811	49.4	229,080	54.7	214,568	49.7
Costs of materials and consumables	203,492	41.6	226,962	39.5	151,603	36.2	186,915	43.2
Equipment commission and testing fees	9,449	1.9	28,897	5.0	14,991	3.6	11,702	2.7
Others ⁽¹⁾	27,709	5.7	34,918	6.1	23,135	5.5	19,133	4.4
Total	489,357	100.0	574,588	100.0	418,809	100.0	432,318	100.0
<i>As a % of total revenue . .</i>		3.8		3.7		4.0		3.8

Note:

- (1) Others primarily consist of travel expenses, utility and rental expenses, expenses for software and servers, and other miscellaneous expenses.

Our research and development expenses amounted to RMB489.4 million, RMB574.6 million, RMB418.8 million and RMB432.3 million in 2023, 2024 and the ten months ended October 31, 2024 and 2025, respectively, accounting for 3.8%, 3.7%, 4.0% and 3.8% of our total revenue for the same periods, respectively.

Impairment Losses under Expected Credit Loss Model, Net

Impairment losses under expected credit loss (“ECL”) model, net, primarily consist of impairment losses or reversal of impairment losses on (i) trade receivables, (ii) bills receivable, (iii) other receivables, and (iv) contract assets. Our impairment losses under ECL model, net, amounted to RMB566.1 million, RMB389.9 million, RMB276.6 million and RMB222.6 million in 2023, 2024 and for the ten months ended October 31, 2024 and 2025, respectively, accounting for 4.5%, 2.6%, 2.6% and 2.0% of our total revenue for the same periods, respectively.

Share of Profits of Associates

Share of profits of associates represents our share in the profits generated by our associates. Our share of profits of associates amounted to RMB55.1 million, RMB70.6 million, RMB60.8 million and RMB68.9 million in 2023, 2024 and for the ten months ended October 31, 2024 and 2025, respectively, accounting for 0.4%, 0.5%, 0.6% and 0.6% of our total revenue for the same periods, respectively.

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Finance Costs

Our finance costs primarily include (i) interest on bank and other borrowings, (ii) interest on lease liabilities, and (iii) interest on discount on notes receivable. Our finance costs amounted to RMB208.9 million, RMB188.9 million, RMB157.2 million and RMB135.8 million in 2023, 2024 and for the ten months ended October 31, 2024 and 2025, respectively, accounting for 1.6%, 1.2%, 1.5% and 1.2% of our total revenue for the same periods, respectively.

Income Tax Expenses

Our income tax expenses consist primarily of income tax payable by our subsidiaries in the PRC and overseas. We recorded income tax of RMB6.8 million, RMB86.8 million, RMB1.2 million and RMB134.1 million in 2023, 2024 and for the ten months ended October 31, 2024 and 2025, respectively.

During the Track Record Period, our Company and seven subsidiaries were accredited as a “High and New Technology Enterprises”, and hence were entitled to a preferential enterprise income tax rate of 15% based on the respective term of their High and New Technology Enterprise status. In addition, some subsidiaries are eligible for the Western Development tax incentive policies and the EIT will be levied at a tax rate of 15%. Under the EIT Law and tax-related regulations, except for the preferential tax treatments available to us, subsidiaries within our Group are subject to the statutory enterprise income tax rate of 25% during the Track Record Period.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material dispute with any tax authority, and we had not been subject to any material tax investigation, enquiries, penalties or surcharges.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Ten Months Ended October 31, 2024 Compared to Ten Months Ended October 31, 2025

Revenue

Our total revenue increased by 8.7% from RMB10,425.8 million for the ten months ended October 31, 2024 to RMB11,328.7 million for the same period in 2025, as a result of increases in revenue from both power equipment business and EV charging network business.

- *Power equipment business.* Our revenue from power equipment business increased by 9.9% from RMB7,626.0 million for the ten months ended October 31, 2024 to RMB8,380.5 million for the same period in 2025, primarily driven by increases in revenue from high-voltage and medium-voltage prefabricated substations, partially offset by a decrease in the revenue from core PTD equipment.

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Revenue from high-voltage prefabricated substations increased by 20.6% from RMB1,860.8 million for the ten months ended October 31, 2024 to RMB2,243.6 million for the same period in 2025, primarily due to our continuous growth in overseas markets attributable to our competitiveness in offering high-voltage prefabricated substations to meet local customers’ demand. Revenue from medium-voltage prefabricated substations increased by 22.1% from RMB3,004.4 million for the ten months ended October 31, 2024 to RMB3,667.9 million for the same period in 2025, primarily due to increased demand for medium-voltage substations by the rapidly-developing renewable power generation sector.

The revenue from core PTD equipment decreased by 10.6% from RMB2,760.9 million for the ten months ended October 31, 2024 to RMB2,468.9 million for the same period in 2025, as a growing proportion of internally manufactured core PTD equipment was used in our integrated prefabricated substation solutions, consistent with our strategic focus on higher-margin products and solutions.

- *EV charging network business.* Our revenue from EV charging network business increased by 5.3% from RMB2,799.8 million for the ten months ended October 31, 2024 to RMB2,948.3 million for the same period in 2025, primarily driven by a 12.1% increase in revenue from EV charging equipment from RMB1,512.8 million for the ten months ended October 31, 2024 to RMB1,696.5 million for the same period, reflecting growing demand for EV charging services, primarily driven by the continual expansion of EV sales in China. This increase was partially offset by a 2.7% decrease in the revenue from EV charging network operation services from RMB1,287.0 million for the ten months ended October 31, 2024 to RMB1,251.8 million for the same period in 2025, primarily due to an industry-wide decline in charging service fees caused by heightened competition in the EV charging market.

Cost of Sales

Our cost of sales increased by 5.6% from RMB7,845.5 million for the ten months ended October 31, 2024 to RMB8,288.7 million for the same period in 2025, primarily reflecting our overall business growth, which led to increases in raw material costs, outsourced service costs, and staff costs. Revenue growth outpaced the increase in cost of sales, demonstrating improved operating leverage during the period.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our total gross profit increased by 17.8% from RMB2,580.3 million for the ten months ended October 31, 2024 to RMB3,040.0 million for the same period in 2025, primarily driven by overall business growth and increased gross profit from most of our product and service types, except for the core PTD equipment. The gross profit of core PTD equipment slightly decreased by 3.1% from RMB675.6 million for the ten months ended October 31, 2024 to RMB654.7 million for the same period in 2025, primarily due to a decrease

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in the revenue of core PTD equipment because a growing proportion of internally manufactured core PTD equipment was used in our integrated, prefabricated substations, consistent with our strategic transition toward higher-margin prefabricated substations.

Our overall gross profit margin increased from 24.7% for the ten months ended October 31, 2024 to 26.8% for the same period in 2025, primarily because (i) the gross profit margin of the power equipment business increased from 22.8% to 24.9%, and (ii) the gross profit margin of the EV charging network business increased from 27.2% to 33.9%. The increased gross profit margin for the power equipment business for the ten months ended October 31, 2025 compared to the same period in 2024 was primarily due to (i) our enhanced supply chain management, which enable us to negotiate for more favorable prices of raw materials, (ii) an improved manufacturing cost structure driven by increased in-house production of equipment and components and reduced procurement from third-party suppliers, and (iii) the growth in our prefabricated substation offerings in overseas markets, where we typically benefit from more favorable pricing.

Other Income, Gains and Losses

Our other income, gains and losses increased by 50.3% from RMB108.3 million for the ten months ended October 31, 2024 to RMB162.8 million for the same period in 2025, primarily attributable to (i) gains on disposal of property, plant and equipment in RMB34.5 million recognized in connection with our sales of certain self-owned EV charging stations and charging equipment in the ten months ended October 31, 2025, as compared to losses on disposal of property, plant and equipment in RMB7.0 million in connection with our disposals of machinery, equipment and motor vehicles in the same period in 2024, and (ii) gains on disposal of subsidiaries and associates in RMB25.6 million in the ten months ended October 31, 2025, as compared to losses on disposal of subsidiaries and associates in RMB0.2 million in the same period of 2024.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 12.9% from RMB669.3 million for the ten months ended October 31, 2024 to RMB755.7 million for the same period in 2025, primarily attributable to (i) an increase in staff costs as a result of the increased number of sales staff in line with our overall growth, and (ii) increases in travel expenses, promotion expenses, and business development expenses, reflecting our continued efforts to expand our business in Chinese mainland and overseas markets.

Administrative Expenses

Our administrative expenses increased by 4.8% from RMB721.7 million for the ten months ended October 31, 2024 to RMB756.3 million for the same period in 2025, primarily attributable to (i) an increase in office expenses attributable to increased rental expenses as a result of new leases for office space to support our overall growth, (ii) an increase in taxes and

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surcharges in line with increases in our net profit and VAT, and (iii) an increase in depreciation and amortization expenses attributable to our increased investments in manufacturing equipment and facilities. These increases were partially offset by a decrease in staff costs.

Research and Development Expenses

Our research and development expenses slightly increased by 3.2% from RMB418.8 million for the ten months ended October 31, 2024 to RMB432.3 million for the same period in 2025, primarily attributable to an increase in costs of materials and consumables incurred by certain key research and development projects relating to high-voltage prefabricated substations and GIS products. This increase was partially offset by a decrease in staff costs.

Impairment Losses under Expected Credit Loss

Our impairment losses under expected credit loss decreased from RMB276.6 million for the ten months ended October 31, 2024 to RMB222.6 million for the same period in 2025, primarily attributable to a decrease in our provision of impairment losses on trade receivables, reflecting improved collections of trade receivables.

Share of Profits of Associates

Our share of profits of associates increased by 13.3% from RMB60.8 million for the ten months ended October 31, 2024 to RMB68.9 million for the same period in 2025.

Finance Costs

Our finance costs decreased by 13.6% from RMB157.2 million for the ten months ended October 31, 2024 to RMB135.8 million for the same period in 2025, primarily attributable to (i) a decrease in interest on bank and other borrowings as a result of the combination of our decreased balance amount of bank and other borrowings and decreased market interest rates, and (ii) a decrease in interest on leased liabilities mainly because we disposed of certain self-owned EV charging stations, resulting in decreased property leases.

Income Tax Expenses

Our income tax expenses amounted to RMB1.2 million for the ten months ended October 31, 2024 and RMB134.1 million for the same period in 2025. This increase was primarily attributable to an increase in our profit before tax.

Profit for the Period

As a result of the foregoing, our profit for the period amounted to RMB504.6 million for the ten months ended October 31, 2024 and RMB835.1 million for the same period in 2025.

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Year Ended December 31, 2023 Compared with Year Ended December 31, 2024

Revenue

Our total revenue increased by 21.1% from RMB12,690.6 million in 2023 to RMB15,374.5 million in 2024, reflecting increases in revenue from both power equipment business and EV charging network business.

- *Power equipment business.* Our revenue from power equipment business increased by 22.5% from RMB8,560.9 million in 2023 to RMB10,484.7 million in 2024, reflecting (i) an increases in revenue from medium-voltage and high-voltage prefabricated substations.

Revenue from medium-voltage prefabricated substations increased by 49.7% from RMB2,875.6 million in 2023 to RMB4,304.7 million in 2024, primarily attributable to the increased demand from the renewable power generation sector. Revenue from high-voltage prefabricated substations increased by 16.8% from RMB2,281.5 million in 2023 to RMB2,664.8 million, primarily due to increased demand for our products in both domestic and overseas markets.

Revenue from core PTD equipment slightly increased by 3.3% from RMB3,403.8 million in 2023 to RMB3,515.2 million in 2024, as a growing proportion of internally manufactured core PTD equipment was used in our integrated prefabricated substation solutions.

- *EV charging network business.* Our revenue from EV charging network business increased by 18.4% from RMB4,129.6 million in 2023 to RMB4,889.8 million in 2024, primarily driven by (i) a 22.7% increase in revenue from EV charging equipment from RMB2,675.3 million in 2023 to RMB3,282.8 million in 2024, reflecting growing demand for EV charging services, primarily driven by the rapid expansion of EV sales in China, and (ii) a 10.5% increase in revenue from EV charging network operation services from RMB1,454.3 million in 2023 to RMB1,607.0 million in 2024, primarily attributable to increased usage and subscriptions of digital operational management tools on TELD Platform and enhanced collaboration with participants within our charging network ecosystem.

Cost of Sales

Our cost of sales increased by 21.7% from RMB9,360.1 million in 2023 to RMB11,389.2 million in 2024, primarily due to (i) increased procurement of various raw materials, in line with the growth in our sales volumes of power equipment and EV charging equipment, and (ii) an increase in staff costs in line with our overall growth.

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Gross Profit and Gross Profit Margin

As a result, our total gross profit increased by 19.7% from RMB3,330.5 million in 2023 to RMB3,985.3 million in 2024, driven by increases in the gross profit of both power equipment business and EV charging network business. The gross profit of each type of our products and services increased, reflecting a steady growth of our businesses.

Our overall gross profit margin slightly decreased from 26.2% in 2023 to 25.9% in 2024, primarily due to the decreased gross profit margin of the power equipment business from 23.7% in 2023 to 22.5% in 2024, which was partially offset by the increased gross profit margin of EV charging network business from 31.4% in 2023 to 33.2% in 2024. The decrease in the gross profit margin of our power equipment business was primarily due to the decreased gross profit margin of our medium-voltage prefabricated substations from 23.0% in 2023 to 17.5% in 2024, as a result of intensified industry competition caused by the increasing number of new entrants into this sector. The increase in the gross profit margin of EV charging network business from 31.4% in 2023 to 33.2% in 2024 was driven by the increased gross profit margin of EV charging network operation services, primarily attributable to (i) economies of scale as our TELD Platform continued to expand, and (ii) increased revenue from value-added services provided to ecosystem participants within our charging network which generally carry higher profit margins.

Other Income, Gains and Losses

Other income, gains and losses decreased by 45.0% from RMB155.4 million in 2023 to RMB85.6 million in 2024, primarily due to impairment losses of property, plant and equipment of RMB210.5 million in 2024. These impairment losses were primarily caused by (i) the impairment on old charging stations scheduled to be phased out, and (ii) the impairment of the equipment for an energy storage project, whose returns could not meet our expectation because of the changes in local government policies.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 7.2% from RMB831.3 million in 2023 to RMB891.2 million in 2024, primarily due to (i) an increase in staff costs as a result of the overall growth in our business, and (ii) an increase in business development expenses, reflecting our continued efforts to expand our business in Chinese mainland and overseas markets.

Administrative Expenses

Our administrative expenses increased by 17.4% from RMB911.8 million in 2023 to RMB1,070.6 million in 2024, primarily attributable to (i) increased staff costs resulting from an increase in administrative personnel to support our business growth and higher employee salary levels, (ii) an increase in office expenses attributable to increased rental expenses as a

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result of new leases for office space to support our overall growth, (iii) an increase in taxes and surcharges primarily due to our business growth as these taxes and surcharges are typically calculated based on net profit, and (iv) an increase in depreciation and amortization expenses in line with our overall growth.

Research and Development Expenses

Our research and development expenses increased by 17.4% from RMB489.4 million in 2023 to RMB574.6 million in 2024, primarily due to (i) an increase in staff costs primarily due to the increased number of employees in line with our overall growth, and (ii) an increase in costs of materials and consumables and outsourced research and development services due to our higher resource investment in new product development.

Impairment Losses under Expected Credit Loss

Our impairment losses under expected credit loss decreased by 31.1% from RMB566.1 million in 2023 to RMB389.9 million in 2024, primarily attributable to (i) a decrease in impairment losses on other receivables in 2024, compared with 2023 when we recorded a significant impairment provision on subsidy-related receivables due from government authorities, and (ii) reversal of impairment losses on bills receivable of RMB51.2 million recognized in 2024 primarily due to a decrease in the balance of bills receivable. The commercial acceptance bills held by us usually have short maturities. As of December 31, 2024, commercial acceptance bills, which have been endorsed or discounted, were derecognized upon maturity, and those held to maturity were collected and settled through bank presentment, resulting in a decrease in the balance of total bills receivable.

Share of Profits of Associates

Our share of profits of associates increased from RMB55.1 million in 2023 to RMB70.6 million in 2024.

Finance Costs

Our finance costs decreased by 9.6% from RMB208.9 million in 2023 to RMB188.9 million in 2024, primarily attributable to a decrease in interest on bank and other borrowings as a result of the combination of our decreased balance amount of bank and other borrowings and decreased market interest rates.

Income Tax Expenses

We recorded income tax expenses of RMB6.8 million in 2023 and income tax credit of RMB86.8 million in 2024.

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Profit for the Period

As a result of the foregoing, our profit for the period amounted to RMB526.8 million in 2023 and RMB939.4 million in 2024.

DISCUSSION OF KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth our consolidated statements of financial position as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
	(RMB in thousands)		(Unaudited)
Non-current assets			
Property, plant and equipment	3,943,260	3,699,771	3,690,165
Right-of-use assets	1,473,692	1,369,086	1,113,644
Investment properties	22,182	21,235	16,672
Goodwill	189,286	189,286	191,209
Other intangible assets	458,334	405,538	346,177
Interests in associates	1,620,740	1,765,668	1,919,416
Deferred tax assets	711,873	815,279	878,864
Investments at fair value through profit or loss	3	3	3
Trade receivables	15,778	162,130	124,970
Other receivables	56,714	205,097	238,510
Other non-current assets	68,116	139,710	106,215
Total non-current assets	8,559,978	8,772,803	8,625,845
Current assets			
Inventories	1,609,017	1,205,617	1,718,015
Trade and bills receivables	8,444,563	9,751,613	9,596,733
Note receivable at fair value through other comprehensive income	147,825	269,960	133,205
Prepayments and other receivables	1,146,515	876,216	1,091,909
Financial assets at fair value through profit or loss	19,689	—	—
Contract assets	1,111,643	1,394,973	1,561,481
Cash and cash equivalents	2,837,650	2,742,215	2,125,558
Total current assets	15,316,902	16,240,594	16,226,901
Current liabilities			
Trade and bills payables	7,734,681	8,078,910	7,599,787
Other payables and accruals	1,702,465	1,876,467	1,378,598
Contract liabilities	700,624	718,493	848,716
Interest-bearing bank borrowings	2,698,662	3,099,856	3,724,499

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	As of December 31,		As of
	2023	2024	October 31,
	(RMB in thousands)		(Unaudited)
Lease liabilities	148,046	168,379	138,782
Income tax payable	59,226	85,558	63,985
Total current liabilities	13,043,704	14,027,663	13,754,367
Net current assets	2,273,198	2,212,931	2,472,534
Total assets less current liabilities . . .	10,833,176	10,985,734	11,098,379
Non-current liabilities			
Other payables and accruals	42,620	37,530	29,711
Interest-bearing bank borrowings	1,453,753	944,450	655,152
Lease liabilities	1,042,136	1,021,051	827,092
Deferred income	508,402	426,840	385,736
Deferred tax liabilities	90,661	93,816	88,133
Total non-current liabilities	3,137,572	2,523,687	1,985,824
Net assets	7,695,604	8,462,047	9,112,555

Assets

Property, Plant and Equipment

Our property, plant and equipment consist primarily of (i) machinery and equipment used at our manufacturing facilities and self-owned EV charging stations, (ii) buildings, (iii) construction in progress, mainly consisting of charging stations and production lines that are in the process of being constructed, (iv) motor vehicles, (v) furniture, fixtures and other equipment, and (vi) leasehold improvements primarily relating to renovation for our offices. The following table sets forth the net book value of our property, plant and equipment as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
	(RMB in thousands)		(Unaudited)
Buildings	941,640	959,672	1,132,222
Leasehold improvements	5,566	9,374	19,201
Motor vehicles	37,783	35,236	38,479
Machinery and equipment	2,730,431	2,298,605	2,158,794
Furniture, fixtures and other equipment . .	36,573	38,436	40,644
Construction in progress	191,267	358,448	300,825
Total	3,943,260	3,699,771	3,690,165

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The net book value of our property, plant and equipment decreased from RMB3,943.3 million as of December 31, 2023 to RMB3,699.8 million as of December 31, 2024, primarily due to a decrease in the book value of machinery and equipment as a result of the disposals of machinery and equipment of self-owned EV charging stations. The net book value of our property, plant and equipment remained relatively stable from RMB3,699.8 million as of December 31, 2024 to RMB3,690.2 million as of October 31, 2025.

Trade and Bills Receivables

Our trade and bills receivables consist of trade receivables that primarily arise from our sales of products and services to customers on credit, and bills receivable consisting bank acceptance bills and commercial acceptance bills received from customers in settlement of amounts due to us.

The following table sets forth a breakdown of our trade and bills receivables as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
			2025
	(RMB in thousands)		(Unaudited)
Trade receivables	9,040,403	11,023,268	11,067,334
Bills receivable	686,569	392,914	256,177
Less: allowance for credit loss	(1,266,631)	(1,502,439)	(1,601,808)
Trade and bills receivables	8,460,341	9,913,743	9,721,703

The gross amount of our trade receivables increased by 21.9% from RMB9,040.4 million as of December 31, 2023 to RMB11,023.3 million as of December 31, 2024, in line with the growth of our revenue. Despite a solid revenue growth along with the business expansion, the gross amount of our trade receivables remained relatively stable at RMB11,067.3 million as of October 31, 2025 compared to RMB11,023.3 million as of December 31, 2024, primarily due to our enhanced management of trade receivables during the period.

The gross amount of bills receivable decreased by 42.8% from RMB686.6 million as of December 31, 2023 to RMB392.9 million as of December 31, 2024, and further decreased by 34.8% to RMB256.2 million as of October 31, 2025. As of December 31, 2024 and October 31, 2025, commercial acceptance bills, which have been endorsed or discounted, were derecognized upon maturity, and those held to maturity were collected and settled through bank presentment, resulting in a decrease in the balance of total bills receivable.

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Aging Analysis of Trade Receivables

The following table sets forth an aging analysis of our trade receivables, net of impairment allowance, based on revenue recognition date as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
			2025
	(RMB in thousands)		(Unaudited)
Within 1 year	5,814,265	7,173,845	6,755,532
1 to 2 years	1,369,487	1,690,039	1,900,942
2 to 3 years	465,182	477,215	592,491
Over 3 years	201,320	205,004	225,999
Total	<u>7,850,254</u>	<u>9,546,103</u>	<u>9,474,964</u>

Our trade receivables aged within one year increased from RMB5,814.3 million as of December 31, 2023 to RMB7,173.8 million as of December 31, 2024, in line with the increase in our total revenue. Our trade receivables aged within one year decreased to RMB6,755.5 million as of October 31, 2025, mainly because, although revenue grew with the expansion of our business, we enhanced the collection of trade receivable.

The balance amount of each of trade receivables aged 1 to 2 years, trade receivables aged 2 to 3 years and trade receivables aged over 3 years increased from December 31, 2023 to December 31, 2024 and further increased to October 31, 2025, primarily because some of our customers, who purchased prefabricated substations and EV charging equipment, are state-owned enterprises, listed companies, or their subsidiaries with lengthy internal approval procedures and payment processes. As a result, the time of their actual payments to us often exceeds the credit periods in the contracts.

We believe that there is no material recoverability issue with our trade receivables, primarily because (i) we assess our customers’ credit quality carefully and regularly, taking into account their business background, the general risks associated with their industries, their financial position, final settlement results in the past and other factors; (ii) the trade receivables with long age are mainly due from customers with good credit profiles and no material defaults on their payment obligations to us in the past; (iii) we did not experience any material recoverability issues for our trade receivables throughout the Track Record Period; and (iv) we have dedicated internal teams, both at subsidiary and group company levels, which are responsible for close and regular monitoring of the credit profiles, operating and financial conditions of our customers and taking appropriate proactive follow-up actions to collect the trade receivables.

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Additionally, we believe we have made adequate credit loss allowances to appropriately reflect the recoverability of the outstanding trade receivables, as (i) we made credit loss allowances primarily based on the results of our comprehensive impairment assessment as performed on each reporting date (which takes into account the historical payment profiles and data published by external credit rating institution, adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables), and (ii) we made credit loss allowances individually once any recoverability issues with particular customers were identified.

Turnover Days of Trade Receivables

The following table sets forth our trade receivables (net of impairment allowance) turnover days for the periods indicated.

	For the year ended December 31,		For the ten months ended October 31,
	2023	2024	2025
			(Unaudited)
Trade receivables turnover days ⁽¹⁾	209.2	207.1	255.2

Note:

- (1) Trade receivables turnover days for a given period is calculated by dividing the average of the opening and ending balances of trade receivable by revenue for that period and multiplied by the number of days in that period (i.e., 365 days for 2023, 366 days for 2024 and 304 days for the ten months ended October 31, 2025).

In 2023, 2024 and the ten months ended October 31, 2025, our trade receivables turnover days were 209.2 days, 207.1 days and 255.2 days. Our trade receivables turnover days for the ten months ended October 31, 2025 increased to 255.2 days, primarily because deliveries of power equipment and EV charging equipment are typically concentrated in the second half of the year. As a result, a large portion of receivables remained outstanding as of October 31, 2025 before we intensified our collection efforts toward year end.

We generally adopt an installment payment arrangement, under which customers pay an advance deposit and settle the remaining balance according to contractual milestones. Given the high quality-assurance requirements in the power industry, payment milestones are typically linked to events such as product delivery and installation, operational testing and inspection, and the expiration of the warranty period. We recognize revenue and record trade receivables upon fulfillment of our performance obligations under the sales contracts, which usually occurs upon delivery of the products and acceptance by the customers. However,

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collection of receivables typically occurs after the subsequent milestones, and therefore lags behind revenue recognition, resulting in a longer trade receivables turnover period. For more details, see “Business — Our Products and Services — Power Equipment Business — Prefabricated Substations.”

As of January 31, 2026, approximately RMB3,979.1 million, or 36.0% of our trade receivables outstanding as of October 31, 2025, have been settled.

Measures to Enhance the Collections of Trade Receivables

We have implemented measures to monitor and manage our collection of trade receivables. Our sales personnel are required to monitor customers’ financial condition, track the trade receivables overdue and follow up on the collection progress, taking appropriate measures as necessary. They also conduct the initial discussion with the customers regarding overdue trade receivables. If no progress is made after the discussion for a certain time period, a formal reminder letter will be issued requesting prompt settlement by the customer. If there is evidence showing that the customer intentionally defaults, we may initiate legal actions, including issuing an attorney’s letter and commencing litigation.

In addition, we have established a designated team at our headquarters to oversee group-wide trade receivable collection efforts and to negotiate with certain customers in respect of long-outstanding trade receivables. We also link the performance evaluation for senior management to trade receivables collection results.

Inventories

Our inventories primarily consisted of (i) finished goods, (ii) goods in transit, (iii) raw materials, (iv) work in progress, and (v) contract fulfilment costs. The following table sets forth a breakdown of our inventories as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
			2025
	(RMB in thousands)		(Unaudited)
Raw materials	418,529	381,840	368,364
Work in progress	103,360	157,029	211,861
Finished goods	772,197	451,177	672,228
Contract fulfilment costs	35,616	57,644	74,748
Goods in transit	352,327	236,149	450,777
Less: provision for impairment	(73,012)	(78,222)	(59,963)
Total	1,609,017	1,205,617	1,718,015

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Raw materials consist primarily of materials and consumables used in manufacturing power equipment, such as copper, grain-oriented silicon steel, power transformer oil, and aluminum, and components used in manufacturing EV charging equipment, such as printed circuit boards, magnetic components, power semiconductors and structural components. Work in progress inventory represents products that are still in the manufacturing or assembly process and are not yet ready for sale. Finished goods consist primarily of our products that have been manufactured but not yet been sold to customers. Contract fulfilment costs are incurred for materials or services used to fulfill a specific contract but have not fully satisfied revenue recognition criteria. Goods in transit consist primarily of our products that have been shipped to customers for which the revenue recognition conditions, such as inspection by the customer or installation, have not been satisfied. Inventory impairment provisions are recognized when the net realizable value of inventories is lower than their costs, primarily due to changes in market demand or product obsolescence.

Our inventories increased by 42.5% from RMB1,205.6 million as of December 31, 2024 to RMB1,718.0 million as of October 31, 2025, primarily due to increases in goods in transit and finished goods as a result of increased sales, reflecting the seasonality of our business. Our inventories decreased by 25.1% from RMB1,609.0 million as of December 31, 2023, to RMB1,205.6 million as of December 31, 2024, primarily attributable to decreases in finished goods and goods in transit, reflecting our enhanced inventory management and timely shipment and delivery of goods.

The following table sets forth our inventory turnover days for the periods indicated.

	For the year ended December 31,		For the ten months ended October 31,
	2023	2024	2025
			(Unaudited)
Inventory turnover days ⁽¹⁾	58.7	45.2	53.6

Note:

- (1) Inventory turnover days for a given period is calculated by dividing the average of the opening and ending balances of inventory by cost of sales for that period and multiplied by the number of days in that period (i.e., 365 days for 2023, 366 days for 2024 and 304 days for the ten months ended October 31, 2025).

Our inventory turnover days decreased from 58.7 days in 2023 to 45.2 days in 2024 primarily because our production planning capabilities and on-site fulfillment efficiency have continued to improve. Our inventory turnover days increased to 53.6 days for the ten months ended October 31, 2025, which were higher than the turnover days in the full year of 2024, primarily due to the seasonal fluctuations. We typically record higher sales volumes in the second half of each year than the first half. As a result, the level of finished goods and goods in transit in the second half is generally higher than that at year-end. These seasonal factors contributed to the increased turnover days for the ten months ended October 31, 2025.

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The following table sets forth an aging analysis of our inventories (net of provision for impairment) as of the date indicated.

	As of December 31,		As of October 31,
	2023	2024	2025
	(RMB in thousands)		(Unaudited)
Within 1 year	1,377,089	1,064,368	1,542,952
1 to 2 years	169,856	110,967	114,607
2 to 3 years	60,999	68,491	69,272
Over 3 years	74,085	40,013	51,147
Less: provision for impairment	(73,012)	(78,222)	(59,963)
Total	<u>1,609,017</u>	<u>1,205,617</u>	<u>1,718,015</u>

As of January 31, 2026, approximately RMB1,028.5 million, or 57.8% of inventories as of October 31, 2025, have been used, consumed or sold.

Prepayments and Other Receivables

Our prepayments and other receivables consist primarily of (i) deposits and other receivables, consisting primarily of bid deposits and performance security, and receivables relating to government subsidies, (ii) prepayments to suppliers of raw materials or services, (iii) finance lease receivables representing the amounts due from certain customers who purchased our EV charging stations and equipment with finance lease arrangements, and (iv) VAT receivables. The following table sets forth a breakdown of our prepayments and other receivables as of the dates indicated.

	As of December 31,		As of October 31,
	2023	2024	2025
	(RMB in thousands)		(Unaudited)
Prepayments	268,245	309,925	310,475
Deposits and other receivables	849,008	752,325	950,888
Finance lease receivables	124,356	224,026	251,663
VAT receivables	125,195	102,751	126,682
Dividend receivables	—	—	1,000
Tax recoverable	28,348	6,797	7,601
Less: provision for impairment	(191,923)	(314,511)	(317,890)
Total	<u>1,203,229</u>	<u>1,081,313</u>	<u>1,330,419</u>

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Our prepayments and other receivables increased by 23.0% from RMB1,081.3 million as of December 31, 2024 to RMB1,330.4 million as of October 31, 2025, primarily attributable to an increase in deposits and other receivables. This increase was primarily driven by increases in bid deposits, performance security, and deposits with third-party platforms as a result of our business expansion.

Our prepayments and other receivables decreased by 10.1% from RMB1,203.2 million as of December 31, 2023, to RMB1,081.3 million as of December 31, 2024, primarily due to (i) a decrease in deposits and other receivables attributable to refund of certain bid deposits upon the bidding results, and (ii) an increase in impairment provision on receivables due from a local government regarding its subsidies for the EV sector prior to the Track Record Date which had not been fully paid to us.

Liabilities

Trade and Bills Payables

Our trade and bills payables include (i) trade payables due to suppliers in our ordinary course of business, and (ii) bills payables due to bank acceptance notes issued to our suppliers. The following table sets forth a breakdown of our trade and bills payables as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
			2025
			(Unaudited)
	(RMB in thousands)		
Trade payables	5,507,156	6,213,626	5,750,193
Bills payables	2,227,525	1,865,284	1,849,594
Total	7,734,681	8,078,910	7,599,787

Our trade and bills payables remained relatively stable, amounting to RMB7,734.7 million, RMB8,078.9 million and RMB7,599.8 million as of December 31, 2023 and 2024 and October 31, 2025, respectively.

Trade Payables

The following table sets forth an analysis of our trade payables based on the recognition date as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
			2025
			(Unaudited)
	(RMB in thousands)		
Within 1 year	4,694,063	5,233,931	4,901,732

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	As of December 31,		As of
	2023	2024	October 31,
	(RMB in thousands)		(Unaudited)
1 to 2 years	464,976	693,258	489,592
2 to 3 years	169,673	111,775	156,015
Over 3 years	178,444	174,662	202,854
Total	<u>5,507,156</u>	<u>6,213,626</u>	<u>5,750,193</u>

The following table sets forth our trade payables turnover days for the Track Record Period.

	For the year ended December 31,		For the ten
	2023	2024	months ended
			October 31,
			(Unaudited)
Trade payables turnover days ⁽¹⁾	202.7	188.3	219.4

Note:

- (1) Trade payables turnover days for a given period is calculated by dividing the average of the opening and ending balances of trade payables by cost of sales for that period and multiplying by the number of days in that period (i.e., 365 days for 2023, 366 days for 2024 and 304 days for the ten months ended October 31, 2025).

Our trade payables turnover days were 202.7 days, 188.3 days and 219.4 days in 2023, 2024 and for the ten months ended October 31, 2025, respectively. Depending on the type of raw materials, we obtained different credit terms from our suppliers usually up to 180 days upon the completion of milestones. During the Track Record Period, our trade payables turnover days were longer than our contractual credit term, primarily due to the following reasons: (i) our contracts with certain suppliers contain payments in installments based on milestones, such as delivery of goods, time of goods being put in use and warranty period, but we record trade payables for all goods upon delivery, (ii) our suppliers and we agree to use a back-to-back payment arrangement, under which our obligation to make payments to our suppliers is linked to our receipt of the corresponding payment from our customers, and (iii) we utilize supply chain financing arrangements with certain factoring institutions to obtain a favorable payment due date.

As of January 31, 2026, approximately RMB2,776.3 million, or 48.3% of our trade payables as of October 31, 2025, had been settled.

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Other Payables and Accruals

Our other payables and accruals primarily consisted of (i) payroll and welfare payable, (ii) other payables, and (iii) other tax payables. The following table sets forth a breakdown of our other payables and accruals as of the dates indicated.

	As of December 31,		As of
	2023	2024	October 31,
			2025
	(RMB in thousands)		(Unaudited)
Payroll and welfare payable	471,851	581,334	312,542
Other tax payables	352,222	388,143	237,630
Other payables	626,474	682,109	618,581
Amounts due to associates	3,611	4,126	4,893
Loan from an associate	36,286	—	—
Amount due to a shareholder	252,159	256,046	234,628
Dividend payables	2,482	834	—
Provision for litigation penalty	—	1,405	35
Total	1,745,085	1,913,997	1,408,309

Our other payables and accruals decreased by 26.4% from RMB1,914.0 million as of December 31, 2024 to RMB1,408.3 million as of October 31, 2025, primarily attributable to (i) a decrease of RMB268.8 million in payroll and welfare payable, (ii) a decrease of RMB150.5 million in other tax payables, and (iii) a decrease of RMB63.5 million in other payables.

Our other payables and accruals increased by 9.7% from RMB1,745.1 million as of December 31, 2023 to RMB1,914.0 million as of December 31, 2024, primarily attributable to (i) an increase of RMB109.5 million in payroll and welfare payable, (ii) an increase of RMB55.6 million in other payables, and (iii) an increase of RMB35.9 million in other tax payables.

As of October 31, 2025, the amount due to a shareholder was RMB234.6 million. We expect to repay approximately RMB103.3 million of such amount in full prior to the [REDACTED].

The remaining balance of approximately RMB131.3 million (the “**Dandong Hepu Loan**”) represents a non-operational receivable owed by Dandong Hepu, a non-wholly owned subsidiary of our Company (owned as to 51% by us and 49% by an Independent Third Party). Dandong Hepu Loan is unsecured, interest-bearing, and repayable on demand. It is expected that Dandong Hepu will continue to repay the loan using revenue generated from its business operations after the [REDACTED].

Taking into account that (i) the outstanding balance of the Dandong Hepu Loan is immaterial to our Group as a whole, representing approximately 0.5% of our total assets, 1.4% of our net assets, and 3.5% of our total interest-bearing bank borrowings as of October 31, 2025; and (ii) our Group has a strong financial position with cash and cash equivalents of RMB2,125.6 million as of October 31, 2025, which is more than sufficient to cover the liabilities thereunder if necessary, our Directors consider that the subsistence of such loan after the [REDACTED] does not affect our financial independence from the Single Largest Shareholders Group.

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Contract Liabilities

Our contract liabilities represent the advance payments from customers for our products and services. Our contract liabilities amounted to RMB700.6 million, RMB718.5 million and RMB848.7 million as of December 31, 2023 and 2024 and October 31, 2025, respectively. The increases in our contract liabilities during the Track Record Period was primarily attributable to an increase in advances that we received from customers in line with our overall growth.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash are to fund our procurement of raw materials and equipment, R&D and sales activities, and other operational needs. During the Track Record Period, we financed our capital expenditures and working capital requirements principally with funds from cash generated from our operations and bank borrowings.

Our anticipated cash needs primarily relate to our business operations, expansion of production capacity, and product research and development. We expect to fund our future working capital and other cash requirements primarily with cash generated from our operations, bank borrowings and other financing activities (including the [REDACTED] from the [REDACTED]).

As of January 31, 2026, the latest practicable date for determining our indebtedness, we had cash and cash equivalent of RMB2,646.5 million. As of the same date, we had unutilized banking facilities of RMB15,260.2 million. Taking into account our internal resources, our cash flow from operating activities and the estimated [REDACTED] from the [REDACTED], our Directors believe that the working capital available to us is sufficient at present and for at least the next 12 months from the date of this document.

Current Assets and Liabilities

The table below sets forth our current assets and liabilities as of the dates indicated.

	As of December 31,		As of October 31,	As of January 31,
	2023	2024	2025	2026
			(RMB in thousands)	
			(Unaudited)	(Unaudited)
Current assets				
Inventories	1,609,017	1,205,617	1,718,015	1,236,488
Trade and bills receivables . .	8,444,563	9,751,613	9,596,733	9,188,956
Note receivable at fair value through other comprehensive income	147,825	269,960	133,205	139,039
Prepayments and other receivables	1,146,515	876,216	1,091,909	912,871
Financial assets at fair value through profit or loss	19,689	—	—	785,000

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	As of December 31,		As of October 31,	As of January 31,
	2023	2024	2025	2026
			(RMB in thousands)	
			(Unaudited)	(Unaudited)
Contract assets	1,111,643	1,394,973	1,561,481	1,833,204
Cash and cash equivalents . .	2,837,650	2,742,215	2,125,558	2,646,516
Total current assets	15,316,902	16,240,594	16,226,901	16,742,074
Current liabilities				
Trade and bills payables	7,734,681	8,078,910	7,599,787	8,051,872
Other payables and accruals .	1,702,465	1,876,467	1,378,598	1,541,206
Contract liabilities	700,624	718,493	848,716	787,102
Interest-bearing bank borrowings	2,698,662	3,099,856	3,724,499	3,278,467
Lease liabilities	148,046	168,379	138,782	170,839
Income tax payable	59,226	85,558	63,985	90,394
Total current liabilities	13,043,704	14,027,663	13,754,367	13,919,880
Net current assets	2,273,198	2,212,931	2,472,534	2,822,194

We recorded net current assets of RMB2,822.2 million as of January 31, 2026, as compared to net current assets of RMB2,472.5 million as of October 31, 2025, primarily due to (i) an increase of RMB521.0 million in cash and cash equivalents, (ii) an increase of RMB271.7 million in contract assets, and (iii) a decrease of RMB446.0 million in interest-bearing bank borrowings.

Our net current assets increased to RMB2,472.5 million as of October 31, 2025, as compared to net current assets of RMB2,212.9 million as of December 31, 2024, primarily due to a combination of (i) an increase of RMB215.6 million in prepayments and other receivables, (ii) an increase of RMB512.4 million in inventories, (iii) a decrease of RMB479.1 million in trade and bills payables, and (iv) a decrease of RMB497.9 million in other payables and accruals. These were partially offset by an increase of RMB624.6 million in interest-bearing bank borrowings.

Our net current assets slightly decreased to RMB2,212.9 million as of December 31, 2024, as compared to net current assets of RMB2,273.2 million as of December 31, 2023, primarily due to a combination of (i) an increase of RMB401.2 million in interest-bearing bank borrowings, (ii) an increase of RMB334.2 million in trade and bills payables, and (iii) an increase of RMB174.0 million in other payables and accruals. These increases were partially offset by (i) an increase of RMB1,307.1 million in trade and bills receivables, and (ii) an increase of RMB283.3 million in contract assets.

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Cash Flows

The following table sets forth a summary of our consolidated statements of cash flows for the periods indicated.

	For the year ended December 31,		For the ten months ended October 31,	
	2023	2024	2024	2025
	(RMB in thousands)			
	(Unaudited)			
Operating profit before				
working capital changes . .	2,098,873	2,552,489	1,662,146	1,981,506
Changes in working capital . .	(673,987)	(1,077,135)	(1,955,844)	(1,682,987)
Income tax paid	(80,232)	(160,740)	(150,808)	(229,827)
Net cash generated				
from/(used in) operating				
activities	1,344,654	1,314,614	(444,506)	68,692
Net cash used in investing				
activities	(926,406)	(789,079)	(797,183)	(548,907)
Net cash (used in)/generated				
from financing activities . .	(538,522)	(502,842)	216,328	(101,395)
Net (decrease)/increase in				
cash and cash				
equivalents	(120,274)	22,693	(1,025,361)	(581,610)
Cash and cash equivalents at				
beginning of year/period . .	2,327,692	2,208,647	2,208,647	2,231,856
Effect of foreign exchange				
rate changes	1,229	516	404	(2,625)
Cash and cash equivalents				
at end of year/period	2,208,647	2,231,856	1,183,690	1,647,621

Operating Activities

We had net cash generated from operating activities of RMB68.7 million for the ten months ended October 31, 2025, primarily due to our profit before tax of RMB969.1 million, as adjusted for (1) changes in the working capital that negatively affected the cash flow from operating activities, primarily including (i) an increase in inventories of RMB567.8 million, (ii) an increase in prepayment and other receivables of RMB194.3 million, (iii) a decrease in other payables and accruals of RMB530.1 million, (iv) a decrease in trade and bills payables of RMB218.0 million, and (v) an increase in trade and bills receivables of RMB145.5 million; and (2) certain non-cash or non-operating items that positively affected the cash flows, primarily including depreciation of property, plant and equipment of RMB342.4 million, impairment losses under ECL model (net) of RMB222.6 million, depreciation of right-of-use assets of RMB159.4 million, and finance costs of RMB135.8 million.

FINANCIAL INFORMATION

Net cash generated from operating activities was RMB1,314.6 million in 2024. Our net cash generated from operating activities was primarily attributable to our profit before income tax of RMB1,026.2 million, as adjusted for (1) certain non-cash or non-operating items that positively affected the cash flows, primarily including (i) depreciation of property, plant and equipment of RMB411.6 million, (ii) impairment losses under expected credit loss of RMB389.9 million, (iii) impairment losses on property, plant and equipment of RMB210.5 million, (iv) depreciation of right-of-use assets of RMB188.3 million, and (v) finance costs of RMB188.9 million; and (2) the changes in working capital that negatively affected the cash flows from operating activities, primarily including an increase in trade and bills receivables of RMB1,774.6 million and an increase in contract assets of RMB306.6 million.

Net cash generated from operating activities was RMB1,344.7 million in 2023. Our net cash generated from operating activities was primarily attributable to our profit before income tax of RMB533.5 million, as adjusted for (1) certain non-cash or non-operating items that positively affected the cash flows, primarily including (i) impairment losses under ECL of RMB566.1 million, (ii) depreciation of property, plant and equipment of RMB387.2 million, and (iii) finance costs of RMB208.9 million; and (2) the changes in working capital that negatively affected the cash flows from operating activities, primarily including an increase in trade and bills receivables of RMB1,519.7 million, an increase in inventories of RMB221.5 million, an increase in other receivables, deposits and prepayments of RMB218.0 million, and an increase in contract assets of RMB151.0 million.

Investing Activities

Net cash used in investing activities was RMB548.9 million for the ten months ended October 31, 2025, primarily due to (i) purchases of property, plant and equipment of RMB525.2 million, (ii) acquisition of interests in associates of RMB110.3 million, partially offset by proceeds from disposal of property, plant and equipment of RMB57.4 million, and (iii) proceeds from sale of subsidiaries of RMB11.8 million.

Net cash used in investing activities was RMB789.1 million in 2024, primarily due to (i) purchases of property, plant and equipment of RMB870.6 million, and (ii) acquisition of interests in associates of RMB138.7 million, partially offset by proceeds from disposal of property, plant and equipment of RMB186.2 million.

Net cash used in investing activities was RMB926.4 million in 2023, primarily due to (i) purchases of property, plant and equipment of RMB1,061.6 million, and (ii) acquisition of interests in associates of RMB137.8 million, partially offset by (i) proceeds from disposal of financial assets at fair value through profit or loss of RMB153.0 million, (ii) proceeds from disposal of associates of RMB89.7 million, and (iii) proceeds from disposal of property, plant and equipment of RMB83.3 million.

Financing Activities

In the ten months ended October 31, 2025, we had net cash used in financing activities of RMB101.4 million, primarily due to (i) repayment of borrowings of RMB1,858.2 million, (ii) dividends paid to our shareholders of RMB157.9 million, (iii) repayment of lease liabilities of RMB147.8 million, and (iv) acquisition of additional interest in subsidiaries of RMB132.6 million, partially offset by borrowings raised of RMB2,246.6 million.

FINANCIAL INFORMATION

In 2024, we had net cash used in financing activities of RMB502.8 million, primarily due to (i) repayment of borrowings of RMB3,232.3 million, (ii) repurchase of treasury shares of RMB202.8 million, (iii) repayment of lease liabilities of RMB179.2 million, (iv) interest paid of RMB130.5 million, and (v) dividends paid to our shareholders of RMB105.6 million, partially offset by borrowings raised of RMB3,124.2 million.

In 2023, we had net cash used in financing activities of RMB538.5 million, primarily due to (i) repayment of borrowings of RMB2,871.6 million, (ii) repayment of lease liabilities of RMB173.7 million, and (iii) interest paid of RMB158.8 million, partially offset by borrowings raised of RMB2,480.2 million.

INDEBTEDNESS

As of December 31, 2023 and 2024, October 31, 2025 and January 31, 2026, except as disclosed in the table below, we did not have any material indebtedness.

	As of December 31,		As of	As of
	2023	2024	October 31,	January 31,
			2025	2026
	<i>(RMB in thousands)</i>			
	<i>(Unaudited)</i>			
Interest-bearing bank borrowings:				
Current	2,698,662	3,099,856	3,724,499	3,278,467
Non-current	1,453,753	944,450	655,152	592,885
Total	4,152,415	4,044,306	4,379,651	3,871,352
Lease liabilities:				
Current	148,046	168,379	138,782	170,839
Non-current	1,042,136	1,021,051	827,092	771,894
Total	1,190,182	1,189,430	965,874	942,733
Total indebtedness	5,342,597	5,233,736	5,345,525	4,814,085

Interest-bearing Bank Borrowings

As of December 31, 2023 and 2024, October 31, 2025 and January 31, 2026, we had total interest-bearing bank borrowings of RMB4,152.4 million, RMB4,044.3 million, RMB4,379.7 million, and RMB3,871.4 million, respectively. Among our interest-bearing bank borrowings as of December 31, 2023 and 2024 and October 31, 2025, (i) RMB2,444.5 million, RMB2,085.8 million and RMB2,197.3 million were unsecured and guaranteed, respectively, (ii) RMB45.0 million, RMB45.0 million and RMB25.0 million were secured and unguaranteed, respectively, and (iii) RMB1,662.9 million, RMB1,913.5 million and RMB2,157.3 million were unsecured and unguaranteed, respectively. During the Track Record Period, the effective interest rates of our interest-bearing bank borrowings ranged from 1.20% to 4.50% per annum. For details, see Note 35 to the Report in Appendix I to this document. Our bank borrowings contain standard terms, conditions and covenants that are customary for commercial bank loans in China.

FINANCIAL INFORMATION

Lease Liabilities

During the Track Record Period, our lease liabilities were primarily related to land rental for EV charging stations and manufacturing facilities, as well as office space rental. For details about our leases, see Note 17 to the Report in Appendix I to this document. As of December 31, 2023 and 2024, October 31, 2025 and January 31, 2026, our total lease liabilities amounted to RMB1,190.2 million, RMB1,189.4 million, RMB965.9 million and RMB942.7 million, respectively.

Indebtedness Statement

Except as discussed above, as of January 31, 2026, the latest practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities. As of the Latest Practicable Date, there was no material restrictive covenant in our indebtedness which could significantly limit our ability to obtain future financing. As of January 31, 2026, we did not have plans for other material external debt financing.

Our Directors confirm that (i) there has not been any material change in our indebtedness since January 31, 2026 and up to the Latest Practicable Date, (ii) during the Track Record Period and up to the date of this document, we did not have any material default on our indebtedness or breach of covenant, and (iii) during the Track Record Period and up to the date of this document, we did not experience any difficulty in obtaining bank loans and other borrowings.

CONTINGENT LIABILITIES

As of October 31, 2025, we did not have any material contingent liabilities. We historically provided guarantees to certain customers who used the financial lease arrangement to lease our substations. As of December 31, 2024, such guarantees provided by our Company was RMB123.0 million. As of October 31, 2025, all such guarantees have been ended. For more details, see Note 42 to the Appendix I to this document.

CAPITAL EXPENDITURE AND COMMITMENTS

Our capital expenditures during the Track Record Period were primarily related to the purchase of machinery and equipment, construction of buildings, advances for construction in progress, and leasehold improvements. Our capital expenditures were RMB1,093.5 million, RMB694.0 million and RMB495.5 million in 2023, 2024 and the ten months ended October 31, 2025, respectively.

As of December 31, 2023 and 2024 and October 31, 2025, our capital commitments were RMB20.1 million, RMB89.0 million and RMB94.7 million, respectively.

FINANCIAL INFORMATION

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet commitments and arrangements.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the periods indicated:

	For the year ended/as of December 31,		For the ten months ended/as of October 31,
	2023	2024	2025
			(Unaudited)
Gross profit margin ⁽¹⁾	26.2%	25.9%	26.8%
Net profit margin ⁽²⁾	4.1%	6.1%	7.4%
Return on assets ⁽³⁾	2.1%	3.7%	3.9%
Return on equity ⁽⁴⁾	6.6%	11.3%	11.1%
Current Ratio ⁽⁵⁾	1.2	1.2	1.2
Interest-bearing debt ratio ⁽⁶⁾	17.4%	16.2%	17.6%

Notes:

- (1) Gross profit margin is calculated as gross profit for the year/period divided by revenue for the corresponding year/period and multiplied by 100%.
- (2) Net profit margin is calculated as net profit for the year/period divided by revenue for the corresponding year/period and multiplied by 100%.
- (3) Return on assets is calculated as net profit for the year attributable to owners of our Company divided by the average total assets and multiplied by 100%. For the ten months ended October 31, 2025, return on assets is annualized by multiplying the number by a factor of 12/10. Average of total assets is the sum of the balance of total assets at the beginning and at the end of the year/period, divided by two.
- (4) Return on equity is calculated as net profit for the year attributable to owners of our Company divided by the average total equity and multiplied by 100%. For the ten months ended October 31, 2025, return on equity is annualized by multiplying the number by a factor of 12/10. Average of total equity is the sum of the balance of total equity at the beginning and at the end of the year, divided by two.
- (5) Current ratio is calculated as total current assets as of the end of the year/period divided by total current liabilities as of the end of the corresponding year/period.
- (6) The interest-bearing debt ratio is calculated as interest-bearing debt divided by total assets as of the relevant date.

FINANCIAL INFORMATION

DISCLOSURE ABOUT FINANCIAL RISKS

We are exposed to a variety of financial risks, including foreign currency risk, credit risk, liquidity risk, interest rate risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. See Note 45 of the Accountants’ Report in Appendix I to this document.

Foreign Currency Risk

We have transactional exchange rate risk exposures mainly arising from sales or purchases in currencies other than the functional currencies. We have subsidiaries using HKD, USD, SAR and EUR as their functional currencies. These subsidiaries have transactions in currencies other than their functional currencies. We adopt an overall management on our foreign exchange exposure, and reduce our exchange rate exposures using forward foreign exchange contracts based on the market trend as necessary. We currently do not have a foreign exchange hedging policy.

Credit Risk

Our credit risk exposures are primarily attributable to trade receivables and bills receivables, notes receivable at fair value through other comprehensive income, financial assets included in other receivables, contract assets, and bank balances and cash, and loan receivables. We do not hold any collateral or other credit enhancements to cover its credit risks associated with our financial assets.

RELATED PARTY TRANSACTIONS

For details about our related party transactions during the Track Record Period, see Note 44 of the Accountants’ Report in Appendix I to this document.

Our Directors are of the view that each of the related party transactions set out in Note 44 to the Accountants’ Report in Appendix I to this document was conducted in the ordinary course of business on an arm’s-length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or make our historical results not reflective of our future performance.

DIVIDENDS

We declared cash dividends to our Shareholders of RMB52.8 million, RMB104.0 million and RMB157.1 million in 2023, 2024 and the ten months ended October 31, 2025, respectively. As of the date of this document, we have paid these dividends in full. For details, see Note 14 to the Accountants’ Report in Appendix I to this document.

FINANCIAL INFORMATION

After the completion of the [REDACTED], we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. In principle, we prioritize cash dividends as the profit distribution method if the conditions for cash dividends are met. When we have major investment plans or significant cash expenditures, we may distribute dividends in the form of share dividends. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our Board and will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory and regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Our Shareholders may approve any declaration of dividends.

According to applicable laws in China and our Articles of Association, we will pay dividends out of our profit after tax only after we have made the following allocations: (i) recovery of the losses incurred in previous years, (ii) allocations to the statutory reserve equivalent to 10% of our profit after tax, (iii) allocations to a discretionary common reserve of certain percentage of our profit after tax that are approved by Shareholders’ general meeting. If there are no major investment plans or significant cash expenditures, the profits distributed in cash shall be no less than 20% of the distributable profits achieved in the year. At the same time, our cumulative profits distributed in cash over the past three years shall be no less than 30% of the average annual distributable profits achieved in the past three years.

WORKING CAPITAL

Taking into account the financial resources available to us, including our cash and cash equivalents on hand, operating cash flows, available financing facilities and the estimated net [REDACTED] from the [REDACTED], our Directors are of the view that we have sufficient working capital to meet our present requirements and for at least the next 12 months from the date of this document.

DISTRIBUTABLE RESERVES

As of October 31, 2025, we had approximately RMB3,652.8 million of retained earnings available for distribution to our Shareholders.

[REDACTED]

FINANCIAL INFORMATION

[REDACTED]

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix II — Unaudited [REDACTED] Financial Information.”

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document no material adverse change in our financial condition, operating results, or business prospects there has been no material adverse change in our financial or trading position or prospects since October 31, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since October 31, 2025 that would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND [REDACTED]

FUTURE PLANS

For a detailed description of our future plans, see “Business — Our Strategies.”

[REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately [REDACTED], after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of [REDACTED] per Share, which is the mid-point of the indicative [REDACTED] stated in this document.

We currently intend to use the [REDACTED] from the [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to the construction of a prefabricated substation specifically developed and designed for data center power supply station, featuring 110/220 kV high-voltage AC input and 800 V DC output. This project will materialize the data center power supply substation and serve as a benchmark product demonstrating our capability to deliver end-to-end power supply solutions for data centers. We expect to use this portion of the [REDACTED] primarily to procure raw materials for the manufacture and assembly of key substation components, including prefabricated cabins, high-voltage and low-voltage power equipment, solid-state transformers (SSTs), DC power distribution modules, and other electrical equipment.
- Approximately [REDACTED], representing [REDACTED] of the [REDACTED] from the [REDACTED], is expected to be allocated to advancing our technological capabilities and strengthening our R&D capabilities. This strategic investment is designed to deepen our key technology R&D capabilities in products such as prefabricated substations and core PTD equipment, and to secure our technology leadership in power supply within the future AI era, providing integrated, full-link energy solutions featuring high-voltage and high-current for high-power-density AI data centers. We plan to focus our R&D initiatives on the following aspects:
 - i. Approximately [REDACTED], being [REDACTED] of the [REDACTED], will be allocated to deepening our capabilities in high-voltage and large-capacity integration, extreme environment adaptability and full-lifecycle intelligent management in prefabricated substations and core PTD equipment, with a focus on the R&D of higher-specification prefabricated substations, and advancing the innovation and application of core products such as environmentally friendly alternative switchgear and digital intelligent power distribution technologies.

FUTURE PLANS AND [REDACTED]

- ii. Approximately [REDACTED], being [REDACTED] of the [REDACTED], will be used to construct our advanced R&D laboratories and testing platforms for data center SST and other related power equipment technologies, and for purchasing critical R&D consumables and advanced R&D equipment required for the prototype trial.
 - iii. Approximately [REDACTED], being [REDACTED] of the [REDACTED], will be allocated to global recruitment of high-end R&D talent in fields such as power electronics, high-voltage technology, intelligent algorithms and thermal design. Concurrently, we intend to provide our existing team with systematic professional training and opportunities for advanced learning in frontier fields, with the goal of building a core R&D team capable of sustaining our long-term technological innovation.
 - iv. Approximately [REDACTED], being [REDACTED] of the [REDACTED], will be allocated to fund research initiatives at our partner universities, establish post-doctoral research laboratories, and advance collaborative industry-academia R&D projects.
- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], is expected to be allocated to establish our global operational center covering manufacturing, sales, and customer services, to enhance our global competitiveness:
 - (i) Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be used in the construction of the manufacturing base in the Middle East for high-end modular power equipment (“**Middle East Manufacturing Base**”). Based on the local practices, constructing a substation often takes several years. In contrast, our prefabricated substations, representing an advanced factory prefabrication model and standard, can significantly reduce the delivery cycle to several months, meeting the rapidly increasing electricity demand in the Middle East. At our Middle East Manufacturing Base, we will manufacture and assemble prefabricated substations to address the pressing need for power infrastructure that can be rapidly deployed, flexibly adapted and reliably operated across the Middle East, North Africa, and Europe. This base will enhance our regional delivery efficiency, reduce overall costs, and ensure our products’ quality and reliability. Specifically, we plan to allocate the [REDACTED] for Middle East Manufacturing Base in the following areas:
 - Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to the construction of production facilities meeting international manufacturing standards, a technology demonstration and training center, and related supporting facilities;
 - Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to the introduction of advanced automated production lines, intelligent inspection equipment, and digital assembly systems; and

FUTURE PLANS AND [REDACTED]

- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be used to establish a localized technical and operational team in the Middle East, as well as to develop localized products for the Middle East market, enabling us to evolve from a single equipment supplier into a comprehensive partner.
- (ii) Approximately [REDACTED], being [REDACTED] of the [REDACTED], will be used to establish local teams in key overseas markets, including the Middle East, Southeast Asia, Central Asia, Europe, and Africa, to provide sales, technology and maintenance services to our customers, enhancing our global service capabilities.

Specifically, we plan to allocate the [REDACTED] as follows:

- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to building local sales and technical service teams with marketing and industry expertise and local knowledge to enhance our customer reach and services;
- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to expansion of our overseas operation and supply chain infrastructure. We will establish one overseas service base and regional supply centers in the key markets and purchase vehicles to be used by the local team in providing technical support, delivering spare parts and materials, and performing on-site work;
- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], will be allocated to promotion activities. We plan to attend influential international industry exhibitions and promotional activities, elevating our global brand influence in the power equipment and EV charging sectors. This will also help us gain valuable insights into market demand and technological trends to inform future R&D and product development.
- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], is expected to be used to selectively pursue strategic investments and acquisitions that we believe will allow us to expand our existing product, service offerings and our customer base, and enhance our technology capabilities. We plan to prudently evaluate and consider a wide array of potential investments in emerging businesses that are complementary to our business. Our selection criteria for potential targets include but are not limited to those:
 - i. targets primarily engaging in intelligent power distribution, EV charging network ecosystem, renewable energy micro-grids, or related frontier technologies, particularly those with a proven operational track record and demonstrable financial performance within our target technical fields or expansion markets;

FUTURE PLANS AND [REDACTED]

- ii. targets that offer complementary product portfolios or significant operational synergies with our existing business lines, thereby could enabling us to achieve enhanced economies of scale;
- iii. targets possessing core technologies, patents, or innovative products with significant market potential, specifically in fields such as digital energy storage, and energy management systems; and
- iv. targets led by core management teams possessing profound industry experience and deep technical expertise within relevant industry sectors.

As of the Latest Practicable Date, we have not identified any specific acquisition targets or entered into any definitive agreements. According to CIC, as of October 31, 2025, there are around 8,000 targets globally that meet our preliminary selection criteria. We intend to leverage such strategic investments or acquisitions to integrate key resources, acquire advanced technologies, and expand our market share to further solidify our comprehensive competitiveness.

- Approximately [REDACTED], being [REDACTED] of the [REDACTED] from the [REDACTED], is expected to be used for our working capital and general corporate purposes.

If the [REDACTED] is set at [REDACTED] per Share, which is the high end of the indicative [REDACTED], the [REDACTED] from the [REDACTED] will increase by approximately [REDACTED]. If the [REDACTED] is set at [REDACTED] per Share, which is the low end of the indicative [REDACTED], the [REDACTED] from the [REDACTED] will decrease by approximately [REDACTED].

If the [REDACTED] is exercised in full, the [REDACTED] that we will receive will be approximately [REDACTED], assuming an [REDACTED] of [REDACTED] per Share (being the mid-point of the indicative [REDACTED]).

To the extent that the [REDACTED] from the [REDACTED] (including the [REDACTED] from the exercise of the [REDACTED]) are either more or less than expected, we may adjust the allocation of the [REDACTED] among the above purposes on a pro rata basis.

If the [REDACTED] from the [REDACTED] are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, we will only deposit such [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or the applicable laws and regulations in other jurisdictions so long as it is deemed to be in the best interests of our Company. We will issue an appropriate announcement if there is any material change to the above proposed [REDACTED].

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

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HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report set out on pages I-1 to I-103, received from the Company’s independent reporting accountants, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this document.



ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF QINGDAO TGOOD ELECTRIC CO., LTD 青島特銳德電氣股份有限公司, CHINA GALAXY INTERNATIONAL SECURITIES (HONG KONG) CO., LTD AND GF CAPITAL (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Qingdao TGOOD Electric Co., Ltd 青島特銳德電氣股份有限公司 (the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-4 to I-[103], which comprises the consolidated statements of financial position of the Group as at 31 December 2023, 2024 and 31 October 2025, the statements of financial position of the Company as at 31 December 2023, 2024 and 31 October 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 December 2023 and 2024, and for the ten months ended 31 October 2025 (the “Track Record Period”) and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-[4] to I-[103] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the “Document”) in connection with the proposed [REDACTED] of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants’ Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public

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Accountants (the “HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of Historical Financial Information that give a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and 2024, of the financial position of the Company as at 31 December 2023 and 2024 and of the financial performance and cash flows of the Group for the year ended 31 December 2023 and 2024 in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Review of interim financial information

We have reviewed the interim financial information of the Group which comprises the consolidated statement of financial position of the Group as at 31 October 2025, statement of financial position of the Company as at 31 October 2025 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the ten months ended 31 October 2025 and 2024 and other explanatory information (the “Interim Financial Information”). The directors of the Company are responsible for the preparation and presentation of the Interim Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit

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conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Information, for the purposes of the accountants’ report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding up and Miscellaneous Provisions) Ordinance

Adjustments

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

Dividends

We refer to Note 14 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Hong Kong, [●]

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HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information have been prepared in accordance with the accounting policies which conform with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and were audit by ZHONGHUI ANDA CPA Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “Underlying Financial Statements”).

The unaudited Interim Financial Information in this report was prepared based on management accounts of the Group for the ten months ended 31 October 2024 and 2025.

The Historical Financial Information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended 31 December		Ten months ended 31 October	
		2023	2024	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
Revenue	6	12,690,571	15,374,476	10,425,813	11,328,749
Cost of sales		<u>(9,360,077)</u>	<u>(11,389,214)</u>	<u>(7,845,486)</u>	<u>(8,288,700)</u>
Gross profit		3,330,494	3,985,262	2,580,327	3,040,049
Other income, gains and losses	7	155,445	85,567	108,303	162,814
Selling and marketing expenses		(831,326)	(891,166)	(669,330)	(755,685)
Administrative expenses .		(911,771)	(1,070,590)	(721,709)	(756,254)
Research and development expenses		(489,357)	(574,588)	(418,809)	(432,318)
Impairment losses under expected credit loss model, net	8	(566,117)	(389,927)	(276,614)	(222,572)
Share of profits of associates	22	55,068	70,577	60,803	68,896
Finance costs	9	<u>(208,912)</u>	<u>(188,947)</u>	<u>(157,201)</u>	<u>(135,815)</u>
Profit before tax	10	533,524	1,026,188	505,770	969,115
Income tax expenses	11	<u>(6,765)</u>	<u>(86,787)</u>	<u>(1,157)</u>	<u>(134,056)</u>
Profit for the year/period		526,759	939,401	504,613	835,059
Other comprehensive income/(loss):					
<i>Items that may be reclassified to profit or loss:</i>					
Exchange differences arising on translation of foreign operations . .		<u>—</u>	<u>(11)</u>	<u>—</u>	<u>(138)</u>
Total comprehensive income for the year/period		<u>526,759</u>	<u>939,390</u>	<u>504,613</u>	<u>834,921</u>

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	<i>Notes</i>	Year ended 31 December		Ten months ended 31 October	
		2023	2024	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
Profit/(loss) for the year/period attributable to:					
Owners of the					
Company		491,146	916,559	514,406	813,223
Non-controlling					
interests		<u>35,613</u>	<u>22,842</u>	<u>(9,793)</u>	<u>21,836</u>
		<u>526,759</u>	<u>939,401</u>	<u>504,613</u>	<u>835,059</u>
Total comprehensive income/(expense) for the year/period attributable to:					
Owners of the					
Company		491,146	916,551	514,406	813,090
Non-controlling					
interests		<u>35,613</u>	<u>22,839</u>	<u>(9,793)</u>	<u>21,831</u>
		<u>526,759</u>	<u>939,390</u>	<u>504,613</u>	<u>834,921</u>
Earnings per share attributable to owners of the Company					
Basic (RMB)	15	<u>0.48</u>	<u>0.89</u>	<u>0.50</u>	<u>0.79</u>
Diluted (RMB)	15	<u>0.48</u>	<u>0.89</u>	<u>0.50</u>	<u>0.78</u>

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP

		As at 31 December		As at 31 October
	Notes	2023	2024	2025
		RMB’000	RMB’000	RMB’000 (unaudited)
NON-CURRENT ASSETS				
Property, plant and equipment	16	3,943,260	3,699,771	3,690,165
Right-of-use assets	17	1,473,692	1,369,086	1,113,644
Investment properties	18	22,182	21,235	16,672
Goodwill	19	189,286	189,286	191,209
Other intangible assets	20	458,334	405,538	346,177
Interests in associates	22	1,620,740	1,765,668	1,919,416
Deferred tax assets	23	711,873	815,279	878,864
Investments at fair value through profit or loss	24	3	3	3
Trade receivables	27	15,778	162,130	124,970
Other receivables	29	56,714	205,097	238,510
Other non-current assets	25	68,116	139,710	106,215
Total non-current assets		8,559,978	8,772,803	8,625,845
CURRENT ASSETS				
Inventories	26	1,609,017	1,205,617	1,718,015
Trade and bills receivables	27	8,444,563	9,751,613	9,596,733
Notes receivable at fair value through other comprehensive income	28	147,825	269,960	133,205
Prepayments and other receivables	29	1,146,515	876,216	1,091,909
Financial assets at fair value through profit or loss	30	19,689	—	—
Contract assets	34	1,111,643	1,394,973	1,561,481
Bank balances and cash	31	2,837,650	2,742,215	2,125,558
Total current assets		15,316,902	16,240,594	16,226,901
CURRENT LIABILITIES				
Trade and bills payables	32	7,734,681	8,078,910	7,599,787
Other payables and accruals	33	1,702,465	1,876,467	1,378,598
Contract liabilities	34	700,624	718,493	848,716
Interest-bearing bank borrowings	35	2,698,662	3,099,856	3,724,499
Lease liabilities	17	148,046	168,379	138,782
Income tax payable		59,226	85,558	63,985
Total current liabilities		13,043,704	14,027,663	13,754,367
NET CURRENT ASSETS		2,273,198	2,212,931	2,472,534
TOTAL ASSETS LESS CURRENT LIABILITIES				
		10,833,176	10,985,734	11,098,379

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		As at 31 December		As at 31 October
	Notes	2023	2024	2025
		RMB'000	RMB'000	RMB'000 (unaudited)
NON-CURRENT LIABILITIES				
Other payables and accruals	33	42,620	37,530	29,711
Interest-bearing bank borrowings	35	1,453,753	944,450	655,152
Lease liabilities	17	1,042,136	1,021,051	827,092
Deferred income	36	508,402	426,840	385,736
Deferred tax liabilities	23	90,661	93,816	88,133
Total non-current liabilities		3,137,572	2,523,687	1,985,824
NET ASSETS		7,695,604	8,462,047	9,112,555
CAPITAL AND RESERVES				
Share capital	37	1,055,898	1,055,692	1,055,538
Reserves	38	5,633,507	6,418,846	7,103,007
Equity attributable to owners of the				
Company		6,689,405	7,474,538	8,158,545
Non-controlling interests		1,006,199	987,509	954,010
TOTAL EQUITY		7,695,604	8,462,047	9,112,555

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STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December	As at 31 December	As at 31 October
	Notes	2023	2024	2025
		RMB’000	RMB’000	RMB’000 (unaudited)
NON-CURRENT ASSETS				
Property, plant and equipment	16	321,165	339,527	349,962
Right-of-use assets	17	36,156	35,135	34,284
Investment properties	18	68,254	70,611	57,410
Other intangible assets	20	5,156	5,941	4,401
Investments in subsidiaries	21	2,992,445	2,962,624	3,109,013
Interests in associates	22	260,240	278,817	292,918
Deferred tax assets	23	138,391	186,505	214,096
Other receivables	29	—	—	38,287
Other non-current assets	25	15,692	23,459	32,360
Total non-current assets		3,837,499	3,902,619	4,132,731
CURRENT ASSETS				
Inventories	26	329,476	253,644	364,272
Trade and bills receivables	27	4,927,532	5,929,389	6,338,144
Notes receivable at fair value through other comprehensive income	28	120,939	235,136	102,218
Prepayments and other receivables	29	361,764	264,538	262,599
Financial assets at fair value through profit or loss	30	19,689	—	—
Contract assets	34	923,153	1,215,803	1,440,009
Bank balances and cash	31	1,137,874	1,504,612	1,232,975
Total current assets		7,820,427	9,403,122	9,740,217
CURRENT LIABILITIES				
Trade and bills payables	32	5,461,041	6,693,641	7,410,542
Other payables and accruals	33	539,339	810,721	458,097
Contract liabilities	34	233,917	305,139	330,855
Interest-bearing bank borrowings	35	999,133	650,874	874,146
Total current liabilities		7,233,430	8,460,375	9,073,640
NET CURRENT ASSETS		586,997	942,747	666,577
TOTAL ASSETS LESS CURRENT LIABILITIES		4,424,496	4,845,366	4,799,308

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		As at 31 December	As at 31 December	As at 31 October
	Notes	2023	2024	2025
		RMB’000	RMB’000	RMB’000 (unaudited)
NON-CURRENT LIABILITIES				
Interest-bearing bank borrowings	35	223,700	590,850	418,700
Deferred income	36	23,051	19,580	26,242
Deferred tax liabilities	23	2,961	2,646	2,386
Total non-current liabilities		249,712	613,076	447,328
NET ASSETS		4,174,784	4,232,290	4,351,980
CAPITAL AND RESERVES				
Share capital	37	1,055,898	1,055,692	1,055,538
Reserves	38	3,118,886	3,176,598	3,296,442
TOTAL EQUITY		4,174,784	4,232,290	4,351,980

Year ended 31 December 2023

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Attributable to owners of the Company

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Ten months ended 31 October 2025 (unaudited)

	Attributable to owners of the Company									
	Share capital	Capital reserve	Treasury shares	Foreign currency translation reserve	Special reserve	Statutory surplus reserve	Retained earnings	Subtotal	Non-controlling interest	Total
	RMB '000	RMB '000	RMB '000	RMB '000	(note 38(c)) RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
At 1 January 2025	1,055,692	3,527,372	(321,788)	(8)	12,649	204,003	2,996,618	7,474,538	987,509	8,462,047
Profit for the period	–	–	–	–	–	–	813,223	813,223	21,836	835,059
Other comprehensive loss for the period:										
Exchange differences on translation of foreign operations	–	–	–	(133)	–	–	–	(133)	(5)	(138)
Profit and total comprehensive income/(expenses) for the period	–	–	–	(133)	–	–	813,223	813,090	21,831	834,921
Dividend declared (note 14)	–	–	–	–	–	–	(157,077)	(157,077)	–	(157,077)
Dividend distributions of non-wholly owned subsidiaries	–	–	–	–	–	–	–	–	(8,712)	(8,712)
Repurchase of treasury shares (note 38)	–	–	(753)	–	–	–	–	(753)	–	(753)
Repurchase of shares under share award scheme (note 37)	(154)	(1,565)	3,920	–	–	–	–	2,201	–	2,201
Effect of unlocking shares under 2023 Restricted Share Incentive Plan	–	–	48,306	–	–	–	–	48,306	–	48,306
Acquisition of additional equity interests in non-wholly owned subsidiaries	–	(115,145)	–	–	–	–	–	(115,145)	(17,443)	(132,588)
Acquisition of non-wholly owned subsidiaries	–	–	–	–	–	–	–	–	30,465	30,465
Capital injection by non-controlling interests of subsidiaries	–	–	–	–	–	–	–	–	12,332	12,332
Recognition of equity settled share-based compensation (note 39)	–	99,931	–	–	–	–	–	99,931	9,162	109,093
Utilisation of special reserve	–	–	–	–	(4)	–	–	(4)	(4)	(8)
Disposal of non-wholly owned subsidiaries (note 47)	–	(192)	–	–	(6,570)	–	–	(6,762)	(81,130)	(87,892)
Others	–	220	–	–	–	–	–	220	–	220
At 31 October 2025 (unaudited)	1,055,538	3,510,621	(270,315)	(141)	6,075	204,003	3,652,764	8,158,545	954,010	9,112,555

Attributable to owners of the Company

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
Cash flows from operating activities				
Profit before tax	533,524	1,026,188	505,770	969,115
Adjustments for:				
Impairment losses under expected credit loss model, net	566,117	389,927	276,614	222,572
Impairment losses on inventories	50,883	50,445	28,404	24,685
Impairment losses on property, plant and equipment	42,996	210,454	63,466	50,196
Depreciation of property, plant and equipment	387,209	411,581	339,755	342,392
Depreciation of investment properties	579	947	789	634
Depreciation of right-of-use assets	146,867	188,340	175,789	159,391
Amortisation of other intangible assets	99,739	84,316	70,556	68,594
(Gains)/losses on disposals of property, plant and equipment	(13,766)	(61,898)	6,970	(34,466)
(Gains)/losses on termination of lease contracts	(2,738)	4,348	(5,718)	10,076
Write off of property, plant and equipment	79,948	36,329	29,583	30,921
Write off of other intangible assets	5,664	1,828	1,828	1,137
Fair value losses/(gains) on financial assets at fair value through profit or loss	13,457	(143)	3,634	–
Finance costs	208,912	188,947	157,201	135,815
Foreign exchange (gains)/losses, net	(1,830)	(1,381)	(293)	4,580

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	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
(Gains)/losses on disposal of subsidiaries	(5,047)	6,113	6,160	(16,389)
Losses/(gains) on disposal of associates	1,676	364	(5,954)	(9,230)
Provision/(utilisation) of special reserve	1,166	(229)	(218)	(8)
Share of profits of associates . . .	(55,068)	(70,577)	(60,803)	(68,896)
Share based payment expenses .	67,312	105,713	82,664	109,093
Bank interest income	(28,727)	(19,123)	(14,051)	(18,706)
Operating profit before working capital changes	2,098,873	2,552,489	1,662,146	1,981,506
Change in trade and bills receivables	(1,519,722)	(1,774,621)	(946,289)	(145,526)
Change in notes receivable at fair value through other comprehensive income	93,583	(122,135)	24,467	136,755
Change in prepayment and other receivables	(217,995)	17,552	10,369	(194,340)
Change in other non-current assets	(22,388)	9,853	9,853	2,166
Change in inventories	(221,478)	386,571	(347,136)	(567,788)
Change in contract assets	(150,993)	(306,616)	(258,758)	(249,201)
Change in contract liabilities . . .	(576)	17,934	184,082	129,715
Change in trade and bills payables	789,169	376,873	(288,092)	(217,957)
Change in other payables and accruals	482,217	399,016	(282,786)	(530,081)
Change in deferred income	94,196	(81,562)	(61,554)	(46,730)
Cash generated from/(used in) operations	1,424,886	1,475,354	(293,698)	298,519
Income tax paid	(80,232)	(160,740)	(150,808)	(229,827)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	1,344,654	1,314,614	(444,506)	68,692

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	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
Cash flows from investing activities				
Payment of property, plant and equipment	(1,061,561)	(870,584)	(804,189)	(525,238)
Proceeds from disposal of property, plant and equipment . .	83,290	186,195	120,431	57,366
Payment of intangible assets	(4,821)	(5,466)	(4,844)	(7,096)
Purchases of financial assets at fair value through profit or loss .	(103,000)	—	—	—
Proceeds from disposal of financial assets at fair value through profit or loss	153,000	19,832	—	—
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	(146)	(219)	—	11,806
Acquisition of subsidiaries, net of cash and cash equivalents acquired	—	—	—	302
Dividend received from associates	26,283	690	690	5,587
Proceed from disposal of associates	89,665	—	—	—
Acquisition of interests in associates	(137,843)	(138,650)	(123,322)	(110,340)
Interest received	28,727	19,123	14,051	18,706
NET CASH USED IN INVESTING ACTIVITIES	(926,406)	(789,079)	(797,183)	(548,907)
Cash flows from financing activities				
Borrowings raised	2,480,187	3,124,194	2,686,222	2,246,601
Repayment of borrowings	(2,871,555)	(3,232,303)	(2,000,085)	(1,858,179)
Proceeds from issuance of shares under share award scheme	169,487	—	—	—
Interest paid	(158,798)	(130,488)	(106,316)	(97,350)
Repayment of lease liabilities	(173,749)	(179,151)	(142,050)	(147,795)
Repurchase of treasury shares	(97,214)	(202,788)	(202,788)	(753)
Proceeds from treasury shares through share award scheme . . .	—	73,193	—	—
Repurchase of shares under share award scheme	—	(2,299)	(2,299)	(1,719)

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	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			<i>(unaudited)</i>	<i>(unaudited)</i>
Dividend paid in relation to distribution to non-controlling shareholders of subsidiaries	(17,658)	(4,726)	(3,331)	(8,712)
Dividends paid to Company’s shareholders	(50,529)	(105,637)	(105,637)	(157,911)
Acquisition of additional equity interests in non-wholly owned subsidiaries	(3,292)	(30,635)	(30,636)	(132,588)
Change in restricted and pledged bank deposit and other financing activities	157,178	158,299	97,820	44,679
Capital injection by non- controlling interests of subsidiaries	<u>27,421</u>	<u>29,499</u>	<u>25,428</u>	<u>12,332</u>
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	<u>(538,522)</u>	<u>(502,842)</u>	<u>216,328</u>	<u>(101,395)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(120,274)	22,693	(1,025,361)	(581,610)
Effect of foreign exchange rate changes	1,229	516	404	(2,625)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/PERIOD	<u>2,327,692</u>	<u>2,208,647</u>	<u>2,208,647</u>	<u>2,231,856</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	<u>2,208,647</u>	<u>2,231,856</u>	<u>1,183,690</u>	<u>1,647,621</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS:				
Bank deposits and cash balances . .	2,208,647	2,231,856	1,183,690	1,647,621
Restricted bank deposits	<u>629,003</u>	<u>510,359</u>	<u>502,305</u>	<u>477,937</u>
Cash and bank balances as stated in the consolidated statement of financial position	<u>2,837,650</u>	<u>2,742,215</u>	<u>1,685,995</u>	<u>2,125,558</u>

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NOTES TO HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Qingdao TGOOD Electric Co., Ltd (the “Company”) was incorporated in the People’s Republic of China (the “PRC”). The registered address and office of the Company is No. 336, Songling Road, Laoshan District, Qingdao, PRC. In October 2009, the Company’s shares were listed on the ChiNext Board of the Shenzhen Stock Exchange with stock code 300001. Qingdao Derui Investment Co., Ltd. (青島德銳投資有限公司) (“Derui Investment”) is the Company’s single largest shareholder, and Derui Investment is ultimately controlled by Mr. Yu Dexiang (于德翔).

During the Track Record Period, the Company and its subsidiaries (together, the “Group”) were principally engaged in manufacturing of prefabricated substation, manufacturing and sales of EV charging equipment, and operation of EV charging network, as set out in note 21 to the Historical Financial Information.

The statutory consolidated financial statements of the Company for the years ended 31 December 2023 and 2024 prepared in accordance with the relevant accounting principles and financial regulations applicable to the enterprises in the PRC were audited by Hexin Certified Public Accountants LLP (和信會計師事務所(特殊普通合伙)), certified public accountants registered in the PRC. No audited consolidated financial statements of the Company was issued for the period from 1 January 2025 to 31 October 2025.

2. BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with HKFRS Accounting Standards, which comprise all standards and interpretations approved by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users of the Historical Financial Information. In addition, the Historical Financial Information include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

3. APPLICATION OF HKFRS ACCOUNTING STANDARDS

For the purpose of preparing the Historical Financial Information for the Track Record Period, the Group has consistently applied the HKFRS Accounting Standards issued by the HKICPA, which are effective for the accounting period beginning on 1 January 2025 throughout the Track Record Period.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards which have been issued but are not yet effective:

Hong Kong Financial Reporting Standards (“HKFRS”) 18	Presentation and Disclosure in Financial Statements ²
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 10 and Hong Kong Accounting Standards (“HKAS”) 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹

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

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

3. No mandatory effective date yet determined but available for adoption

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Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, narrow-scope amendments have been made to HKAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. There are also consequential amendments to several other standards. HKFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. HKFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the consolidated financial statements.

Except as described above, the directors of the Company anticipate that the application of the new HKFRS Accounting Standards would have no material impact on the Group’s results of operations and financial position in the foreseeable future.

4. MATERIAL ACCOUNTING POLICY

The Historical Financial Information has been prepared in accordance with HKFRS Accounting Standards and the applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which have been measured at fair value.

The preparation of Historical Financial Information in conformity with HKFRS Accounting Standards requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas where assumptions and estimates are significant to these Historical Financial Information, are disclosed in note 5 to the consolidated financial statements.

The material accounting policies applied in the preparation of the Historical Financial Information are set out below.

Consolidation

The Historical Financial Information includes the financial statements of the Group for the Track Record Period. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity’s returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company’s share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

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Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combinations and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company’s share of the net fair value of the subsidiary’s identifiable assets and liabilities is recorded as goodwill. Any excess of the Company’s share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, equity investments at fair value through other comprehensive income), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy (II) below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders’ proportionate share of the net fair value of the subsidiary’s identifiable assets and liabilities at the acquisition date.

Subsidiaries

Investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

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Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder’s intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group’s share of the net fair value of the associate’s identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group’s share of an associate’s post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group’s share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group’s share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group’s interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

(i) Functional and presentation currency

Items included in the Historical Financial Information of each of the group’s entity are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The Historical Financial Information is presented in RMB, which is the Company’s presentation currency and the functional currency of the principal operating subsidiaries of the Group.

(ii) Transactions and balances in each entity’s financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

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(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company’s presentation currency are translated into the Company’s presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Property, plant and equipment

Land and buildings comprise mainly factories and offices. All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

– Buildings	15 to 30 years
– Leasehold improvements	The shorter of remaining lease terms and estimated useful lives
– Motor vehicles	5 to 10 years
– Machinery and equipment	5 to 25 years
– Furniture, fixtures and other equipment	5 to 10 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

Construction in progress represents buildings under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

Investment properties

Investment properties are land and/or buildings held to earn rentals and/or for capital appreciation. An investment property is measured initially at its cost including all direct costs attributable to the property.

After initial recognition, the investment property is stated at cost less accumulated depreciation and impairment losses. The depreciation is calculated using the straight line method to allocate the cost to the residual value over its estimated useful life of 30 years.

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Leases

The Group as a lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset’s useful life and the lease term on a straight-line basis. The principal annual rates are as follows:

- Leasehold land 50 years
- Office premises 3-10 years

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group’s incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US\$5,000.

The Group as lessor

(i) Operating leases

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(ii) Finance leases

Leases that substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as finance leases. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group’s net investment in the leases.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets with finite useful lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 2 to 10 years.

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Research and development expenses

All research expenses are charged to the statement of profit or loss as incurred.

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

All development expenses were charged to the statement of profit or loss as incurred during the Track Record Period.

Patents

Patents are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 3 to 5 years.

Franchising rights

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. The intangible asset received as consideration for providing construction services in a service concession arrangement is measured at fair value upon initial recognition, estimated by reference to the fair value of the construction services provided.

Subsequent to initial recognition the intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is made on a straight-line basis over its estimated useful life of 5-18 years. The estimated useful life of the intangible asset is the period when it is available for use to the end of the concession period.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset’s carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

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Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified under the following categories:

- Financial assets at amortised cost;
- Investments at fair value through profit or loss; and
- Debt investments at fair value through other comprehensive income.

Financial assets at amortised cost

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

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

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

Investments at fair value through profit or loss

Financial assets are classified under this category if they do not meet the conditions to be measured at amortised cost and the conditions of debt investments at fair value through other comprehensive income unless the Group designates an equity investment that is not held for trading as at fair value through other comprehensive income on initial recognition.

Investments at fair value through profit or loss are subsequently measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The fair value gains or losses recognised in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognised in profit or loss.

Debt investments at fair value through other comprehensive income

Debt investments are classified under this category if they satisfy both of the following conditions:

- the assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets; and
- the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at fair value. Interest income calculated using the effective interest method is recognised in profit or loss.

The assets are treated as monetary items. A foreign currency asset is treated as an asset measured at amortised cost in the foreign currency. Exchange differences on the amortised cost are recognised in profit or loss.

Other gains or losses are recognised in other comprehensive income and accumulated in the debt investment revaluation reserve. On derecognition of an investment, the cumulative gains or losses previously accumulated in the debt investment revaluation reserve are reclassified to profit or loss.

The loss allowance for expected credit losses is recognised in other comprehensive income and does not reduce the carrying amount of the assets.

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Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost, notes receivables at fair value through other comprehensive income and contract assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument (“lifetime expected credit losses”) for trade receivables and notes receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Contract assets

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

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group’s cash management are also included as a component of cash and cash equivalents.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRS Accounting Standards. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Financial guarantee contract liabilities

Financial guarantee contract liabilities are initially recognised at fair value and subsequently measured at the higher of the loss allowance and the amount initially recognised less cumulative amortisation recognised in profit or loss over the terms of the guarantee contracts.

Contract liabilities

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

Trade and bills payables

Trade and bills payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

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Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance;
- the Group’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

Other revenue

Interest income is recognised using the effective interest method.

Rental income is recognized on a straight-line basis over the lease term.

Employee benefits

Employee leave entitlements

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

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees’ basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

Termination benefits

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

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Share-based payments

The Group issues equity-settled and cash-settled share-based payments to certain employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

The Group issues equity-settled share-based payments to certain directors, employees and consultants.

Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Equity-settled share-based payments to consultants are measured at the fair value of the services rendered or if the fair value of the services rendered cannot be reliably measured, at the fair value of the equity instruments granted. The fair value is measured at the date the Group receives the services and is recognised as an expense.

For cash-settled share-based payments, the Group measures the goods or services acquired and the liability incurred at the fair value of the liability. At the end of each reporting period, the liability is remeasured at its fair value until the liability is settled, with any changes in fair value recognised in profit or loss.

The Group also provides employees with the ability to purchase the Company’s ordinary shares at a discount to the current market value. The Group records an expense, based on the fair value of the discount related to shares expected to vest (taking in account the post vesting transfer restrictions), on a straight-line basis over the vesting period.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

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Income tax

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Target Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in these Historical Financial Information and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable 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, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Segment reporting

Operating segments and the amounts of each segment item reported in the Historical Financial Information are identified from the financial information provided regularly to the Group’s most senior executive management for the purpose of allocating resources and assessing the performance of the Group’s various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of productions processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

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Related parties

A related party is a person or entity that is related to the Group.

- (a) A person, or a close member of that person’s family, is related to the Group if that person:
 - (i) has control or joint control of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Target Group or the Group’s parent.
- (b) An entity is related to the Target Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group’s parent.

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

Impairment of assets

Intangible assets that have an indefinite useful life or not yet available for use are reviewed annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and other intangible assets except goodwill, investment properties, deferred tax assets, investments, inventories and receivables 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 any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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.

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Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions and contingent liabilities

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

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

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Further details of the goodwill are set out in note 19 to the Historical Financial Information.

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated cost to be incurred to completion and disposal. These estimates are based on the current market condition and the historical experience of selling products of a similar nature. It could change significantly as a result of changes in downstream industries. Any write down of inventories to net realisable value or reversal of write down of inventories will impact on the carrying values of the inventories and the expenses of that period. Inventories will be reviewed annually for provision, if appropriate. Further details of the inventories are set out in note 26 to the Historical Financial Information.

Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group’s property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write off or write down technically obsolete or non- strategic assets that have been abandoned or sold.

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Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is determined with reference to the present value of estimated future cash flows. Where the future cash flows are less than expected or there are unfavourable events and change in facts and circumstance which result in revision of future estimate cash flows, a material impairment loss may arise.

Fair value of investment

In the absence of quoted market prices in an active market, the directors estimate the fair value of the Group’s investment in financial assets at fair value through other comprehensive income — notes receivable, details of which are set out in notes 28 and 48 to the Historical Financial Information, by considering information from a variety of sources, including the latest published financial information, the historical data on market volatility as well as the price and industry and sector performance of the counter parties.

6. REVENUE AND SEGMENT INFORMATION

A. Revenue

(a) Disaggregation of revenue from contracts with customers and revenue from other sources

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Revenue from contracts with customers				
Major products/service:				
High-voltage prefabricated substations	2,281,530	2,664,790	1,860,805	2,243,633
Medium-voltage prefabricated substations	2,875,609	4,304,726	3,004,373	3,667,917
Core power transformation and distribution (“PTD”) equipment	3,292,551	3,377,869	2,646,538	2,385,052
Electric vehicle charging (“EV-charging”) equipment	2,675,333	3,282,815	1,512,803	1,696,511
EV-charging network operation services	1,450,197	1,601,671	1,282,927	1,239,284
Total revenue from contracts with customers	12,575,220	15,231,871	10,307,446	11,232,397
Timing of revenue recognition:				
At a point in time	11,622,125	13,585,220	9,155,110	9,937,312
Over time	953,095	1,646,651	1,152,336	1,295,085
Total revenue from contracts with customers	12,575,220	15,231,871	10,307,446	11,232,397
Revenue from other sources:				
Leases income	115,351	142,605	118,367	96,352
TOTAL REVENUE	12,690,571	15,374,476	10,425,813	11,328,749

(b) Performance obligation

Sales of high-voltage prefabricated substations and medium-voltage prefabricated substations

The Group recognises revenue from the sale of high-voltage prefabricated substations and medium-voltage prefabricated substations when the products are delivered to the customer’s designated location within the delivery period specified in the sales contract. In accordance with common industry practice for power equipment, revenue is recognised after the customer conducts tests such as voltage withstand, transmission, and protection tests, confirms the products have passed inspection, and signs the acceptance certificate. The credit period generally ranges from 30 to 90 days after the invoice date.

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However, the settlement terms of certain material contracts are based on the achievement of certain milestones of each sales transaction and the actual payment term may differ from the aforementioned credit period. The timing of revenue recognition are at a point in time.

Core PTD equipment

For construction and installation services related to core PTD equipment projects, the Group evaluates the contract upon its effective date to determine whether the performance obligations meet the criteria for over time.

If the performance obligations are satisfied over time, the Group recognises revenue over that period based on the progress of performance. The progress is measured using the input method, determined by the proportion of cumulative actual contract costs incurred to the estimated total contract costs.

When the progress of performance cannot be reasonably determined but the costs incurred are expected to be recoverable, revenue is recognised to the extent of costs incurred until progress can be reliably measured. If the incurred costs are not expected to be recoverable, they are recognised as expenses when incurred, and no revenue is recognised.

If the total contract cost is expected to exceed the total contract revenue, the expected loss is recognised immediately as a provision for contract losses and charged to current expenses.

The Group considers the contract results to be reasonably predictable and therefore recognises revenue based on the progress of performance when total contract revenue can be measured reliably, it is probable that the associated economic benefits will flow to the company, actual and future costs can be clearly distinguished and measured reliably, and the completion progress can be reliably determined.

For performance obligation of contracts that do not meet the criteria for over time, revenue is recognised upon completion and delivery of the core PTD equipment project.

Sales of EV-charging equipment

For sales of EV-charging equipment accompanied by installation and construction services, the Group recognises revenue upon completion of the installation and construction of the EV-charging equipment and after obtaining acceptance documents such as the completion acceptance report signed by the customer.

Provision of EV-charging operation network services

For the provision of EV-charging operation network services, it consists of EV-charging services, software as a service (“SaaS”) and other value-added services. the Group recognises EV-charging services revenue upon completion of the charging services provided to customers. Revenue related to the SaaS services and other value-added services is recognised over the service period as the corresponding performance obligations are fulfilled.

(c) *Leases income*

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
For operating lease:				
Lease payments that are				
fixed	115,351	142,605	118,367	96,352

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Operating leases, in which the Group is the lessor, relate to EV-charging equipment owned by the Group with non-cancelled lease terms of between 5 to 15 years. The operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lease contracts do not contain residual value guarantee and/or lessee’s option to purchase the property at the end of lease term. Lease payments are usually adjusted every year to reflect market rentals. None of the leases includes variable lease payments.

(d) Transaction price allocated to the remaining performance obligation for contracts with customers

All amounts of transaction prices allocated to the performance obligations of sales of goods are expected to be recognised as revenue within one year. The Group has no significant unsatisfied performance obligations arising from revenue contracts that have an original expected duration more than one year, thus management applied practical expedient under HKFRS 15 and is not disclosing the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied or partially satisfied at the end of each reporting period.

B. Operating segment information

For the purpose of resource allocation and assessment of segment performance, the executive directors of the Company, being the chief operating decision makers, focus on the overall results and financial position of the Group, therefore no other discrete financial information is provided other than the Group’s results and financial position as a whole. The Group has only one single operating and reportable segment and only entity-wide disclosures are presented.

Geographical information

(a) Revenue from external customers and sources

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (unaudited)	RMB’000 (unaudited)
Chinese mainland	12,483,271	14,902,528	10,020,686	10,256,871
Overseas markets	207,300	471,948	405,127	1,071,878
	<u>12,690,571</u>	<u>15,374,476</u>	<u>10,425,813</u>	<u>11,328,749</u>

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

(b) Non-current assets

All non-current assets excluding financial instruments and deferred tax assets are based on Chinese mainland.

(c) Information about major customers

Revenue from customer of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (unaudited)	RMB’000 (unaudited)
Customer A	1,308,114	—*	—*	—*

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

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7. OTHER INCOME, GAINS AND LOSSES

An analysis of the Group’s other income, gains and losses is as follows:

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (unaudited)	RMB’000 (unaudited)
Bank interest income	28,727	19,123	14,051	18,706
Government grants*	215,006	220,463	153,115	146,408
Gains/(losses) on disposal of property, plant and equipment . . .	13,766	61,898	(6,970)	34,466
Gains/(losses) on termination of leases contracts	2,738	(4,348)	5,718	(10,076)
Write off of property, plant and equipment	(79,948)	(36,329)	(29,583)	(30,921)
Write off of other intangible assets .	(5,664)	(1,828)	(1,828)	(1,137)
Fair value (losses)/gains on financial assets at fair value through profit or loss	(13,457)	143	(3,634)	–
Impairment losses on property, plant and equipment	(42,996)	(210,454)	(63,466)	(50,196)
Impairment losses of inventories . . .	(50,883)	(50,445)	(28,404)	(24,685)
Gains/(losses) on disposal of subsidiaries	5,047	(6,113)	(6,160)	16,389
(Losses)/gains on disposal of associates	(1,676)	(364)	5,954	9,230
Foreign exchange gains/(losses), net.	1,830	1,381	293	(4,580)
VAT refunded	63,979	81,490	59,379	54,984
Others	18,976	10,950	9,838	4,226
	<u>155,445</u>	<u>85,567</u>	<u>108,303</u>	<u>162,814</u>

* The government grants mainly represent incentives awarded by the local governments to support the Group’s operation. There were no unfulfilled conditions or contingencies attached to these government grants.

8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (unaudited)	RMB’000 (unaudited)
Impairment losses on trade receivables	256,563	296,122	315,261	150,612
Impairment losses/(reversal of impairment losses) on bills receivables	48,260	(51,208)	(57,929)	(15,281)
Impairment losses on other receivables	253,744	124,436	2,387	3,921
Impairment losses on contract assets	7,550	20,577	16,895	83,320
	<u>566,117</u>	<u>389,927</u>	<u>276,614</u>	<u>222,572</u>

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9. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
Interest on bank borrowings	158,798	130,488	108,124	99,180
Interest on lease liabilities	47,685	57,743	48,864	36,498
Interest on discount on notes receivable	2,429	716	213	137
	<u>208,912</u>	<u>188,947</u>	<u>157,201</u>	<u>135,815</u>

10. PROFIT BEFORE TAX

The Group’s profit before tax is arrived at after charging:

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
Cost of inventories sold	8,258,324	10,266,618	6,908,917	7,461,707
Depreciation of property, plant and equipment	387,209	411,581	339,755	342,392
Depreciation of right-of-use assets . .	146,867	188,340	175,789	159,391
Depreciation of investment properties	579	947	789	634
Amortisation of other intangible assets	99,739	84,316	70,556	68,594
Lease payments not included in the measurement of lease liabilities . .	25,955	25,063	17,846	16,863
Employee benefit expenses (including directors’ and supervisors’ remuneration):				
Wages, salaries, bonus and allowances	1,398,182	1,673,464	1,187,783	1,213,587
Share based payments	67,312	105,713	82,664	109,093
Pension scheme contributions and other social welfare	165,250	198,869	165,976	170,012
Total employee benefit expenses . .	<u>1,630,744</u>	<u>1,978,046</u>	<u>1,436,423</u>	<u>1,492,692</u>

11. INCOME TAX EXPENSES

The PRC

As the company and certain subsidiaries were accredited as a “High and New Technology Enterprises” (“HNTE”). Therefore, these above-mentioned companies were entitled to a preferential corporate income tax rate of 15% during the Track Record Periods and the ten months ended 31 October 2025. The qualification as a HNTE is subject to review by the relevant tax authority in the PRC every three years.

According to Announcement No. 23 of the Ministry of Finance in 2020, from 1 January 2021 to 31 December 2030, enterprise income tax will be levied at a reduced rate of 15% on encouraged industrial enterprises located in the western region (‘Western Development’). Encouraged industrial enterprises refer to those listed in the Catalog of Encouraged Industries in the Western Region. Certain subsidiaries are entitled to a preferential income tax rate of 15% for the Western Development during the Track Record Periods and for the ten months ended 31 October 2025.

In addition, according to relevant laws and regulations promulgated by the State Administration of Tax of the PRC, certain of the subsidiaries established in the PRC engaging in research and development activities are entitled to claim 100% of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the year.

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Hong Kong

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Current income tax – PRC EIT				
– Provision for the year/period	111,204	173,024	107,999	165,489
– Under provision in prior years/periods	8,033	14,048	5,832	42,556
	<u>119,237</u>	<u>187,072</u>	<u>113,831</u>	<u>208,045</u>
Current income tax – Hong Kong Profits Tax				
– Provision for the year/period	–	–	–	209
Total current income tax for the year/period	<u>119,237</u>	<u>187,072</u>	<u>113,831</u>	<u>208,254</u>
Deferred tax credit (<i>Note 23</i>)	<u>(112,472)</u>	<u>(100,285)</u>	<u>(112,674)</u>	<u>(74,198)</u>
Total tax charge for the year/period .	<u>6,765</u>	<u>86,787</u>	<u>1,157</u>	<u>134,056</u>

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Profit before tax	533,524	1,026,188	505,770	969,115
Tax at the preferential tax rate of 15%	80,029	153,928	75,866	145,367
Effect of different tax rates of subsidiaries	(14,709)	1,508	2,003	5,786
Underprovision in respect of prior years/periods	8,033	14,048	5,832	42,556
Income not taxable	(11,476)	(10,718)	(3,840)	(1,565)
Expenses not deductible for tax	22,905	19,172	10,617	16,726
Impact of utilising previously unrecognised deferred tax assets arising from tax losses	(6,497)	(21,380)	(5,273)	(2,462)
Deductible temporary differences not recognised	19,450	35,622	3,871	2,618
Additional deductions allowed for research and development expenses	<u>(90,970)</u>	<u>(105,393)</u>	<u>(87,919)</u>	<u>(74,970)</u>
Tax charge at the Group’s effective tax rate	<u>6,765</u>	<u>86,787</u>	<u>1,157</u>	<u>134,056</u>

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12. DIRECTORS’ AND SUPERVISORS’ REMUNERATION

The remuneration paid or payable to directors and supervisors of the Company during the Track Record Period is as follows:

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (unaudited)	RMB’000 (unaudited)
Fees	300	300	249	172
Other emoluments				
Salaries, allowances and benefits				
in kind	4,472	4,265	3,635	4,586
Performance related bonuses				
(note)	6,243	6,943	–	–
Retirement benefit scheme				
contributions	395	549	458	723
Equity settled share-based				
compensation	7,852	9,862	7,791	11,933
Subtotal	18,962	21,619	11,884	17,242
Total fees and other emoluments . . .	19,262	21,919	12,133	17,414

Note: The performance related bonus is determined based on the Group’s performance, performance of the relevant individual within the Group and comparable market statistics.

The remuneration disclosed above included the remuneration received by certain directors prior to their appointments as the directors of the Company.

	<i>Notes</i>	Position	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Retirement benefit scheme contributions	Equity settled share-based compensation	Total remuneration
			<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<u>Year ended</u>								
31 December 2023								
Mr. Yu Dexiang (于德翔)		Director	–	564	1,478	51	5,889	7,982
Mr. Chen Zhongqiang (陳忠強)		Director	–	810	300	33	1,963	3,106
Mr. Song Guofeng (宋國峰)		Director	–	485	1,025	49	–	1,559
Mr. Zhou Jun (周君)		Director	–	451	1,271	49	–	1,771
Mr. Li Jun (李軍)		Director	–	728	730	45	–	1,503
Ms. Chang Meihua (常美華)		Director	–	426	571	43	–	1,040
Mr. Wang Zhuquan (王竹泉)		Independent director	100	–	–	–	–	100
Mr. Chang Xin (常欣)		Independent director	100	–	–	–	–	100
Mr. Sun Yu Liang (孫玉亮)		Independent director	100	–	–	–	–	100
Mr. Shao Qiaoming (邵巧明)		Supervisor	–	348	275	38	–	661
Mr. Liu Xuebao (劉學寶)		Supervisor	–	335	347	38	–	720
Mr. Meng Xianglong (孟祥龍)	(ii)	Supervisor	–	253	246	36	–	535
Mr. Sun Aimin (孫愛民)	(i)	Supervisor	–	72	–	13	–	85
			<u>300</u>	<u>4,472</u>	<u>6,243</u>	<u>395</u>	<u>7,852</u>	<u>19,262</u>

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	Notes	Position	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Retirement benefit scheme contributions	Equity settled share-based compensation	Total remuneration
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended								
31 December 2024								
Mr. Yu Dexiang (于德翔)		Director	–	557	1,499	63	6,655	8,774
Mr. Chen Zhongqiang (陳忠強)		Director	–	701	300	72	2,218	3,291
Mr. Song Guofeng (宋國峰)		Director	–	509	1,076	62	–	1,647
Mr. Zhou Jun (周君)		Director	–	457	1,274	62	450	2,243
Mr. Li Jun (李軍)		Director	–	713	880	89	450	2,132
Ms. Chang Meihua (常美華)		Director	–	413	762	58	–	1,233
Mr. Wang Zhuquan (王竹泉)		Independent director	100	–	–	–	–	100
Mr. Chang Xin (常欣)		Independent director	100	–	–	–	–	100
Mr. Sun Yu Liang (孫玉亮)		Independent director	100	–	–	–	–	100
Mr. Shao Qiaoming (邵巧明)		Supervisor	–	309	379	45	–	733
Mr. Liu Xuebao (劉學寶)		Supervisor	–	325	507	55	89	976
Mr. Meng Xianglong (孟祥龍)		Supervisor	–	281	266	43	–	590
			<u>300</u>	<u>4,265</u>	<u>6,943</u>	<u>549</u>	<u>9,862</u>	<u>21,919</u>
Ten months ended								
31 October 2025								
(unaudited)								
Mr. Yu Dexiang (于德翔)		Director	–	609	–	74	6,971	7,654
Mr. Chen Zhongqiang (陳忠強)	(v)	Director	–	607	–	62	2,324	2,993
Mr. Song Guofeng (宋國峰)	(vi)	Director	–	464	–	74	–	538
Mr. Zhou Jun (周君)		Director	–	423	–	74	1,007	1,504
Mr. Li Jun (李軍)		Director	–	476	–	75	1,007	1,558
Ms. Chang Meihua (常美華)		Director	–	415	–	74	–	489
Mr. Kang Xiaobing (康曉兵)	(vii)	Director	–	484	–	74	–	558
Ms. Han Zengxue (韓增雪)	(viii)	Director	–	224	–	49	180	453
Mr. Wang Zhuquan (王竹泉)	(iii)	Independent director	6	–	–	–	–	6
Mr. Chang Xin (常欣)		Independent director	83	–	–	–	–	83
Mr. Sun Yu Liang (孫玉亮)		Independent director	83	–	–	–	–	83
Ms. Wang yuanzuo (王苑琢)	(iv)	Independent director	–	78	–	–	–	78
Mr. Shao Qiaoming (邵巧明)	(ix)	Supervisor	–	232	–	47	–	279
Mr. Liu Xuebao (劉學寶)	(x)	Supervisor	–	358	–	74	444	876
Mr. Meng Xianglong (孟祥龍)	(ii)	Supervisor	–	216	–	46	–	262
			<u>172</u>	<u>4,586</u>	<u>–</u>	<u>723</u>	<u>11,933</u>	<u>17,414</u>

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Notes	Position	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Retirement benefit scheme contributions	Equity settled share-based compensation	Total remuneration
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Ten months ended							
31 October 2024							
(unaudited)							
Mr. Yu Dexiang (于德翔)	Director	–	464	–	53	5,471	5,988
Mr. Chen Zhongqiang (陳忠強)	Director	–	592	–	60	1,824	2,476
Mr. Song Guofeng (宋國峰)	Director	–	424	–	52	–	476
Mr. Zhou Jun (周君)	Director	–	380	–	52	248	680
Mr. Li Jun (李軍)	Director	–	665	–	74	248	987
Ms. Chang Meihua (常美華)	Director	–	343	–	48	–	391
Mr. Wang Zhuquan (王竹泉)	Independent director	83	–	–	–	–	83
Mr. Chang Xin (常欣)	Independent director	83	–	–	–	–	83
Mr. Sun Yu Liang (孫玉亮)	Independent director	83	–	–	–	–	83
Mr. Shao Qiaoming (邵巧明)	Supervisor	–	262	–	37	–	299
Mr. Liu Xuebao (劉學寶)	Supervisor	–	271	–	46	–	317
Mr. Meng Xianglong (孟祥龍)	Supervisor	–	234	–	36	–	270
		<u>249</u>	<u>3,635</u>	<u>–</u>	<u>458</u>	<u>7,791</u>	<u>12,133</u>

- (i) Mr. Sun Aimin (孫愛民) resigned as a supervisor of the Company on 14 April 2023;
- (ii) Mr. Meng Xianglong (孟祥龍) was appointed as a supervisor of the Company on 14 April 2023 and resigned on 30 May 2025;
- (iii) Mr. Wang Zhuquan (王竹泉) resigned as an independent director of the Company on 23 January 2025;
- (iv) Ms. Wang yuanzuo (王苑琢) was appointed as an independent director of the Company on 23 January 2025;
- (v) Mr. Chen Zhongqiang (陳忠強) resigned as a director of the Company on 30 May 2025;
- (vi) Mr. Song Guofeng (宋國峰) resigned as a director of the Company on 30 May 2025;
- (vii) Mr. Kang Xiaobing (康曉兵) was appointed as a director of the Company on 30 May 2025;
- (viii) Ms. Han Zengxue (韓增雪) was appointed as a director of the Company on 30 May 2025;
- (ix) Mr. Shao Qiaoming (邵巧明) resigned as a supervisor of the Company on 30 May 2025;
- (x) Mr. Liu Xuebao (劉學寶) resigned as a supervisor of the Company on 30 May 2025;

The executive directors’ emoluments shown above were paid for their services in connection with the management of affairs of the Group and the Company during the Track Record Period.

The independent non-executive directors’ emoluments shown above were for their services as directors of the Company. The supervisors’ emoluments shown above were for their services as supervisors of the Company.

During the Track Record Period, certain directors were granted share-based compensation, in respect of their services to the Group under the TELD Share Award Incentive Plan, 2023 Restricted Share Incentive Plan, 2024 Restricted Share Incentive Plan and 2024 Stock Ownership Plan of the Company. Details of the share-based payment are set out in note 39 to the Historical Financial Information.

During the Track Record Period, there have been no arrangement under which a director or a supervisor waived or agreed to waive any remuneration.

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13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year ended 2023 and 2024, and the ten months ended 31 October 2024 and 2025 included 5, 5, 4 (unaudited) and 4 (unaudited) directors, respectively, details of whose remuneration are set out in note 12 above. Details of the remuneration for the remaining highest paid employees who are neither a director nor chief executive of the Company during the years ended 31 December 2023 and 2024, and the ten months ended 31 October 2024 and 2025 are as follows:

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Salaries, allowances and benefits in kind	–	–	414	501
Retirement benefit scheme contributions	–	–	50	74
Equity settled share-based compensation	–	–	290	1,175
	–	–	754	1,750
	=	=	=	=

The numbers of non-director highest paid employees whose remuneration fell within the following bands are as follows:

	Number of employees			
	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024 (unaudited)	2025 (unaudited)
Nil to HK\$1,000,000	–	–	1	–
HK\$1,500,001 to HK\$2,000,000	–	–	–	1
Total	–	–	1	1
	=	=	=	=

No emoluments had been paid by the Group to any of the directors or the supervisors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

14. DIVIDENDS

During the year ended 31 December 2023, the Company declared cash dividend in respect of the year ended 31 December 2022 of RMB0.5 per 10 ordinary shares, in aggregate of RMB52.8 million, to ordinary shareholders of the Company. The amounts have been settled during the Track Record Period.

During the year ended 31 December 2024 and ten months ended 31 October 2024, the Company declared cash dividend in respect of the year ended 31 December 2023 of RMB1.0 per 10 ordinary shares, in aggregate of RMB104.0 million, to ordinary shareholders of the Company. The amounts have been settled during the Track Record Period.

During the ten months ended 31 October 2025, the Company declared cash dividend in respect of the year ended 31 December 2024 of RMB1.5 per 10 ordinary shares, in aggregate of RMB157.1 million to ordinary shareholders of the Company. The amounts have been settled during the Track Record Period.

Subsequent to the end of the Track Record Period, no dividend was declared or proposed by the board of the directors of the Company.

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15. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share (“EPS”) amounts is based on the profit for the year/period attributable to owners of the parent, and the weighted average numbers of ordinary shares in issue during each of the Track Record Period, excluding treasury shares held for share schemes as these shares are not considered outstanding for EPS calculation purposes.

(a) Basic

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
			(unaudited)	(unaudited)
Profit attributable to owners of the Company (RMB’000)	491,146	916,559	514,406	813,223
Weighted average number of ordinary shares used in the basic earnings per share calculation . .	1,033,002,535	1,027,172,364	1,025,924,198	1,033,626,103
Basic earnings per share (RMB) . . .	0.48	0.89	0.50	0.79

(b) Diluted

The share schemes granted by the Company and the subsidiaries have potential dilutive effect on the EPS. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding, excluding treasury shares held for share schemes, by the assumption of the conversion of all potential dilutive ordinary shares arising from share schemes (collectively forming the denominator for computing the diluted EPS).

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
			(unaudited)	(unaudited)
Profit attributable to owners of the parent (RMB’000)	491,146	916,559	514,406	813,223
Weighted average number of ordinary shares used in the basic earnings per share calculation . .	1,033,002,535	1,027,172,364	1,025,924,198	1,033,626,103
Adjustment for potential shares arising from:				
2024 Restricted Share Incentive Plan	–	93,802	81,633	452,844
Share award	12,120	2,661,862	1,857,606	8,533,330
	1,033,014,655	1,029,928,028	1,027,863,437	1,042,612,277
Diluted EPS (RMB)	0.48	0.89	0.50	0.78

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16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings	Leasehold improvements	Motor vehicles	Machinery and equipment	Furniture, fixtures and other equipment	Construction in progress (“CIP”)	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
COST							
At 1 January 2023	752,098	5,523	199,906	3,903,324	63,518	416,504	5,340,873
Additions	8,183	1,972	19,888	138,655	13,937	910,858	1,093,493
Disposals/write off	–	–	(18,342)	(649,080)	(2,972)	(1,383)	(671,777)
Disposals of subsidiaries (<i>note 47</i>)	–	–	–	(826)	–	–	(826)
Transferred from CIP	395,955	–	–	701,971	995	(1,098,921)	–
Transferred from investment properties (<i>note 18</i>)	2,625	–	–	–	–	–	2,625
Transferred to other intangible assets (<i>note 20</i>)	–	–	–	–	–	(24,007)	(24,007)
At 31 December 2023 and 1 January 2024	1,158,861	7,495	201,452	4,094,044	75,478	203,051	5,740,381
Additions	27,494	6,460	10,168	89,788	12,779	547,293	693,982
Disposals/write off	(2,452)	–	(19,741)	(467,856)	(6,599)	(1,905)	(498,553)
Disposals of subsidiaries (<i>note 47</i>)	–	–	–	(13,406)	(1)	–	(13,407)
Transferred from CIP	34,581	–	–	315,095	1,644	(351,320)	–
Transferred to other intangible assets (<i>note 20</i>)	–	–	–	–	–	(27,882)	(27,882)
At 31 December 2024 and 1 January 2025	1,218,484	13,955	191,879	4,017,665	83,301	369,237	5,894,521
Additions	399	19,764	10,539	152,582	10,913	301,292	495,489
Disposals/write off	(4,142)	–	(8,519)	(274,461)	(1,515)	(1,110)	(289,747)
Disposals of subsidiaries (<i>note 47</i>)	(34,970)	–	(5,857)	(57,838)	(3,293)	–	(101,958)
Transferred from CIP	229,431	–	–	120,112	4,959	(354,502)	–
Transferred to investment properties (<i>note 18</i>)	(1,150)	–	–	–	–	–	(1,150)
Transferred to other intangible assets (<i>note 20</i>)	–	–	–	–	–	(3,370)	(3,370)
Acquisition of a subsidiary (<i>note 46</i>)	–	–	452	34,267	57	–	34,776
At 31 October 2025 (unaudited)	1,408,052	33,719	188,494	3,992,327	94,422	311,547	6,028,561

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	Buildings	Leasehold improvements	Motor vehicles	Machinery and equipment	Furniture, fixtures and other equipment	Construction in progress (“CIP”)	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
<u>ACCUMULATED DEPRECIATION AND IMPAIRMENT</u>							
At 1 January 2023	191,551	–	174,029	1,300,629	36,214	18,711	1,721,134
Charge for the year	24,182	1,929	5,446	350,885	4,767	–	387,209
Eliminated on disposals/write off	–	–	(16,051)	(329,129)	(2,076)	(8,357)	(355,613)
Eliminated on disposals of subsidiaries (note 47)	–	–	–	(93)	–	–	(93)
Transferred from investment properties (note 18)	1,488	–	–	–	–	–	1,488
Impairment losses	–	–	245	41,321	–	1,430	42,996
At 31 December 2023 and 1 January 2024	217,221	1,929	163,669	1,363,613	38,905	11,784	1,797,121
Charge for the year	42,185	2,652	5,336	351,628	9,780	–	411,581
Eliminated on disposals/write off	(594)	–	(12,365)	(203,226)	(3,819)	[(2,145)]	(222,149)
Eliminated on disposals of subsidiaries (note 47)	–	–	–	(2,256)	(1)	–	(2,257)
Impairment losses	–	–	3	209,301	–	1,150	210,454
At 31 December 2024 and 1 January 2025	258,812	4,581	156,643	1,719,060	44,865	10,789	2,194,750
Charge for the period	37,884	9,937	5,121	275,413	14,037	–	342,392
Eliminated on disposals/write off	(2,539)	–	(6,293)	(189,146)	(2,091)	(806)	(200,875)
Eliminated on disposals of subsidiaries (note 47)	(17,828)	–	(5,471)	(21,236)	(3,033)	–	(47,568)
Transferred to investment properties (note 18)	(499)	–	–	–	–	–	(499)
Impairment losses	–	–	15	49,442	–	739	50,196
At 31 October 2025 (unaudited)	275,830	14,518	150,015	1,833,533	53,778	10,722	2,338,396
<u>CARRYING AMOUNT</u>							
At 31 December 2023	941,640	5,566	37,783	2,730,431	36,573	191,267	3,943,260
At 31 December 2024	959,672	9,374	35,236	2,298,605	38,436	358,448	3,699,771
At 31 October 2025 (unaudited)	1,132,222	19,201	38,479	2,158,794	40,644	300,825	3,690,165

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The Company

	Buildings	Motor vehicles	Machinery and equipment	Furniture, fixtures and other equipment	CIP	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST						
At 1 January 2023	155,019	22,029	304,852	16,094	4,164	502,158
Additions	–	4,288	64,745	2,836	5,280	77,149
Disposals/write off	(595)	(4,046)	(18,637)	(826)	–	(24,104)
Transferred from CIP	–	–	495	–	(495)	–
Transferred to investment properties (note 18)	(4,867)	–	–	–	–	(4,867)
Transferred to other intangible assets	–	–	–	–	(2,004)	(2,004)
At 31 December 2023 and 1 January 2024	149,557	22,271	351,455	18,104	6,945	548,332
Additions	–	5,742	46,930	774	22,397	75,843
Disposals/write off	(691)	(1,455)	(30,354)	(424)	–	(32,924)
Transferred from CIP	477	–	5,789	1,644	(7,910)	–
Transferred to investment properties (note 18)	(9,951)	–	–	–	–	(9,951)
Transferred to other intangible assets	–	–	–	–	(2,633)	(2,633)
At 31 December 2024 and 1 January 2025	139,392	26,558	373,820	20,098	18,799	578,667
Additions	1,269	2,982	23,835	804	6,960	35,850
Disposals/write off	(3,360)	(1,203)	(13,363)	(742)	–	(18,668)
Transferred from investment properties (note 18)	17,626	–	–	–	–	17,626
Transferred from CIP	–	–	625	–	(625)	–
At 31 October 2025 (unaudited).	154,927	28,337	384,917	20,160	25,134	613,475
ACCUMULATED DEPRECIATION AND IMPAIRMENT						
At 1 January 2023	59,821	15,902	126,139	9,952	–	211,814
Charge for the year	4,868	1,867	30,851	1,572	–	39,158
Eliminated on disposals/write off	(463)	(3,567)	(16,682)	(741)	–	(21,453)
Transferred from investment properties (note 18)	(2,352)	–	–	–	–	(2,352)
At 31 December 2023 and 1 January 2024	61,874	14,202	140,308	10,783	–	227,167
Charge for the year	4,137	2,506	34,446	1,861	–	42,950
Transferred to investment properties (note 18)	(3,912)	–	–	–	–	(3,912)
Eliminated on disposals/write off	(128)	(1,310)	(25,245)	(382)	–	(27,065)
At 31 December 2024 and 1 January 2025	61,971	15,398	149,509	12,262	–	239,140
Charge for the period	3,338	2,303	24,763	1,769	–	32,173
Transferred from investment properties (note 18)	7,628	–	–	–	–	7,628
Eliminated on disposals/write off	(3,024)	(1,083)	(10,752)	(569)	–	(15,428)
At 31 October 2025 (unaudited).	69,913	16,618	163,520	13,462	–	263,513
CARRYING AMOUNT						
At 31 December 2023	87,683	8,069	211,147	7,321	6,945	321,165
At 31 December 2024	77,421	11,160	224,311	7,836	18,799	339,527
At 31 October 2025 (unaudited).	85,014	11,719	221,397	6,698	25,134	349,962

Certain owned properties of the Group has not been granted formal title of ownership. At 31 December 2023, 2024 and 31 October 2025, the carrying value of such owned properties was RMB540,596,000, RMB523,207,000 and RMB504,369,000 respectively. The directors of the Company believe that formal title of these owned properties will be granted to the Group in due course.

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At 31 December 2023 and 2024 and 31 October 2025, the Group had bank facilities that were secured by pledged property, plant and equipment with carrying amounts of approximately RMB16,193,000, RMB15,448,000 and nil respectively.

At 31 December 2023 and 2024 and 31 October 2025, the Group carried out reviews of the recoverable amount of its motor vehicles, machinery and equipment and CIP. The reviews led to the recognition of impairment losses of approximately RMB42,996,000, RMB210,454,000 and RMB50,196,000, respectively, that has been recognised in profit or loss. The recoverable amount of the relevant assets of approximately RMB46,748,000, RMB255,223,000 and RMB57,062,000, respectively, has been determined on the basis of their fair value less costs of disposal (level 3 fair value measurements).

17. LEASES AND RIGHT-OF-USE ASSETS

The Group

Disclosures of lease-related items:

	As at 31 December 2023 RMB'000	As at 31 December 2024 RMB'000	As at 31 October 2025 RMB'000 (unaudited)
As at 31 December 2023, 2024 and 31 October 2025 (unaudited):			
Right-of-use assets			
– Office premises	1,153,119	1,056,056	822,819
– Leasehold land	320,573	313,030	290,825
	<u>1,473,692</u>	<u>1,369,086</u>	<u>1,113,644</u>
Lease commitments of short-term leases	<u>4,843</u>	<u>4,277</u>	<u>2,561</u>
Lease commitments of leases not yet commenced	<u>27,019</u>	<u>2,801</u>	<u>1,793</u>
Lease liabilities payable:			
Within one year	148,046	168,379	138,782
Within a period of more than one year, but not more than two years	147,827	168,650	195,610
Within a period of more than two years, but not more than five years	439,893	498,761	401,484
More than five years	<u>454,416</u>	<u>353,640</u>	<u>229,998</u>
Present value of lease liabilities	1,190,182	1,189,430	965,874
Less: Amounts due for settlement within 12 months shown under current liabilities	<u>(148,046)</u>	<u>(168,379)</u>	<u>(138,782)</u>
Amounts due for settlement after 12 months shown under non-current liabilities	<u>1,042,136</u>	<u>1,021,051</u>	<u>827,092</u>

As at 31 December 2023 and 2024 and 31 October 2025, the weighted average incremental borrowing rates applied to lease liabilities were 4.35%, 4.35% and 2.63% per annum, respectively.

The maturity analysis, based on undiscounted cash flows, of the Group’s lease liabilities is as follows:

– Less than 1 year	211,225	221,946	179,403
– Between 1 and 2 years	192,634	202,187	222,955
– Between 2 and 5 years	525,630	573,818	454,359
– Over 5 years	<u>492,249</u>	<u>380,778</u>	<u>246,735</u>
	<u>1,421,738</u>	<u>1,378,729</u>	<u>1,103,452</u>

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	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Movements during the Track Record Period:				
Depreciation charge of right-of-use assets				
– Office premises	139,329	180,797	169,498	153,454
– Leasehold land	7,538	7,543	6,291	5,937
	<u>146,867</u>	<u>188,340</u>	<u>175,789</u>	<u>159,391</u>
Lease interests	<u>47,685</u>	<u>57,743</u>	<u>48,864</u>	<u>36,498</u>
Expenses related to short-term leases	<u>25,955</u>	<u>25,063</u>	<u>17,846</u>	<u>16,863</u>
Total cash outflow for leases	<u>(199,704)</u>	<u>(204,414)</u>	<u>(159,896)</u>	<u>(164,658)</u>
Additions to right-of-use assets	<u>425,139</u>	<u>350,761</u>	<u>342,002</u>	<u>107,488</u>
Disposals of subsidiaries (note 47)	<u>–</u>	<u>(986)</u>	<u>–</u>	<u>(17,371)</u>
Acquisition of a subsidiary (note 46)	<u>–</u>	<u>–</u>	<u>–</u>	<u>6,334</u>

Notes: At 31 December 2023 and 2024 and 31 October 2025, the Group had bank facilities that were secured by right-of-use assets with carrying amounts of approximately RMB63,936,000, RMB6,143,000 and nil, respectively.

The Group leases various land use rights and land and buildings. Lease agreements are typically made for fixed periods of 3 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

The maturity analysis of lease liabilities is disclosed in note 45 to the Historical Financial Information.

The Company

Disclosures of lease-related items:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
As at 31 December 2023, 2024 and 31 October 2025 (unaudited):			
Right-of-use assets			
– Leasehold land	<u>36,156</u>	<u>35,135</u>	<u>34,284</u>
	<u>36,156</u>	<u>35,135</u>	<u>34,284</u>

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	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Movements during the Track Record Period:				
Depreciation charge of right-of-use assets				
– Leasehold land	1,021	1,021	851	851
	<u>1,021</u>	<u>1,021</u>	<u>851</u>	<u>851</u>

18. INVESTMENT PROPERTIES

The Group

	Land use right	Buildings	Total
	RMB'000	RMB'000	RMB'000
COST			
At 1 January 2023	6,307	28,517	34,824
Transferred to property, plant and equipment	–	(2,625)	(2,625)
At 31 December 2023, 1 January 2024, 31 December 2024 and 1 January 2025	6,307	25,892	32,199
Disposal of subsidiaries (<i>note 47</i>)	(722)	(6,147)	(6,869)
Transferred from property, plant and equipment (<i>note 16</i>)	–	1,150	1,150
At 31 October 2025 (unaudited)	<u>5,585</u>	<u>20,895</u>	<u>26,480</u>
ACCUMULATED DEPRECIATION AND IMPAIRMENT			
At 1 January 2023	1,969	8,957	10,926
Charge for the year	125	454	579
Transferred to property, plant and equipment (<i>note 16</i>)	–	(1,488)	(1,488)
At 31 December 2023 and 1 January 2024	2,094	7,923	10,017
Charge for the year	128	819	947
At 31 December 2024 and 1 January 2025	2,222	8,742	10,964
Charge for the period	93	541	634
Disposal of subsidiaries (<i>note 47</i>)	(351)	(1,938)	(2,289)
Transferred from property, plant and equipment (<i>note 16</i>)	–	499	499
At 31 October 2025 (unaudited)	<u>1,964</u>	<u>7,844</u>	<u>9,808</u>
CARRYING AMOUNT			
At 31 December 2023	<u>4,213</u>	<u>17,969</u>	<u>22,182</u>
At 31 December 2024	<u>4,085</u>	<u>17,150</u>	<u>21,235</u>
At 31 October 2025 (unaudited)	<u>3,621</u>	<u>13,051</u>	<u>16,672</u>

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The Company

	Buildings
	<i>RMB’000</i>
COST	
At 1 January 2023	105,667
Transferred from property, plant and equipment (<i>note 16</i>)	4,867
At 31 December 2023 and 1 January 2024	110,534
Transferred from property, plant and equipment (<i>note 16</i>)	9,951
At 31 December 2024 and 1 January 2025	120,485
Transferred to property, plant and equipment (<i>note 16</i>)	(17,626)
At 31 October 2025 (unaudited)	102,859
ACCUMULATED DEPRECIATION AND IMPAIRMENT	
At 1 January 2023	36,868
Charge for the year	3,060
Transferred from property, plant and equipment (<i>note 16</i>)	2,352
At 31 December 2023 and 1 January 2024	42,280
Charge for the year	3,682
Transferred from property, plant and equipment (<i>note 16</i>)	3,912
At 31 December 2024 and 1 January 2025	49,874
Charge for the period	3,203
Transferred to property, plant and equipment (<i>note 16</i>)	(7,628)
At 31 October 2025 (unaudited)	45,449
CARRYING AMOUNT	
At 31 December 2023	68,254
At 31 December 2024	70,611
At 31 October 2025 (unaudited)	57,410

The Group leases out office units, a factory and commercial property units under operating leases with rentals payable monthly. The leases typically run for an initial period of 1 to 10 years, with unilateral rights to extend the lease beyond initial period held by lessees only. The lease contracts do not contain residual value guarantee and/or lessee’s option to purchase the property at the end of lease term.

The Group’s and the Company’s future undiscounted lease payments under operating leases are receivable as follows:

	The Group			The Company		
	As at 31 December	As at 31 December	As at 31 October	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> (unaudited)	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> (unaudited)
Less than						
1 year	3,849	4,053	26,751	17,591	3,351	5,233
Between 1 and						
2 years	3,999	3,543	4,797	584	183	302
Between 2 and						
5 years	8,430	5,085	3,353	522	509	908
Over 5 years	423	253	200	423	253	200
	<u>16,701</u>	<u>12,934</u>	<u>35,101</u>	<u>19,120</u>	<u>4,296</u>	<u>6,643</u>

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Details of the Group’s investment properties and information about the fair value hierarchy as at the end of each reporting period are as follows:

	The Group		
	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB’000	RMB’000	RMB’000 (unaudited)
Buildings	33,400	31,000	29,100
Leasehold lands	8,200	7,400	7,200
	<u>41,600</u>	<u>38,400</u>	<u>36,300</u>

The fair value has been arrived at based on a valuation carried out by Colliers International (Hong Kong) Limited, an independent qualified professional valuer not connected with the Group.

Fair value measurements using significant unobservable inputs

Fair values of buildings derived by using the income capitalisation method (Level 3 fair value measurement). This valuation method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of market transactions and valuers’ interpretation of prevailing investor expectations. The prevailing market rents adopted in the valuation have been referenced to recent lettings, within the subject properties and other comparable properties.

Fair value of leasehold lands is derived by using the direct comparison method (Level 2 fair value measurement). This valuation method is based on comparing the properties to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of commercial properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the properties under consideration.

There were no changes to the valuation techniques for the valuation for the years ended 31 December 2023, 31 December 2024 and for the ten months ended 31 October 2025.

Description	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs (probability-weighted average)			Relationship of unobservable inputs to fair value
			For the year ended 31 December 2023	For the year ended 31 December 2024	For the ten months ended 31 October 2025	
Buildings . . .	Income capitalisation method	Capitalisation rate	7.25%	7.25%	7.25%	The higher the capitalisation rate, the lower the fair value
		Average market rental	RMB0.71 to RMB0.87 per square meter per day	RMB0.66 to RMB0.77 per square meter per day	RMB0.60 to RMB0.75 per square meter per day	The higher the daily rental value, the higher the fair value
Leasehold lands . . .	Direct comparison method	Market unit rate	RMB174 to RMB1,010 per square meter	RMB182 to RMB1,058 per square meter	RMB184 to RMB1,063 per square meter	The higher the market unit rate, the higher the fair value

As at the end of each of the Track Record Periods and the ten months ended 31 October 2024, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

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Certain investment properties of the Group have not been granted formal title of ownership. At 31 December 2023, 2024 and 31 October 2025, the carrying amount of such investment properties was RMB14,212,000, RMB13,562,000 and RMB8,641,000 respectively. The directors of the Company believe that formal title of these owned properties will be granted to the Group in due course.

19. GOODWILL

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
<u>COST</u>			
At the beginning of year/period	220,414	220,414	208,343
Arising from acquisition of a subsidiary (note 46)	—	—	1,923
Disposal of a subsidiary (note 47)	—	(12,071)	(3,114)
At the end of year/period	220,414	208,343	207,152
<u>ACCUMULATED IMPAIRMENT LOSSES</u>			
At the beginning of year/period	31,128	31,128	19,057
Eliminated on disposal of a subsidiary (note 47)	—	(12,071)	(3,114)
At the end of year/period	31,128	19,057	15,943
<u>CARRYING AMOUNT</u>	189,286	189,286	191,209

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Carrying amount of goodwill arising from acquisition of			
Guangxi Zhongdian Xinyuan Electric Co., Ltd. (廣西中電新源電氣有限公司) (note a)	—	—	—
Leshan Yilaide Power Grid Automation Co., Ltd. (樂山一拉得電網自動化有限公司) ("Leshan Yilaide") (note b)	—	—	N/A
Shanxi Jineng Power Technology Co., Ltd. (山 西晉能電力科技有限公司) (note c)	—	N/A	N/A
Chuankai Electric Co., Ltd. (川開電氣有限公 司) ("Chuankai Electric")	171,547	171,547	171,547
Xiamen Jinlong TELD New Energy Co., Ltd. (廈門金龍特來電新能源有限公司)	2,804	2,804	2,804
Nanchang TELD New Energy Co., Ltd. (南昌 特來電新能源有限公司)	2,898	2,898	2,898
Linyi Public Transport TELD New Energy Co., Ltd. (臨沂公交特來電新能源有限公司)	120	120	120
Nanjing Derui Energy Research Institute Co., Ltd. (南京德睿能源研究院有限公司)	2,201	2,201	2,201
Shanghai Donghao Lansheng TELD New Energy Technology Co., Ltd. (上海東浩蘭生 特來電新能源科技有限公司)	9,716	9,716	9,716
Jiangxi Guote Smart New Energy Co., Ltd. (江 西國特智慧新能源有限公司) (note d)	N/A	N/A	1,923
	189,286	189,286	191,209

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Notes:

- a. The goodwill arising from acquisition of Guangxi Zhongdian Xinyuan Electric Co., Ltd. is fully impaired as at 31 December 2023 and 2024 and 31 October 2025.
- b. The goodwill arising from acquisition of Leshan Yilaide is fully impaired as at 31 December 2023 and 2024. The Group disposed the equity interest of Leshan Yilaide during the ten months ended 31 October 2025.
- c. The goodwill arising from acquisition of Shanxi Jineng Power Technology Co., Ltd. is fully impaired as at 31 December 2023. The Group disposed the equity interest of Shanxi Jineng Power Technology Co., Ltd. during the year ended 31 December 2024.
- d. Jiangxi Guote Smart New Energy Co., Ltd. became a subsidiary of the Company during the ten months ended 31 October 2025 (note 46).

Impairment testing of goodwill

The Group conducts impairment testing of goodwill by identifying the acquired subsidiary’s overall assets and operations as a single asset group or portfolio of asset groups. The primary cash inflows from these groups are independent of those from other assets or asset groups. The scope of each asset group or portfolio of asset groups encompasses the long-term assets comprising the group, such as fixed assets and intangible assets. Each asset group or portfolio of asset groups corresponds to the asset groups identified in impairment tests for goodwill conducted at the acquisition date and in prior years.

During the Track Record Period, no impairment has been recognised. Management believes that any reasonably possible change in any of the assumptions applied would not result in impairment.

Chuankai Electric (production of power Transmission and distribution equipment)

At the year end date, the goodwill arose from the acquisitions of Chuankai Electric was assessed by an independent valuer for impairment. When assessing goodwill impairment, the recoverable amount of Chuankai Electric was determined on a value in use basis using a 5-year projected cash flow from operation, with long term growth rate of 0% adopted. A pre-tax discount rate of 9.85%, 10.27% and 10.27% was applied to derive the present value of the recoverable amount which was worked out to be not less than the aggregate amount of the carrying amount of Chuankai Electric and goodwill of the business as at 31 December 2023, 31 December 2024 and 31 October 2025, respectively.

Xiamen Jinlong TELD New Energy Co., Ltd. (development and management of EV charging)

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years. The recoverable amount of the relevant assets has been determined based on a value in use calculation using cash flow projections based on the financial budgets approved by the management covering a 5-year period with 0% long term growth rate. Key assumptions used by the management in the value in use calculations of the cash-generating unit include budgeted gross profit margin. The pre-tax discount rate used for estimating the value in use for Xiamen Jinlong TELD New Energy Co., Ltd. are 10.71%, 9.85% and 9.85% respectively as at 31 December 2023, 31 December 2024 and 31 October 2025.

Nanchang TELD New Energy Co., Ltd. (development and management of EV charging)

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years. The recoverable amount of the relevant assets has been determined based on a value in use calculation using cash flow projections based on the financial budgets approved by the management covering a 5-year period with 0% long term growth rate. Key assumptions used by the management in the value in use calculations of the cash-generating unit include budgeted gross profit margin. The pre-tax discount rate used for estimating the value in use for Nanchang TELD New Energy Co., Ltd. are 10.71%, 9.85% and 9.85% respectively as at 31 December 2023, 31 December 2024 and 31 October 2025.

Linyi Public Transport TELD New Energy Co., Ltd. (development and management of EV charging)

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years. The recoverable amount of the relevant assets has been determined based on a value in use calculation using cash flow projections based on the financial budgets approved by the management covering a 5-year period with 0% long term growth rate. Key assumptions used by the management in the value in use calculations of the cash-generating unit include budgeted gross profit margin. The pre-tax discount rate used for estimating the value in use for Linyi Public Transport TELD New Energy Co., Ltd. are 10.71%, 9.85% and 9.85% respectively as at 31 December 2023, 31 December 2024 and 31 October 2025.

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Nanjing Derui Energy Research Institute Co., Ltd. (research and development, of products for intelligent charging dispatching systems and microgrids)

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years. The recoverable amount of the relevant assets has been determined based on a value in use calculation using cash flow projections based on the financial budgets approved by the management covering a 5-year period with 0% long term growth rate. Key assumptions used by the management in the value in use calculations of the cash-generating unit include budgeted gross profit margin. The pre-tax discount rate used for estimating the value in use for Nanjing Derui Energy Research Institute Co., Ltd. are 10.71%, 9.85% and 9.85% respectively as at 31 December 2023, 31 December 2024 and 31 October 2025.

Shanghai Donghao Lansheng TELD New Energy Technology Co., Ltd. (development and management of EV charging)

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years. The recoverable amount of the relevant assets has been determined based on a value in use calculation using cash flow projections based on the financial budgets approved by the management covering a 5-year period with 0% long term growth rate. Key assumptions used by the management in the value in use calculations of the cash-generating unit include budgeted gross profit margin. The pre-tax discount rate used for estimating the value in use for Shanghai Donghao Lansheng TELD New Energy Technology Co., Ltd. are 10.71%, 9.85% and 9.85% respectively as at 31 December 2023, 31 December 2024 and 31 October 2025.

20. OTHER INTANGIBLE ASSETS

The Group

	Franchising rights	Patents	Software	Total
	RMB'000	RMB'000	RMB'000	RMB'000
COST				
At 1 January 2023	775,372	43,962	62,683	882,017
Additions	—	—	4,821	4,821
Transferred from CIP (note 16)	22,003	—	2,004	24,007
Write off	(7,442)	—	(118)	(7,560)
At 31 December 2023 and 1 January 2024	789,933	43,962	69,390	903,285
Additions	105	—	5,361	5,466
Transferred from CIP (note 16)	16,531	—	11,351	27,882
Write off	(16,707)	(410)	(7,838)	(24,955)
At 31 December 2024 and 1 January 2025	789,862	43,552	78,264	911,678
Additions	—	—	7,096	7,096
Transferred from CIP (note 16)	3,126	—	244	3,370
Write off	(2,492)	—	(193)	(2,685)
Disposal of a subsidiary (note 47)	—	(2,008)	(475)	(2,483)
At 31 October 2025 (unaudited)	790,496	41,544	84,936	916,976
ACCUMULATED AMORTISATION AND IMPAIRMENT				
At 1 January 2023	275,277	32,011	39,820	347,108
Amortisation for the year	87,877	4,175	7,687	99,739
Write off	(1,778)	—	(118)	(1,896)
At 31 December 2023 and 1 January 2024	361,376	36,186	47,389	444,951
Amortisation for the year	71,804	4,140	8,372	84,316
Write off	(14,881)	(408)	(7,838)	(23,127)
At 31 December 2024 and 1 January 2025	418,299	39,918	47,923	506,140
Amortisation for the period	56,176	3,113	9,305	68,594
Write off	(1,521)	—	(27)	(1,548)
Disposal of a subsidiary (note 47)	—	(2,008)	(379)	(2,387)
At 31 October 2025 (unaudited)	472,954	41,023	56,822	570,799
CARRYING AMOUNT				
At 31 December 2023	428,557	7,776	22,001	458,334
At 31 December 2024	371,563	3,634	30,341	405,538
At 31 October 2025 (unaudited)	317,542	521	28,114	346,177

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	Patents	Software	Total
	RMB'000	RMB'000	RMB'000
COST			
At 1 January 2023	400	25,707	26,107
Additions	–	83	83
Transferred from CIP	–	2,004	2,004
Write off	–	(31)	(31)
At 31 December 2023 and 1 January 2024	400	27,763	28,163
Additions	–	525	525
Transferred from CIP	–	2,633	2,633
Write off	(400)	(5,330)	(5,730)
At 31 December 2024 and 1 January 2025	–	25,591	25,591
Additions	–	259	259
At 31 October 2025 (unaudited)	–	25,850	25,850
ACCUMULATED AMORTISATION AND IMPAIRMENT			
At 1 January 2023	400	20,219	20,619
Amortisation for the year	–	2,419	2,419
Write off	–	(31)	(31)
At 31 December 2023 and 1 January 2024	400	22,607	23,007
Amortisation for the year	–	2,373	2,373
Write off	(400)	(5,330)	(5,730)
At 31 December 2024 and 1 January 2025	–	19,650	19,650
Amortisation for the period	–	1,799	1,799
At 31 October 2025 (unaudited)	–	21,449	21,449
CARRYING AMOUNT			
At 31 December 2023	–	5,156	5,156
At 31 December 2024	–	5,941	5,941
At 31 October 2025 (unaudited)	–	4,401	4,401

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Franchising rights	5-18 years
Patents	3-5 years
Software	2-10 years

The Group’s and the Company’s patents and trademarks protect the design and specification of the Group’s and the Company’s products. The average remaining amortisation period of the patents and trademarks as at 31 December 2023, 31 December 2024 and 31 October 2025 are 1 to 4 years.

The Group’s franchising rights are arising from service concession arrangement. The average remaining amortisation period of the franchising rights as at 31 December 2023, 31 December 2024 and 31 October 2025 are 1 to 13 years, 1 to 12 years and 1 to 11 years, respectively.

At 31 December 2023 and 2024 and 31 October 2025, the Group had bank facilities that were secured by pledged intangible assets with carrying amounts of approximately RMB nil, RMB nil and RMB516,000 respectively.

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21. PRINCIPAL SUBSIDIARIES

The Group

The following table shows information of subsidiaries that have non-controlling interests (“NCI”) material to the Group. The summarised financial information represents amounts before inter-company eliminations.

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests				Profit allocated to non-controlling interests				Accumulated non-controlling interests			
		As at		As at		As at		As at		As at		As at	
		31 December	31 December	31 December	31 October	31 December	31 December	31 December	31 October	31 December	31 December	31 October	31 October
		2023	2024	2025		2023	2024	2025		2023	2024	2025	
					(Unaudited)	RMB'000	RMB'000	RMB'000	(Unaudited)	RMB'000	RMB'000	RMB'000	(Unaudited)
TELD New Energy Co., Ltd. (特來電新能源股份有限公司) (“TELD”)* (note)	The PRC	22.29%	22.29%	21.41%		34,711	59,679	19,020		504,726	564,405	565,981	
<i>Non-wholly owned subsidiaries of TELD</i>													
Linyi Public Transport TELD New Energy Co., Ltd. (臨沂公交特來電新能源有限公司)	The PRC	49%	49%	49%		3,054	760	(370)		58,500	59,260	58,890	
Chengdu TELD New Energy Co., Ltd. (成都特來電新能源有限公司)	The PRC	34%	34%	34%		7,278	5,618	1,521		119,273	124,891	123,631	
Shanghai TELD New Energy Co., Ltd. (上海特來電新能源有限公司)	The PRC	15.11%	15.11%	15.11%		3,799	4,388	3,261		16,849	28,955	32,216	
Shijiazhuang TELD New Energy Co., Ltd. (石家莊特來電新能源有限公司)	The PRC	47%	47%	47%		12	22	(1,238)		11,556	11,578	10,340	
Zhangjiakou Jianta TELD New Energy Co., Ltd. (張家口建發特來電新能源有限公司)	The PRC	40%	40%	40%		(165)	185	(41)		16,542	16,727	16,686	
Wenzhou Jiaoyun TELD New Energy Co., Ltd. (溫州交運特來電新能源有限公司)	The PRC	49%	49%	49%		247	1,019	(2,150)		18,971	19,990	17,840	
Qingdao Chengjiao TELD New Energy Co., Ltd. (青島城交特來電新能源有限公司)	The PRC	40%	40%	40%		1,860	1,468	1,272		20,780	20,139	21,412	
Changchun Public Transport TELD Charging Network Operation Co., Ltd. (長春公交特來電充電網運營有限公司)	The PRC	49%	49%	49%		1,463	1,917	(665)		15,452	17,369	20,257	
Individually immaterial subsidiaries with non-controlling interests of TELD										176,916	166,270	191,763	
Total non-controlling interests of TELD										454,839	465,179	493,035	
Individually immaterial subsidiaries with non-controlling interests of the Group										959,565	1,029,584	1,059,016	
Total non-controlling interests										46,634	(42,075)	(105,006)	
										1,006,199	987,509	954,010	

* excluding non-controlling interests of TELD

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The Company

Particulars of the Company’s principal subsidiaries are as follows:

Name of company	Place of incorporation/ registration and operation	Nominal value of issued and fully paid share capital/registered capital	As at 31 December 2023		As at 31 December 2024		As at 31 October 2025		As at the date of this report		Principal business activities
			Percentage of equity attributable to the Company		Percentage of equity attributable to the Company		Percentage of equity attributable to the Company		Percentage of equity attributable to the Company		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	
Qingdao TGOOD High Voltage Equipment Co., Ltd. (青島特銳德高壓設備有限公司)	The PRC	RMB464,350,000/ RMB464,350,000	100.00%	–	100.00%	–	100.00%	–	100.00%	–	Production of PTD equipment
	The PRC	RMB60,000,000/ RMB60,000,000	51.00%	–	51.00%	–	51.00%	–	51.00%	–	Provision of power peak shaving services and the maintenance and management of heating facilities
The PRC	Yichang TGOOD Electric Co., Ltd. (宜昌特銳德電氣有限公司)	RMB22,396,686/ RMB52,396,700	100.00%	–	100.00%	–	100.00%	–	100.00%	–	Production of PTD equipment
The PRC	TELD	RMB929,980,000/ RMB929,980,000	77.71%	–	77.71%	–	78.59%	–	78.96%	–	EV charging network business
The PRC	Qingdao TGOOD Design Institute Co., Ltd. (青島特銳德設計院有限公司)	RMB200,000,000/ RMB200,000,000	–	100.00%	–	100.00%	–	100.00%	–	100.00%	Power engineering and technical consultancy services
The PRC	Chuankai Electric	RMB347,103,600/ RMB347,103,600	–	100.00%	–	100.00%	–	100.00%	–	100.00%	Production of PTD equipment
The PRC	Xi'an TELD Intelligent Charging Technology Co., Ltd. (西安特來電智 能充電科技有限公司)	RMB30,000,000/ RMB30,000,000	–	100.00%	–	100.00%	–	100.00%	–	100.00%	Research and development, design and sale of power electronic product
The PRC	Chengdu TELD New Energy Co., Ltd. (成都特來電新能源有限公司)	RMB200,000,000/ RMB200,000,000	–	66.00%	–	66.00%	–	66.00%	–	66.00%	Development and management of the EV charging network
The PRC	Shanghai TELD New Energy Co., Ltd. (上海特來電新能源有限公司)	RMB66,180,000/ RMB66,180,000	–	84.89%	–	84.89%	–	84.89%	–	84.89%	Development and management of the EV charging network
The PRC	Qingdao TELD New Energy Technology Co., Ltd. (青島特來電新 能源科技有限公司)	RMB450,000,000/ RMB450,000,000	–	100.00%	–	100.00%	–	100.00%	–	100.00%	Research and development, production, manufacturing and sales of charging equipment
The PRC	Qingdao TELD Big Data Co., Ltd. (青島特來電大數據有限公司)	RMB67,920,000/ RMB100,000,000	–	100.00%	–	100.00%	–	100.00%	–	100.00%	Development and application of cloud platform related operations

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Name of company	Place of incorporation/ registration and operation	Nominal value of issued and fully paid share capital/registered capital issued and paid-up capital	As at 31 December 2023		As at 31 December 2024		As at 31 October 2025		As at the date of this report (Unaudited)		Principal business activities
			Percentage of equity attributable to the Company		Percentage of equity attributable to the Company		Percentage of equity attributable to the Company		Percentage of equity attributable to the Company		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	
Qingdao TELD Charging Network Operation Technology Co., Ltd. (青島特來電充電網運營科技有限公司)	The PRC	RMB35,540,000/ RMB50,000,000	-	100.00%	-	100.00%	-	100.00%	-	100.00%	Development and management of the EV charging network
Qingdao TELD Smart Equipment Co., Ltd. (青島特來電智能設備有限公司)	The PRC	RMB10,000,000/ RMB10,000,000	-	100.00%	-	100.00%	-	100.00%	-	100.00%	Charging equipment production
Nanjing Derui TELD Energy Research Institute Co., Ltd. (南京德睿特來電能源研究院有限公司)	The PRC	RMB50,000,000/ RMB50,000,000	-	97.80%	-	97.80%	-	97.80%	-	97.80%	Research on intelligent charging dispatch systems and key microgrid technologies and product research and development
Qingdao TELD Smart Equipment Co., Ltd. (特來電(青島)數字科技有限公司)	The PRC	RMB3,906,000/ RMB10,000,000	-	100.00%	-	100.00%	-	100.00%	-	100.00%	Charging equipment production
TGOOD Ximing Electric Power Co., Ltd. (特銳德西明電力有限公司)	The PRC	RMB50,000,000/ RMB50,000,000	-	100.00%	-	100.00%	-	100.00%	-	100.00%	Mechanical and electrical engineering construction

All subsidiaries now comprising the Group, except for TELD, which is a joint-stock company, are limited liability companies and have adopted 31 December as their financial year end date.

The statutory financial statements for these subsidiaries established in the PRC were prepared in accordance with relevant accounting principles and financial regulations applicable the PRC. The statutory financial statements for the year ended 31 December 2023 and 2024 were audited by Hexin Certified Public Accountants LLP. No audited financial statements for these subsidiaries was issued for the period from 1 January 2025 to 31 October 2025.

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22. INTERESTS IN ASSOCIATES

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Share of net assets	1,626,816	1,771,744	1,919,416
Impairment losses	(6,076)	(6,076)	–
	<u>1,620,740</u>	<u>1,765,668</u>	<u>1,919,416</u>

The following table shows information of associates that are material to the Group. These associates are accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on financial statements of the associates in accordance with HKFRS Accounting Standards.

Particulars of the Group’s associate is as follows:

Name	Place of incorporation and operation	Authorised shares capital/registered capital	Principal activities	% of ownership interests/voting rights held by the Group		
				As at 31 December	As at 31 December	As at 31 October
				2023	2024	2025
						(unaudited)
China Railway Construction Financial Leasing Co., Ltd. (中鐵建金融租賃有限公司) (“CCFL”). . .	The PRC	RMB3,400,000,000	Provision of financial leasing services	17.65%	17.65%	17.65%

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Current assets	3,089,217	5,000,508	4,052,730
Non-current assets	39,928,255	36,669,349	36,336,330
Current liabilities	(29,924,864)	(31,402,679)	(30,135,600)
Non-current liabilities	(6,267,560)	(3,059,743)	(2,615,030)
Net assets	<u>6,825,048</u>	<u>7,207,435</u>	<u>7,638,430</u>
Group’s share of net assets	<u>1,204,621</u>	<u>1,272,112</u>	<u>1,348,183</u>

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	For the year ended 31 December	For the year ended 31 December	For the ten months ended 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Revenue	3,517,096	3,443,343	3,072,270
Net profit	422,584	382,541	429,740
Total comprehensive income for the year/period .	422,584	382,387	430,990

The following table shows, in aggregate, the Group’s share of the amounts of all individually immaterial associates that are accounted for using the equity method.

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
As at 31 December 2023, 2024 and 31 October 2025 (unaudited):			
Carrying amounts of interests	416,119	493,556	571,233

	Year ended 31 December	Year ended 31 December	Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Movements during the Track Record Period:				
Net (loss)/profit	(19,506)	3,070	3,070	(6,940)
Total comprehensive (expenses)/income for the year/period	(19,506)	3,070	3,070	(6,940)

The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Share of net assets	291,777	310,354	292,918
Impairment losses	(31,537)	(31,537)	—
	260,240	278,817	292,918

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23. DEFERRED TAX ASSETS/LIABILITIES

The Group

The following are the major deferred tax liabilities and assets recognised by the Group.

Deferred tax assets

	Impairment losses on property, plant and equipment	Unrealised profits arising from intragroup transactions	Losses available for offsetting against future taxable profits	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	227,059	182,864	128,105	40,584	578,612
Deferred tax credited/(charged) to profit or loss during the year . .	65,043	39,233	(13,193)	42,254	133,337
Disposal of subsidiaries (note 47) .	—	—	—	(76)	(76)
Deferred tax assets at 31 December 2023	<u>292,102</u>	<u>222,097</u>	<u>114,912</u>	<u>82,762</u>	<u>711,873</u>
At 1 January 2024	292,102	222,097	114,912	82,762	711,873
Deferred tax credited/(charged) to profit or loss during the year . .	89,499	18,846	(17,050)	12,474	103,769
Disposal of subsidiaries (note 47) .	—	—	—	(363)	(363)
Deferred tax assets at 31 December 2024	<u>381,601</u>	<u>240,943</u>	<u>97,862</u>	<u>94,873</u>	<u>815,279</u>
At 1 January 2025	381,601	240,943	97,862	94,873	815,279
Deferred tax credited/(charged) to profit or loss during the period Acquisition of a subsidiary (note 46)	23,077	(10,132)	41,764	13,806	68,515
Disposal of subsidiaries (note 47) .	—	—	—	1,134	1,134
Deferred tax assets At 31 October 2025	<u>404,678</u>	<u>230,811</u>	<u>134,696</u>	<u>103,749</u>	<u>878,864</u>

Deferred tax liabilities

	Fair value adjustment of assets arising from business combinations	Accelerated tax depreciation	Difference in right of use assets	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	1,973	64,132	150	3,541	69,796
Deferred tax (credited)/charged to profit or loss during the year . .	(717)	19,807	2,233	(458)	20,865
Deferred tax liabilities at 31 December 2023	<u>1,256</u>	<u>83,939</u>	<u>2,383</u>	<u>3,083</u>	<u>90,661</u>
At 1 January 2024	1,256	83,939	2,383	3,083	90,661
Deferred tax (credited)/charged to profit or loss during the year . .	(717)	(7,063)	9,878	1,386	3,484
Disposal of subsidiaries (note 47) .	—	—	—	(329)	(329)
Deferred tax liabilities at 31 December 2024	<u>539</u>	<u>76,876</u>	<u>12,261</u>	<u>4,140</u>	<u>93,816</u>
At 1 January 2025	539	76,876	12,261	4,140	93,816
Deferred tax (credited)/charged to profit or loss during the period .	(66)	(5,347)	438	(708)	(5,683)
Deferred tax liabilities at 31 October 2025 (unaudited)	<u>473</u>	<u>71,529</u>	<u>12,699</u>	<u>3,432</u>	<u>88,133</u>

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The following is the analysis of the deferred tax balances for consolidated statement of financial position purposes:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Deferred tax assets	711,873	815,279	878,864
Deferred tax liabilities	(90,661)	(93,816)	(88,133)
	<u>621,212</u>	<u>721,463</u>	<u>790,731</u>

As at 31 December 2023 and 2024 and 31 October 2025, deferred tax assets have not been recognised in respect of tax losses of RMB201,126,000, RMB133,364,000 and RMB76,777,000 arising in Chinese Mainland, respectively, which will expire in one to five years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in subsidiaries that have not been considered as probable that taxable profits will be available against which the tax losses and deductible temporary differences can be utilised.

The Company

The following are the major deferred tax liabilities and assets recognised by the Company.

Deferred tax assets

	Impairment losses on property, plant and equipment	Losses available for offsetting against future taxable profits	Changes in fair value	Warranty provision	Government grant	Equity-settled Share-based payment	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	92,720	13	6,888	–	3,297	–	102,918
Deferred tax credited/(charged) to profit or loss during the year	30,203	(13)	2,019	–	161	3,103	35,473
Deferred tax assets at 31 December 2023	<u>122,923</u>	<u>–</u>	<u>8,907</u>	<u>–</u>	<u>3,458</u>	<u>3,103</u>	<u>138,391</u>
At 1 January 2024	122,923	–	8,907	–	3,458	3,103	138,391
Deferred tax credited/(charged) to profit or loss during the year	42,786	–	(3,657)	3,232	(521)	6,274	48,114
Deferred tax assets at 31 December 2024	<u>165,709</u>	<u>–</u>	<u>5,250</u>	<u>3,232</u>	<u>2,937</u>	<u>9,377</u>	<u>186,505</u>
At 1 January 2025	165,709	–	5,250	3,232	2,937	9,377	186,505
Deferred tax credited/(charged) to profit or loss during the period	24,766	–	–	(643)	1,442	2,026	27,591
Deferred tax assets at 31 October 2025 (unaudited)	<u>190,475</u>	<u>–</u>	<u>5,250</u>	<u>2,589</u>	<u>4,379</u>	<u>11,403</u>	<u>214,096</u>

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Deferred tax liabilities

	Accelerated tax depreciation	Total
	RMB'000	RMB'000
At 1 January 2023	3,275	3,275
Deferred tax credited to profit or loss during the year	(314)	(314)
Deferred tax liabilities at 31 December 2023	<u>2,961</u>	<u>2,961</u>
At 1 January 2024	2,961	2,961
Deferred tax credited to profit or loss during the year	(315)	(315)
Deferred tax liabilities at 31 December 2024	<u>2,646</u>	<u>2,646</u>
At 1 January 2025	2,646	2,646
Deferred tax credited to profit or loss during the period	(260)	(260)
Deferred tax liabilities at 31 October 2025 (unaudited)	<u>2,386</u>	<u>2,386</u>

The following is the analysis of the deferred tax balances for statement of financial position purposes:

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Deferred tax assets	138,391	186,505	214,096
Deferred tax liabilities	<u>(2,961)</u>	<u>(2,646)</u>	<u>(2,386)</u>
	<u>135,430</u>	<u>183,859</u>	<u>211,710</u>

24. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Unlisted equity investment in the PRC	<u>3</u>	<u>3</u>	<u>3</u>

25. OTHER NON-CURRENT ASSETS

The Group

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Prepayment for acquisition of property, plant and equipment	52,462	133,911	100,343
Other prepayments	<u>15,654</u>	<u>5,799</u>	<u>5,872</u>
Total	<u>68,116</u>	<u>139,710</u>	<u>106,215</u>

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The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Prepayment for acquisition of property, plant and equipment	7,005	22,100	30,603
Other prepayments	8,687	1,359	1,757
Total	<u>15,692</u>	<u>23,459</u>	<u>32,360</u>

26. INVENTORIES

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Raw materials	418,529	381,840	368,364
Work in progress	103,360	157,029	211,861
Finished goods	772,197	451,177	672,228
Contract fulfilment costs	35,616	57,644	74,748
Goods in transit	352,327	236,149	450,777
	<u>1,682,029</u>	<u>1,283,839</u>	<u>1,777,978</u>
Less: provision for impairment	<u>(73,012)</u>	<u>(78,222)</u>	<u>(59,963)</u>
Total	<u>1,609,017</u>	<u>1,205,617</u>	<u>1,718,015</u>

The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Raw materials	120,810	112,223	109,690
Work in progress	23,760	54,834	59,251
Finished goods	160,324	79,788	135,013
Contract fulfilment costs	832	6,420	4,164
Goods in transit	43,288	37,946	78,689
	<u>349,014</u>	<u>291,211</u>	<u>386,807</u>
Less: provision for impairment	<u>(19,538)</u>	<u>(37,567)</u>	<u>(22,535)</u>
Total	<u>329,476</u>	<u>253,644</u>	<u>364,272</u>

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ACCOUNTANTS’ REPORT

27. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Trade receivables	9,040,403	11,023,268	11,067,334
Bills receivable	686,569	392,914	256,177
	9,726,972	11,416,182	11,323,511
Less: Impairment	(1,266,631)	(1,502,439)	(1,601,808)
Net carrying amount	8,460,341	9,913,743	9,721,703

The total is analysed for reporting purposes as:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Current	8,444,563	9,751,613	9,596,733
Non-current	15,778	162,130	124,970
Total	8,460,341	9,913,743	9,721,703

The credit period generally ranges from 30 to 90 days after the invoice date. However, the settlement terms of certain material contracts are based on the achievement of certain milestones of each sales transaction and the actual payment term may differ from the aforementioned credit period. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As at 31 December 2023, 2024 and 31 October 2025, included in the Group’s trade receivables are amounts due from the Group’s associates of RMB361,982,000, RMB416,626,000 and RMB302,871,000 and amounts due from the Group’s related parties of RMB158,000, RMB260,000 and RMB nil which is repayable on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade receivables, net of impairment allowance as at the end of each of the Track Record Period, based on the revenue recognition date, is as follows:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Within 1 year	5,814,265	7,173,845	6,755,532
1 to 2 years	1,369,487	1,690,039	1,900,942
2 to 3 years	465,182	477,215	592,491
over 3 years	201,320	205,004	225,999
Total	7,850,254	9,546,103	9,474,964

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

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
At beginning of year/period	943,112	1,190,149	1,477,165
Impairment losses, net	256,563	296,122	150,612
Disposal of subsidiaries	–	(3,094)	(34,297)
Amount write off as uncollectible	(9,526)	(6,012)	(1,110)
At end of year/period	<u>1,190,149</u>	<u>1,477,165</u>	<u>1,592,370</u>

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

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
At beginning of year/period	28,222	76,482	25,274
Impairment losses/(reversal of impairment losses), net	48,260	(51,208)	(15,281)
Amount write off as uncollectible	–	–	(555)
At end of year/period	<u>76,482</u>	<u>25,274</u>	<u>9,438</u>

The Group applies the simplified approach in calculating ECLs for trade receivables. Trade receivables relating to customers not sharing similar credit risk with others are assessed individually for impairment allowance, for instance, customers with known financial difficulties or significant doubt on collection. The remaining trade receivables are grouped and collectively assessed for impairment allowance. Under the collective approach, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing analysis for grouping of customers that have similar loss patterns. The calculation reflects the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macro-economic environment.

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

	Within 1 year	1 to 2 years	2 to 3 years	over 3 years	Total
As at 31 December 2023					
On a collective basis:					
Expected credit loss rate	5.11%	10.12%	30.00%	72.22%	13.17%
Gross carrying amount (RMB'000)	6,127,150	1,523,645	664,856	724,752	9,040,403
Expected credit losses (RMB'000)	312,885	154,159	199,674	523,431	1,190,149

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	Within 1 year	1 to 2 years	2 to 3 years	over 3 years	Total
As at 31 December 2024					
On a collective basis:					
Expected credit loss rate . .	5.26%	11.09%	30.55%	76.24%	13.40%
Gross carrying amount					
(RMB’000)	7,572,272	1,900,927	687,161	862,908	11,023,268
Expected credit losses					
(RMB’000)	398,427	210,887	209,946	657,905	1,477,165

	Within 1 year	1 to 2 years	2 to 3 years	over 3 years	Total
As at 31 October 2025					
(unaudited)					
On a collective basis:					
Expected credit loss rate . .	5.05%	9.84%	33.00%	76.61%	14.39%
Gross carrying amount					
(RMB’000)	7,114,535	2,108,401	878,002	966,396	11,067,334
Expected credit losses					
(RMB’000)	359,003	207,458	285,511	740,398	1,592,370

The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
			(unaudited)
Trade receivables	4,931,111	6,347,178	7,034,471
Bills receivable	506,621	289,379	148,332
	5,437,732	6,636,557	7,182,803
Less: Impairment	(510,200)	(707,168)	(844,659)
Net carrying amount	4,927,532	5,929,389	6,338,144

The total is analysed for reporting purposes as:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
			(unaudited)
Current	4,927,532	5,929,389	6,338,144

The credit period generally ranges from 30 to 90 days after the invoice date. However, the settlement terms of certain material contracts are based on the achievement of certain milestones of each sales transaction and the actual payment term may differ from the aforementioned credit period. Each customer has a maximum credit limit. The Company seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Company does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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An ageing analysis of the trade receivables, net of impairment allowance as at the end of each of the Track Record Period, based on the transaction date, is as follows:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Within 1 year	3,416,673	4,408,834	4,679,685
1 to 2 years	669,976	889,852	1,064,481
2 to 3 years	251,078	225,452	320,629
over 3 years	83,184	115,872	125,017
Total	<u>4,420,911</u>	<u>5,640,010</u>	<u>6,189,812</u>

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

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
At beginning of year/period	379,579	510,200	707,168
Impairment losses, net	130,891	200,153	138,592
Amount write off as uncollectible	(270)	(3,185)	(1,101)
At end of year/period	<u>510,200</u>	<u>707,168</u>	<u>844,659</u>

The Company applies the simplified approach in calculating ECLs for trade receivables. Trade receivables relating to customers not sharing similar credit risk with others are assessed individually for impairment allowance, for instance, customers with known financial difficulties or significant doubt on collection. The remaining trade receivables are grouped and collectively assessed for impairment allowance. Under the collective approach, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing analysis for grouping of customers that have similar loss patterns. The calculation reflects the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macro economy.

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

	Within 1 year	1 to 2 years	2 to 3 years	over 3 years	Total
As at 31 December 2023					
On a collective basis:					
Expected credit loss rate	4.74%	10.00%	30.00%	65.55%	10.35%
Gross carrying amount					
(RMB'000)	3,586,518	744,418	358,683	241,492	4,931,111
Expected credit losses					
(RMB'000)	169,845	74,442	107,605	158,308	510,200

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	Within 1 year	1 to 2 years	2 to 3 years	over 3 years	Total
As at 31 December 2024					
On a collective basis:					
Expected credit loss rate . .	5.10%	12.00%	31.00%	68.55%	11.14%
Gross carrying amount					
(RMB’000)	4,645,534	1,005,898	327,285	368,461	6,347,178
Expected credit losses					
(RMB’000)	236,700	116,046	101,833	252,589	707,168

	Within 1 year	1 to 2 years	2 to 3 years	over 3 years	Total
As at 31 October 2025					
(unaudited)					
On a collective basis:					
Expected credit loss rate . .	4.84%	11.00%	32.00%	72.49%	12.01%
Gross carrying amount					
(RMB’000)	4,917,759	1,190,754	471,582	454,376	7,034,471
Expected credit losses					
(RMB’000)	238,074	126,273	150,953	329,359	844,659

28. NOTES RECEIVABLE AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at 31 December 2023 RMB’000	As at 31 December 2024 RMB’000	As at 31 October 2025 RMB’000 (unaudited)
Notes receivable at fair value through other comprehensive income	147,825	269,960	133,205

The credit period generally ranges from 0 to 90 days after the invoice date. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its notes receivable at fair value through other comprehensive income balances. Notes receivable at fair value through other comprehensive income are non-interest-bearing.

An ageing analysis of the notes receivable at fair value through other comprehensive income as at the end of each of the Track Record Period, based on the transaction date, is as follows:

	As at 31 December 2023 RMB’000	As at 31 December 2024 RMB’000	As at 31 October 2025 RMB’000 (unaudited)
Within 1 year	147,825	269,960	133,205

The Group applies the simplified approach in calculating ECLs for notes receivable at fair value through other comprehensive income. Notes receivable at fair value through other comprehensive income relating to customers not sharing similar credit risk with others are assessed individually for impairment allowance, for instance, customers with known financial difficulties or significant doubt on collection. The remaining notes receivable at fair value through other comprehensive income are grouped and collectively assessed for impairment allowance. Under the collective approach, an impairment analysis is performed at each reporting date using a provision matrix to measure

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expected credit losses. The provision rates are based on ageing analysis for grouping of customers that have similar loss patterns. The calculation reflects the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macro economy.

Set out below is the information about the credit risk exposure on the Group’s notes receivable at fair value through other comprehensive income using a provision matrix:

	<u>Within 1 year</u>
As at 31 December 2023	
On a collective basis:	
Expected credit loss rate	0.00%
Gross carrying amount (RMB’000)	147,825
Expected credit losses (RMB’000)	–
	<u>Within 1 year</u>
As at 31 December 2024	
On a collective basis:	
Expected credit loss rate	0.00%
Gross carrying amount (RMB’000)	269,960
Expected credit losses (RMB’000)	–
	<u>Within 1 year</u>
As at 31 October 2025 (unaudited)	
On a collective basis:	
Expected credit loss rate	0.00%
Gross carrying amount (RMB’000)	133,205
Expected credit losses (RMB’000)	–

The Company

	<u>As at 31 December</u>	<u>As at 31 December</u>	<u>As at 31 October</u>
	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
			<i>(unaudited)</i>
Notes receivable at fair value through other comprehensive income	<u>120,939</u>	<u>235,136</u>	<u>102,218</u>

The credit period generally ranges from 0 to 90 days after the invoice date. However, the settlement terms of certain material contracts are based on the achievement of certain milestones of each sales transaction and the actual payment term may differ from the aforementioned credit period. Each customer has a maximum credit limit. The Company seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Company does not hold any collateral or other credit enhancements over its notes receivable at fair value through other comprehensive income balances. Notes receivable at fair value through other comprehensive income are non-interest-bearing.

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An ageing analysis of the notes receivable at fair value through other comprehensive income as at the end of each of the Track Record Period, based on the transaction date, is as follows:

	As at 31 December 2023 RMB'000	As at 31 December 2024 RMB'000	As at 31 October 2025 RMB'000 (unaudited)
Within 1 year	<u>120,939</u>	<u>235,136</u>	<u>102,218</u>

The Company applies the simplified approach in calculating ECLs for notes receivable at fair value through other comprehensive income. Notes receivable at fair value through other comprehensive income relating to customers not sharing similar credit risk with others are assessed individually for impairment allowance, for instance, customers with known financial difficulties or significant doubt on collection. The remaining notes receivable at fair value through other comprehensive income are grouped and collectively assessed for impairment allowance. Under the collective approach, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing analysis for grouping of customers that have similar loss patterns. The calculation reflects the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macro economy.

Set out below is the information about the credit risk exposure on the Company’s notes receivable at fair value through other comprehensive income using a provision matrix:

	Within 1 year
As at 31 December 2023	
On a collective basis:	
Expected credit loss rate	0.00%
Gross carrying amount (RMB'000)	14,199
Expected credit losses (RMB'000)	—
	Within 1 year
As at 31 December 2024	
On a collective basis:	
Expected credit loss rate	0.00%
Gross carrying amount (RMB'000)	408
Expected credit losses (RMB'000)	—
	Within 1 year
As at 31 October 2025 (unaudited)	
On a collective basis:	
Expected credit loss rate	0.00%
Gross carrying amount (RMB'000)	388,385
Expected credit losses (RMB'000)	—

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29. PREPAYMENTS AND OTHER RECEIVABLES

The Group

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Prepayments (<i>note a</i>)	268,245	309,925	310,475
Deposits and other receivables (<i>note b</i>)	849,008	752,325	950,888
Finance lease receivables (<i>note c</i>)	124,356	224,026	251,663
Value-added tax (“VAT”) receivables	125,195	102,751	126,682
Dividend receivables	—	—	1,000
Tax recoverable	28,348	6,797	7,601
	1,395,152	1,395,824	1,648,309
Less: provision for impairment	(191,923)	(314,511)	(317,890)
Total	1,203,229	1,081,313	1,330,419

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Current	1,146,515	876,216	1,091,909
Non-current	56,714	205,097	238,510
Total	1,203,229	1,081,313	1,330,419

Notes:

- (a) As at 31 December 2023, 2024 and 31 October 2025, included in the Group’s prepayments are amounts due from the Group’s associates of RMB144,000, RMB25,000 and RMB140,000 and amounts due from the Group’s related parties of RMB2,000, RMB nil and RMB nil.
- (b) As at 31 December 2023, 2024 and 31 October 2025, included in the Group’s other receivables are amounts due from the Group’s associates of RMB94,518,000 RMB33,469,000 and RMB8,317,000 and amounts due from the Group’s related parties of RMB21,590,000, RMB nil and RMB nil. The amounts due from associates and related parties are non-trade nature, interest free and repayable on demand.
- (c) Finance lease receivables

The Group entered into finance lease arrangements as a lessor for equipment. The average terms of finance lease entered into usually range within 1 to 2 years. All interest rates inherent in the lease are fixed at the contract date over the lease terms.

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As at 31 December 2023, 31 December 2024 and 31 October 2025, unguaranteed residual values of assets leased under finance leases are estimated at RMB8,739,000, RMB10,478,000 and RMB10,531,000 respectively.

	Undiscounted minimum lease payments		
	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Finance lease receivables comprise:			
Within 1 year	70,209	61,570	92,431
1 to 2 years	16,886	54,145	58,532
2 to 3 years	12,162	50,792	61,646
over 3 years	23,856	65,821	41,343
	123,113	232,328	253,952
Unguaranteed residual values	8,739	10,478	10,531
Gross investment in the lease	131,852	242,806	264,483
Less: unearned finance income	(7,496)	(18,780)	(12,820)
Present value of minimum lease payments	124,356	224,026	251,663
Less: provision for impairment	(2,667)	(130)	(139)
Present value of minimum lease payments	121,689	223,896	251,524
Analysed as:			
Current	64,975	18,799	51,300
Non-current	56,714	205,097	200,224
Total	121,689	223,896	251,524

Interest rates implicit in the above finance leases are 4.35% for the year ended 31 December 2023, 31 December 2024 and for the ten months ended 31 October 2025.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities.

Finance lease receivables are secured over the plant and machinery leased. The Group is not permitted to sell or repledge the collateral in the absence of default by the lessee.

Impairment analysis

An impairment analysis was performed at the end of each of the Track Record Period. The Group has applied the general approach to provide for expected credit losses for non-trade other receivables under HKFRS 9. The Group considered the historical loss rate and adjusted it for forward-looking macroeconomic data in calculating the expected credit loss rate.

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
At beginning of year/period	42,586	191,923	314,511
Impairment losses	253,745	124,436	3,921
Disposal of subsidiaries	–	–	(2)
Amount write off as uncollectible	(104,408)	(1,848)	(540)
At end of year/period	191,923	314,511	317,890

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The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Prepayments	73,830	107,428	82,975
Deposits and other receivables	418,258	404,859	467,794
VAT receivables	266	201	201
Dividend receivables	–	1,020	–
Tax recoverable	13,726	–	–
	506,080	513,508	550,970
Less: provision for impairment	(144,316)	(248,970)	(250,084)
Total	361,764	264,538	300,886

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Current	361,764	264,538	262,599
Non-current	–	–	38,287
	361,764	264,538	300,886

An impairment analysis was performed at the end of each of the Track Record Period. The Company has applied the general approach to provide for expected credit losses for non-trade other receivables under HKFRS 9. The Company considered the historical loss rate and adjusted it for forward-looking macroeconomic data in calculating the expected credit loss rate.

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
At beginning of year/period	26,586	144,316	248,970
Impairment losses	117,730	104,654	1,114
At end of year/period	144,316	248,970	250,084

30. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Equity securities, at fair value	19,689	–	–

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31. BANK BALANCES AND CASH

The Group

	As at 31 December 2023 RMB'000	As at 31 December 2024 RMB'000	As at 31 October 2025 RMB'000 (unaudited)
Bank deposits and cash balances	2,208,647	2,231,856	1,647,621
Restricted bank deposits	629,003	510,359	477,937
	<u>2,837,650</u>	<u>2,742,215</u>	<u>2,125,558</u>

As at 31 October 2025, bank deposits and cash balances include short-term deposits matured within 3 months carried interest ranging from 0.9% to 4.64% per annum.

	As at 31 December 2023 RMB'000	As at 31 December 2024 RMB'000	As at 31 October 2025 RMB'000 (unaudited)
<u>Cash and cash equivalents</u>			
Denominated in RMB	2,829,285	2,717,853	1,347,344
Denominated in Hong Kong dollar (“HKD”) . . .	–	613	574,328
Denominated in United States dollar (“USD”) . .	6,703	20,210	111,510
Denominated in Saudi Riyal dollar (“SAR”) . . .	–	–	92,310
Denominated in Euro (“EUR”)	1,662	3,539	66
	<u>2,837,650</u>	<u>2,742,215</u>	<u>2,125,558</u>

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

As at 31 December 2023 and 2024 and 31 October 2025, the Group and the Company have assessed the credit risk of cash and cash equivalents and pledged deposits to be minimal as they were placed in reputable financial institutions.

The pledged bank deposit are pledged for certain bills payables as disclosed in note 32.

The Company

	As at 31 December 2023 RMB'000	As at 31 December 2024 RMB'000	As at 31 October 2025 RMB'000 (unaudited)
Bank deposits and cash balances	<u>1,137,874</u>	<u>1,504,612</u>	<u>1,232,975</u>

	As at 31 December 2023 RMB'000	As at 31 December 2024 RMB'000	As at 31 October 2025 RMB'000 (unaudited)
<u>Cash and cash equivalents</u>			
Denominated in RMB	1,135,174	1,485,514	848,347
Denominated in HKD	–	–	283,184
Denominated in USD	1,038	19,098	101,444
Denominated in EUR	1,662	–	–
	<u>1,137,874</u>	<u>1,504,612</u>	<u>1,232,975</u>

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32. TRADE AND BILLS PAYABLES

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Trade payables			
– that are not part of supplier finance arrangement (“SFA”)	4,884,175	5,184,816	5,036,518
– that are part of SFA	622,981	1,028,810	713,675
	5,507,156	6,213,626	5,750,193
Bills payables	2,227,525	1,865,284	1,849,594
	7,734,681	8,078,910	7,599,787

As at 31 December 2023, 2024 and 31 October 2025, included in the Group’s trade payables are amounts due to the Group’s associates of RMB54,615,000, RMB75,213,000 and RMB81,792,000 and amounts due to the Group’s related parties of RMB1,289,000, RMB nil and RMB 680,000 which will be repayable on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade payables as at the end of the Track Record Period, based on recognition date, is as follows:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Within 1 year	4,694,063	5,233,931	4,901,732
1 to 2 years	464,976	693,258	489,592
2 to 3 years	169,673	111,775	156,015
Over 3 years	178,444	174,662	202,854
Total	5,507,156	6,213,626	5,750,193

The trade payables are non-interest-bearing and are normally settled in 30 to 90 days upon receipt of the VAT invoice.

As at 31 December 2023, 31 December 2024 and 31 October 2025, the Group’s certain bills payables of approximately RMB1,760,108,000, RMB1,979,927,000 and RMB1,721,951,000 were secured by the pledged deposits of approximately RMB418,388,000, RMB408,817,000 and RMB303,452,000, respectively.

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Supplier Finance Arrangement (“SFA”)

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

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Carrying amount of financial liabilities that are part of SFA			
Presented as part of:			
– Trade payables	622,981	1,028,810	713,675
Payments have been received by the suppliers from the finance provider			
– Trade payables	399,243	499,497	407,170

The range of payment due dates for the liabilities presented as trade payables that are part of SFA and those comparable trade payables that are not part of SFA had no significant changes. The payment days are generally within 180 days.

The Company

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Trade payables (including SFA)	4,438,218	5,235,589	5,798,912
Bills payables	1,022,823	1,458,052	1,611,630
	<u>5,461,041</u>	<u>6,693,641</u>	<u>7,410,542</u>

An ageing analysis of the trade payables as at the end of the Track Record Period, based on recognition date, is as follows:

	As at 31 December 2023	As at 31 December 2024	As at 31 October 2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Within 1 year	4,132,070	4,664,232	5,539,349
1 to 2 years	187,760	453,967	129,903
2 to 3 years	71,163	56,454	79,881
Over 3 years	47,225	60,936	49,779
Total	<u>4,438,218</u>	<u>5,235,589</u>	<u>5,798,912</u>

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33. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Payroll and welfare payable	471,851	581,334	312,542
Other tax payables	352,222	388,143	237,630
Amounts due to associates (<i>note a</i>)	3,611	4,126	4,893
Loan from an associate (<i>note b</i>)	36,286	–	–
Other payables (<i>note c</i>)	626,474	682,109	618,581
Amount due to a shareholder (<i>note d</i>)	252,159	256,046	234,628
Dividend payables	2,482	834	–
Provision for litigation penalty	–	1,405	35
Total	<u>1,745,085</u>	<u>1,913,997</u>	<u>1,408,309</u>

The total is analysed for reporting purposes as:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Current	1,702,465	1,876,467	1,378,598
Non-current	42,620	37,530	29,711
Total	<u>1,745,085</u>	<u>1,913,997</u>	<u>1,408,309</u>

The non-current amounts are related to funds for ultra-long-term government bond projects, accrued sales warranty expenses, and estimated litigation compensation losses.

Notes:

- (a) The amounts due to associates are non-trade nature, unsecured, interest free and repayable on demand.
- (b) The loan from an associate is interest-bearing and repayable on demand.
- (c) Except for certain other payables that are with repayment term over 1 year, other payables are unsecured, non interest-bearing and have no fixed terms of settlement.
- (d) As at 31 December 2023, 2024 and 31 October 2025, except for an amount due to a shareholder of RMB201,961,000, RMB147,679,000 and RMB131,343,000 which are non-trade nature, unsecured, interest-bearing and repayable on demand, the remaining balances are non-trade nature, unsecured, non interest-bearing and repayable on demand.

Certain customers of the Group have financed the purchase of photovoltaic power stations constructed by the Group through financial leasing companies. Under these finance lease arrangements, the Group has provided guarantees to the leasing companies. In the event of default by the purchasing customers, the Company is obligated to compensate the leasing company for the outstanding lease payments. However, the Group retains the right to repossess the photovoltaic power stations that serve as the leased assets. As of 31 December 2023, 2024 and 31 October 2025, the amounts guaranteed by the Company under these arrangements were approximately RMB701 million, RMB123 million, and RMB nil, respectively. The guarantee periods are consistent with the terms of the corresponding lease contracts. The fair value of these financial guarantee, as at dates of initial recognition, were considered insignificant. No loss allowance was recognised in the profit or loss as the amount of the loss allowance was not significant.

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The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Payroll and welfare payable	159,614	195,208	156,289
Other tax payables	34,427	58,977	19,149
Amount due to a shareholder (<i>note a</i>)	50,198	104,532	99,451
Other payables	295,100	452,004	183,208
Total	<u>539,339</u>	<u>810,721</u>	<u>458,097</u>

The total is analysed for reporting purposes as:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Current	<u>539,339</u>	<u>810,721</u>	<u>458,097</u>

Note:

- (a) As at 31 December 2023, 2024 and 31 October 2025, the amount is unsecured, interest-free and repayable on demand.

34. CONTRACT ASSETS AND LIABILITIES

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Contract assets	1,170,151	1,473,915	1,723,264
Impairment	(58,508)	(78,942)	(161,783)
	<u>1,111,643</u>	<u>1,394,973</u>	<u>1,561,481</u>
Contract liabilities	<u>700,624</u>	<u>718,493</u>	<u>848,716</u>

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Movement of contract liabilities			
At beginning of the year/period	722,644	700,624	718,493
Revenue recognised that was included in contract liabilities at beginning of the year/period . . .	(507,490)	(611,232)	(458,302)
Advance payment received from customers during the year/period	<u>485,470</u>	<u>629,166</u>	<u>588,842</u>

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	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Acquisition of a subsidiary (note 46)	–	–	612
Disposal of subsidiaries (note 47)	–	(65)	(929)
At the end of year/period	<u>700,624</u>	<u>718,493</u>	<u>848,716</u>
Movement of provision for impairment of contract assets:			
At beginning of the year/period	50,958	58,508	78,942
Impairment losses	7,550	20,577	83,320
Disposal of subsidiaries	–	(143)	(479)
At end of year/period	<u>58,508</u>	<u>78,942</u>	<u>161,783</u>

As at 31 December 2023, 2024 and 31 October 2025, included in the Group’s contract assets are amounts due from the Group’s associates of RMB6,279,000, RMB13,947,000 and RMB11,314,000, which will be repayable on credit terms similar to those offered to the major customers of the Group.

As at 31 December 2023, 2024 and 31 October 2025, included in the Group’s contract liabilities are amounts due to the Group’s associates of RMB12,925,000, RMB7,288,000 and RMB12,750,000 and amounts due to the Group’s related parties of RMB49,000, RMB nil and RMB nil which will be repayable on credit terms similar to those offered to the major customers of the Group.

The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Contract assets	971,740	1,279,793	1,584,376
Impairment losses	(48,587)	(63,990)	(144,367)
	<u>923,153</u>	<u>1,215,803</u>	<u>1,440,009</u>
Contract liabilities	<u>233,917</u>	<u>305,139</u>	<u>330,855</u>

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Movement of contract liabilities			
At beginning of the year/period	262,901	233,917	305,139
Revenue recognised that was included in contract liabilities at beginning of the year/period	(195,069)	(196,210)	(243,028)
Advance payment received from customers during the year/period	<u>166,085</u>	<u>267,432</u>	<u>268,744</u>
At the end of year/period	<u>233,917</u>	<u>305,139</u>	<u>330,855</u>
Contract assets			
At beginning of the year/period	35,829	48,587	63,990
Impairment losses	<u>12,758</u>	<u>15,403</u>	<u>80,377</u>
At end of year/period	<u>48,587</u>	<u>63,990</u>	<u>144,367</u>

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35. INTEREST-BEARING BANK BORROWINGS

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Bank borrowings – unsecured and guaranteed . . .	1,222,449	1,732,158	1,960,856
Bank borrowings – secured and unguaranteed . . .	45,000	45,000	25,000
Bank borrowings – unsecured and unguaranteed .	1,431,213	1,322,698	1,738,643
	<u>2,698,662</u>	<u>3,099,856</u>	<u>3,724,499</u>
Non-current			
Bank borrowings – unsecured and guaranteed . . .	1,222,053	353,600	236,452
Bank borrowings – unsecured and unguaranteed .	231,700	590,850	418,700
	<u>1,453,753</u>	<u>944,450</u>	<u>655,152</u>
<i>Analysis of effective interest rate</i>			
Bank borrowings – unsecured and guaranteed . . .	1.20%-4.50%	1.20%-4.20%	1.29%-3.25%
Bank borrowings – secured and unguaranteed . . .	3.20%	3.20%	2.40%
Bank borrowings – unsecured and unguaranteed .	<u>2.95%-4.50%</u>	<u>2.40%-4.50%</u>	<u>2.22%-3.40%</u>

The carrying amounts of the above borrowings are analysed based on contractual repayment date as follows:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
The carrying amounts of the borrowings are repayable:			
Within one year	2,698,662	3,099,856	3,724,499
Within a period of more than one year but not exceeding two years	1,257,211	506,945	454,893
Within a period of more than two years but not exceeding five years	172,575	427,505	190,259
Within a period of more than five years	<u>23,967</u>	<u>10,000</u>	<u>10,000</u>
	4,152,415	4,044,306	4,379,651
Less: Amounts due within one year shown under current liabilities	<u>(2,698,662)</u>	<u>(3,099,856)</u>	<u>(3,724,499)</u>
Amounts shown under non-current liabilities .	<u>1,453,753</u>	<u>944,450</u>	<u>655,152</u>

The carrying amounts of the Group’s current interest-bearing bank borrowing approximate to their fair value.

At 31 December 2023, 2024 and 31 October 2025, the Group had banking facilities to the extent of approximately RMB13,960,450,000, RMB16,014,070,000 and RMB22,181,900,000, respectively. The bank borrowings utilising the aforesaid banking facilities as at 31 December 2023, 2024 and 31 October 2025 were approximately RMB3,693,402,000, RMB3,421,190,000 and RMB3,545,959,000, respectively.

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The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Bank borrowings – unsecured and guaranteed . . .	2,000	–	–
Bank borrowings – unsecured and unguaranteed . .	997,133	650,874	874,146
	<u>999,133</u>	<u>650,874</u>	<u>874,146</u>
Non-current			
Bank borrowings – unsecured and unguaranteed . .	<u>223,700</u>	<u>590,850</u>	<u>418,700</u>
<i>Analysis of effective interest rate</i>			
Bank borrowings – unsecured and guaranteed . . .	1.20%	N/A	N/A
Bank borrowings – unsecured and unguaranteed . .	<u>2.90%-3.90%</u>	<u>2.50%-3.00%</u>	<u>2.22%-2.65%</u>

The carrying amounts of the above borrowings are analysed based on contractual repayment date as follows:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
The carrying amounts of the borrowings are repayable:			
Within one year:	999,133	650,874	874,146
Within a period of more than one year but not exceeding two years	223,700	319,850	418,700
Within a period of more than two years but not exceeding five years	–	271,000	–
	<u>1,222,833</u>	<u>1,241,724</u>	<u>1,292,846</u>
Less: Amounts due within one year shown under current liabilities	<u>(999,133)</u>	<u>(650,874)</u>	<u>(874,146)</u>
Amounts shown under non-current liabilities . .	<u>223,700</u>	<u>590,850</u>	<u>418,700</u>

At 31 December 2023, 2024 and 31 October 2025, the Company had banking facilities to the extent of approximately RMB6,419,900,000, RMB7,269,900,000 and RMB10,129,900,000, respectively. The bank borrowings utilising the aforesaid banking facilities as at 31 December 2023, 2024 and 31 October 2025 were approximately RMB1,179,900,000, RMB1,240,650,000 and RMB1,285,650,000, respectively.

At 31 December 2023, 2024 and 31 October 2025, the Company had issued guarantees to banks to secured banking facilities granted to certain subsidiaries to the extent of approximately RMB5,750,110,000, RMB6,444,170,000 and RMB8,458,170,000, respectively.

36. DEFERRED INCOME

The Group

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Government grants	502,059	417,276	378,963
Unrealised profits from associates	<u>6,343</u>	<u>9,564</u>	<u>6,773</u>
	<u>508,402</u>	<u>426,840</u>	<u>385,736</u>

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Movements in government grants of the Group during the Track Record Period are as follows:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
At beginning of the year/period	414,765	502,059	417,276
Government grants received	184,836	45,303	46,843
Recognised to profit or loss	(92,600)	(130,086)	(83,541)
Disposal of subsidiaries (note 47)	(4,942)	–	(1,615)
At the end of year/period	<u>502,059</u>	<u>417,276</u>	<u>378,963</u>

The Group received government grants for capital expenditure incurred for property, plant and equipment. The amounts are deferred and amortised over the estimated useful lives of the respective assets.

The Company

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Government grants	<u>23,051</u>	<u>19,580</u>	<u>26,242</u>

Movements in government grants of the Company during the Track Record Period are as follows:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
At beginning of the year/period	21,980	23,051	19,580
Government grants received	1,500	2,350	11,340
Recognised to profit or loss	(429)	(5,821)	(4,678)
At the end of year/period	<u>23,051</u>	<u>19,580</u>	<u>26,242</u>

The Company received government grants for capital expenditure incurred for property, plant and equipment. The amounts are deferred and amortised over the estimated useful lives of the respective assets.

37. SHARE CAPITAL

A summary of movements in the Company’s share capital during the Track Record Period is as follows:

	Number of shares	Nominal value of shares
		RMB'000
At 1 January 2023	1,040,710,713	1,040,711
Issue of ordinary shares (ordinary shares of RMB1.00 each) (note (a))	<u>15,187,000</u>	<u>15,187</u>
As at 31 December 2023 and 1 January 2024	1,055,897,713	1,055,898
Repurchase of shares (note (b))	<u>(206,000)</u>	<u>(206)</u>
As at 31 December 2024 and 1 January 2025	1,055,691,713	1,055,692
Repurchase of shares (note (c))	<u>(154,000)</u>	<u>(154)</u>
As at 31 October 2025 (unaudited)	<u>1,055,537,713</u>	<u>1,055,538</u>

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Notes:

- (a) Pursuant to the proposals such as “Proposal on the 2023 Restricted Share Incentive Plan (Draft) of the Company” (the “2023 Restricted Share Incentive Plan”) approved at the 2022 Annual General Meeting of the Company on 2 June 2023 and “Proposal on Adjusting Matters Related to the 2023 Restricted Share Incentive Plan” on 16 June 2023, it was approved that 15,187,000 shares of restricted stock would be granted at a price of RMB11.16 per share to 711 qualified incentive recipients through issue of 15,187,000 shares. Approximately RMB169,847,000 had been received by the Company in relation to the issuance of shares and RMB15,187,000 and RMB154,300,000 are credited to share capital and capital reserve respectively.

The issuance of the shares was completed on 10 July 2023.

- (b) On April 26, 2024, the company held the 19th meeting of the fifth Board of Directors and the 15th meeting of the fifth Board of Supervisors to review and approve the “Proposal on the Repurchase and Cancellation of Part of the 2023 Restricted Share Incentive Plan and the Adjustment of the Repurchase Price,” agreeing to repurchase and cancel 206,000 shares of restricted stock that had been granted to some incentive recipients but had not yet been released from restriction, and to adjust the repurchase price. The Board of Supervisors issued a verification opinion on this matter.

On May 24, 2024, the company held the 2023 Annual General Meeting of Shareholders to review and approve the “Proposal on the Repurchase and Cancellation of Part of the 2023 Restricted Share Incentive Plan and the Adjustment of the Repurchase Price,” agreeing, in accordance with the relevant provisions of the company’s “2023 Restricted Share Incentive Plan” and the “Implementation and Assessment Management Measures for the 2023 Restricted Share Incentive Plan,” to repurchase and cancel 206,000 shares of restricted stock that had been granted to 13 incentive recipients but had not yet been released from restriction.

- (c) According to the resolutions of the 24th meeting of the 5th Board of Directors, the 20th meeting of the 5th Supervisory Board, and the 2024 Annual General Meeting of Shareholders, and in accordance with the relevant provisions of the company’s ‘2023 Restricted Share Incentive Plan’ and ‘2023 Restricted Share Incentive Plan Implementation Assessment and Management Measures,’ 154,000 restricted shares that have been granted but whose lock-up period has not yet been lifted will be repurchased and cancelled from 12 incentive recipients.

38. RESERVES

The amounts of the Group’s retained earnings and the movements therein for the Track Record Period are presented in the consolidated statements of changes in equity of the Group.

(a) Capital reserve

The amount mainly represents capital contribution in excess of nominal value of share capital.

(b) Foreign currency translation reserve

The amount represents gains/losses arising on retranslating the net assets of foreign operations into presentation currency of the Group.

(c) Special reserve

The safety production funds accrued by the Company are charged to the cost of the related products or to profit or loss for the current period, and are recognised at the same time in a special reserve.

Where the safety production funds so accrued are used for expenditure of an expense nature, they are charged directly against the special reserve.

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Where the safety production funds so accrued are used to form fixed assets, the related expenditure is accumulated under construction in progress. When the safety project is completed and ready for its intended use, it is recognised as a fixed asset. At the same time, the special reserve is reduced by an amount equal to the cost of the fixed asset and an equal amount of accumulated depreciation is recognised. No further depreciation is charged on such fixed assets in subsequent periods.

(d) Statutory surplus reserve

In accordance with the articles of association of subsidiaries established in the PRC, these subsidiaries are required to transfer 10% of the profit after taxation in accordance to China Accounting Standards for Business Enterprises to the statutory reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve shall be made before distributing dividends to equity holders. The statutory reserve can be used to make up for previous years’ losses, expand the existing operations or convert into additional capital of the subsidiaries.

(e) Treasury shares

Movement of treasury shares during the year ended 31 December 2023

- (a) 15,187,000 ordinary shares of the Company were issued (as described in note 37) at a price of RMB11.16 per share the purpose of implementation of 2023 Restricted Share Incentive Plan; and
- (b) The Company repurchased 5,148,440 ordinary shares of the Company from the market at average price of RMB18.88 per share for implementation of future share award scheme.

Movement of treasury shares during the year ended 31 December 2024:

- (a) The Company repurchased 10,545,900 ordinary shares of the Company from the market at average price of RMB19.22 per share with total consideration of approximately RMB202,788,000 for implementation of upcoming share award scheme;
- (b) As described in note 37(b), 206,000 ordinary shares of the Company had been repurchased and cancelled during the year ended 31 December 2024; and
- (c) In November 2024, 7,489,000 treasury shares had been utilized as shares under 2024 Share Award scheme issued at RMB9.78 per share to 326 grantees, the difference of RMB143,155,000 (being 7,489,000 treasury shares at average price of RMB19.11) and RMB73,193,000 proceeds received from the grantees (being 7,489,000 treasury shares at price of RMB9.78) are reclassified to capital reserve.

Movement of treasury shares during the year ended 31 October 2024 (unaudited):

- (a) The Company repurchased 10,545,900 ordinary shares of the Company from the market at average price of RMB19.22 per share with total consideration of approximately RMB202,788,000 for implementation of upcoming share award scheme; and
- (b) As described in note 37(b), 206,000 ordinary shares of the Company had been repurchased and cancelled during the ten months ended 31 October 2024.

Movement of treasury shares during the year ended 31 October 2025 (unaudited):

- (a) As described in note 37(c), 154,000 ordinary shares of the Company had been repurchased and cancelled during the ten months ended 31 October 2025;
- (b) In June 2025, as a result of the fulfillment of the conditions as set in 2023 Restricted Share Incentive Plan, 4,448,100 shares are unlocked from 2023 Restricted Share Incentive Plan; and
- (c) 77,000 treasury shares of the Company had been repurchased during the ten months ended 31 October 2025.

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(f) Reserve movements of the Company

Year ended 31 December 2023

	Capital reserve	Treasury shares	Statutory surplus reserve	Retained earnings	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	1,798,107	–	176,683	1,229,191	3,203,981
Profit and total comprehensive income for the year	–	–	–	49,201	49,201
Appropriation of statutory reserve	–	–	4,920	(4,920)	–
Dividend declared (note 14)	–	–	–	(52,795)	(52,795)
Repurchase of treasury shares	–	(97,214)	–	–	(97,214)
Issuance of shares under share award scheme (note 37)	154,300	(169,487)	–	–	(15,187)
Recognition of equity settled share-based compensation (note 39)	31,153	–	–	–	31,153
Others	(253)	–	–	–	(253)
At 31 December 2023 . . .	<u>1,983,307</u>	<u>(266,701)</u>	<u>181,603</u>	<u>1,220,677</u>	<u>3,118,886</u>

Year ended 31 December 2024

	Capital reserve	Treasury shares	Statutory surplus reserve	Retained earnings	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2024	1,983,307	(266,701)	181,603	1,220,677	3,118,886
Profit and total comprehensive income for the year	–	–	–	224,002	224,002
Appropriation of statutory reserve	–	–	22,400	(22,400)	–
Dividend declared (note 14)	–	–	–	(103,989)	(103,989)
Repurchase of treasury shares	–	(202,788)	–	–	(202,788)
Repurchase of shares under share award scheme (note 37)	(2,093)	4,546	–	–	2,453
Utilisation of treasury shares under share award scheme	(69,962)	143,155	–	–	73,193
Recognition of equity settled share-based compensation (note 39)	64,846	–	–	–	64,846
Others	(5)	–	–	–	(5)
At 31 December 2024 . . .	<u>1,976,093</u>	<u>(321,788)</u>	<u>204,003</u>	<u>1,318,290</u>	<u>3,176,598</u>

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Ten months ended 31 October 2025 (unaudited)

	Capital reserve	Treasury shares	Statutory surplus reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	1,976,098	(321,793)	204,003	1,318,290	3,176,598
Profit and total comprehensive income for the period	–	–	–	160,683	160,683
Dividend declared (note 14)	–	–	–	(157,077)	(157,077)
Repurchase of treasury shares	–	(753)	–	–	(753)
Repurchase of shares under share award scheme (note 37)	(1,565)	3,920	–	–	2,355
Effect of unlocking shares under 2023 Restricted Share Incentive Plan	–	48,306	–	–	48,306
Recognition of equity settled share-based compensation (note 39)	66,293	–	–	–	66,293
Others	37	–	–	–	37
At 31 October 2025 (unaudited)	<u>2,040,863</u>	<u>(270,320)</u>	<u>204,003</u>	<u>1,321,896</u>	<u>3,296,442</u>

39. SHARE-BASED PAYMENTS

(a) Share-based payments during the Track Record Period are as follows:

	Year ended 31 December	Year ended 31 December	Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
2024 Restricted Share Incentive Plan	–	3,203	2,214	4,427
TELD Share Award Incentive Plan	36,159	40,867	33,595	42,800
2023 Restricted Share Incentive Plan	31,153	56,310	46,855	35,718
2024 Stock Ownership Plan	–	5,333	–	26,148
	<u>67,312</u>	<u>105,713</u>	<u>82,664</u>	<u>109,093</u>

(b) 2024 Restricted Share Incentive Plan

Pursuant to the 2024 Restricted Share Incentive Plan approved at the 2023 Annual General Meeting of the Company on 24 May 2024, the Company granted 1,400,000 stock options to 10 incentive recipients with a grant date of 24 May 2024 and exercise price of RMB9.88 per share. According to the Company’s performance appraisal and individual performance appraisal, the stock options granted to certain directors, top-level management personnel and core operation team personnel are exercisable in three exercise periods after 24 months, 36 months and 48 months from the grant date, with the maximum exercisable percentage for each period being 30%, 30% and 40%, respectively.

On 28 October 2024, the Company held the 22nd meeting of the fifth board of directors and reviewed and approved the “Proposal on Adjusting the Purchase Price of the Company’s 2024 Restricted Share Incentive Plan,” agreeing to adjust the repurchase price of shares under the company’s 2024 Restricted Stock Incentive Plan from RMB9.88 per share to RMB9.78 per share.

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The movements of 2024 Stock Option Incentive Plan during the Track Record Period is as follows:

	Year ended 31 December		Year ended 31 December		Ten months ended 31 October	
	2023		2024		2025	
	Weighted average exercise price	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price	Number of shares
	RMB per share		RMB per share		RMB per share (unaudited)	
At the beginning of the year/period . . .	N/A	–	N/A	–	9.78	1,400,000
Granted	N/A	–	9.78	1,400,000	N/A	–
At the end of the year/period	N/A	–	9.78	1,400,000	9.78	1,400,000

The weighted average remaining contractual term of 2024 Restricted Share Incentive Plan as at 31 December 2024 and 31 October 2025 were 4.5 years and 3.5 years respectively.

The fair value at grant date is independently determined using an adjusted form of the Black Scholes Model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

	2024 Restricted Share Incentive Plan
Share price at date of grant	RMB20.07
Expected volatility	48.07%
Expected option life	5 years
Dividend yield	0.56%
Risk-free interest rate	2.314%
Exercise price at date of grant	RMB9.88

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(c) Share award

(i) TELD Share Award Incentive Plan

Pursuant to the approval from second meeting of the Company’s fourth board of directors and the first extraordinary general meeting of shareholders of the Company in 2019, TELD, the Company’s subsidiary has implemented the TELD Share Award Incentive Plan. The directors, senior and middle management, core technical staff, and key business personnel of both the Company and TELD subscribed to TELD’s newly increased registered capital of RMB18.42 million at a unit price of RMB2.86 per share. The contractual term of TELD Share Award Incentive Plan is 10 years. The TELD share award granted to grantee will be unlocked in 60 months from the date of completion of the registration of the grant, and the percentage of unlocking will be in accordance to TELD’s performance appraisal.

On 28 October 2021, the Company held the 30th meeting of the fourth board of directors and reviewed and approved the “Proposal on Adjusting the Appraisal Conditions of TELD Share Award Incentive Plan” on adjusting appraisal relevant years from “from 2019 to 2023” to “2019 and from 2022 to 2025”.

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(ii) 2023 Restricted Share Incentive Plan

Pursuant to the proposals such as “Proposal on the 2023 Restricted Share Incentive Plan (Draft) of the Company” approved at the 2022 Annual General Meeting of the Company on 2 June 2023 and “Proposal on Adjusting Matters Related to the 2023 Restricted Share Incentive Plan” on 16 June 2023, it was approved that 15,187,000 shares of restricted stock would be granted at a price of RMB11.16 per share to 711 qualified incentive recipients through issue of 15,187,000 shares. Approximately RMB169,847,000 had been received by the Company in relation to the issuance of shares and RMB15,187,000 and RMB154,300,000 are credited to share capital and capital reserve respectively.

The number of 2023 Restricted Share Incentive Plan granted to the Group’s incentive participants is summarised as follows:

	Year ended 31 December	Year ended 31 December	For the ten months ended 31 October
	2023	2024	2025
			(unaudited)
			<i>Number of share award</i>
At the beginning of the year/period	–	15,187,000	14,981,000
Granted	15,187,000	–	–
Vested	–	–	(4,448,100)
Lapsed/forfeited	–	(206,000)	(154,000)
At the end of the year/period	15,187,000	14,981,000	10,378,900

(iii) 2024 Stock Ownership Plan

On 26 April 2024, the company held the 19th meeting of the fifth Board of Directors and the 15th meeting of the fifth Board of Supervisors, and reviewed and approved matters including the “Proposal on the Company’s 2024 Stock Ownership Plan (Draft) and Its Summary” and the “Proposal on the Company’s 2024 Stock Ownership Plan Management Measures.”

On 24 May 2024, the company held the 2023 Annual General Meeting of Shareholders and reviewed and approved the “Proposal on the Company’s 2024 Stock Ownership Plan (Draft) and Its Summary” and the “Proposal on the Company’s 2024 Stock Ownership Plan Management Measures.”

On 28 October 2024, the company held the 22nd meeting of the fifth Board of Directors and reviewed and approved the “Proposal on Adjusting the Purchase Price of the Company’s 2024 Stock Ownership Plan,” adjusting the repurchase price of shares under the 2024 Stock Ownership Plan from RMB9.88 per share to RMB9.78 per share.

On 18 November 2024, the company transferred 7,489,000 shares held in its dedicated repurchase securities account to the “Qingdao Tgood Electric Co., Ltd. — 2024 Stock Ownership Plan” dedicated securities account through a non-trading transfer, at a transfer price of RMB9.78 per share.

The number of 2024 Stock Ownership Plan granted to the Group’s incentive participants is summarised as follows:

	Year ended 31 December	Year ended 31 December	For the ten months ended 31 October
	2023	2024	2025
			(unaudited)
			<i>Number of share award</i>
At the beginning of the year/period	–	–	7,489,000
Granted	–	7,489,000	–
Lapsed/forfeited	–	–	(77,000)
At the end of the year/period	–	7,489,000	7,412,000

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40. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Changes in liabilities arising from financing activities

	Dividend payables	Interest-bearing bank and other borrowings	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	216	4,543,783	900,444	5,444,443
Changes from financing cash flows	(50,529)	(550,166)	(173,749)	(774,444)
New leases	–	–	425,138	425,138
Termination and modification of leases . .	–	–	(9,336)	(9,336)
Interest expense	–	158,798	47,685	206,483
Dividend declared	52,795	–	–	52,795
At 31 December 2023 and 1 January 2024	2,482	4,152,415	1,190,182	5,345,079
Changes from financing cash flows	(105,637)	(238,597)	(179,151)	(523,385)
New leases	–	–	350,761	350,761
Termination and modification of leases . .	–	–	(228,835)	(228,835)
Disposal of a subsidiary (note 47)	–	–	(1,270)	(1,270)
Interest expense	–	130,488	57,743	188,231
Dividend declared	103,989	–	–	103,989
At 31 December 2024 and 1 January 2025	834	4,044,306	1,189,430	5,234,570
Changes from financing cash flows	(157,911)	291,072	(147,795)	(14,634)
New leases	–	–	107,488	107,488
Termination and modification of leases . .	–	–	(226,278)	(226,278)
Acquisition of subsidiaries (note 46)	–	–	7,596	7,596
Disposal of a subsidiary (note 47)	–	(53,077)	(1,065)	(54,142)
Interest expense	–	97,350	36,498	133,848
Dividend declared	157,077	–	–	157,077
At 31 October 2025 (unaudited)	–	4,379,651	965,874	5,345,525
At 1 January 2024	2,482	4,152,415	1,190,182	5,345,079
Changes from financing cash flows	(105,637)	579,821	(142,050)	332,134
New leases	–	–	342,002	342,002
Termination and modification of leases . .	–	–	(157,226)	(157,226)
Interest expense	–	108,124	48,864	156,988
Dividend declared	103,989	–	–	103,989
At 31 October 2024 (unaudited)	834	4,840,360	1,281,772	6,122,966

41. CAPITAL COMMITMENTS

As of December 31, 2023 and 2024 and October 31, 2025, our capital commitments amounted to RMB 20.1 million, RMB 89.0 million and RMB 94.7 million, respectively, primarily in connection with capital expenditure contracted for but not yet provided for property, plant and equipment.

42. CONTINGENT LIABILITIES

Certain customers of the Company have financed the photovoltaic solar power stations constructed by the Company through financial leasing services provided by leasing companies. Under the financial leasing arrangements, the Company provides guarantees to such leasing companies. Should the purchasing customer default, the Company will be required to compensate the leasing company for the outstanding lease payments owed by the customer. However, the Company retains the right to repossess the photovoltaic solar power stations as the leased assets. As at 31 December 2024, the Company had provided guarantees for such business amounting to RMB122,951,700. The guarantee period aligns with the lease contract term, typically spanning 8 to 10 years. As at 31 October 2025, all the guarantees have been ended and no contingent liabilities was noted.

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43. PLEDGE OF ASSETS

Details of the assets pledged for the Group’s interest-bearing bank and other borrowings and issuance of bank acceptance bills are included in notes 35 and 32 to the Historical Financial Information.

44. RELATED PARTY TRANSACTIONS

- (a) Names and relationship of the related parties that had material transactions with the Group during the Track Record Period:

Name of related parties	Relationship between related parties and the Company
Derui Investment	Shareholder
Guiyang Mining Energy Teld Charging Network Operation Co., Ltd. (貴陽礦能特來電充電網運營有限公司)	Associate
Cangzhou Jiaofa Teld New Energy Technology Co., Ltd. (滄州交發特來電新能源科技有限公司)	Associate
Zibo Teld New Energy Technology Co., Ltd. (淄博特來電新能源科技有限公司)	Associate
Taizhou Sanhe Teld Charging Network Technology Co., Ltd. (台州市三合特來電充電網科技有限公司)	Associate
Ordos City Investment Teld Technology Co., Ltd. (鄂爾多斯市城投特來電科技有限公司)	Associate
Tibet Latou Teld Charging Network Technology Operation Co., Ltd. (西藏拉投特來電充電網科技運營有限公司)	Associate
Nantong Smart Charging Network Technology Co., Ltd. (南通智慧充電網科技有限公司)	Associate
Dongguan Energy Investment Huadeng Teld Charging Network Operation Co., Ltd. (東莞能投華燈特來電充電網運營有限公司)	Joint venture
Ganzhou Jiaotong Teld New Energy Co., Ltd. (贛州市交投特來電新能源有限責任公司)	Joint venture
Qingdao Tezhonghe Smart Technology Co., Ltd. (青島特中和智慧科技有限公司)	Company controlled by shareholder

- (b) Transactions with related parties:

The Group had the following transactions with related parties during the Track Record Period:

	Year ended 31 December 2023 RMB'000	Year ended 31 December 2024 RMB'000	Ten months ended 31 October 2024 RMB'000 (unaudited)		2025 RMB'000 (unaudited)
<u>Sales of goods and provision of services</u>					
Associates	369,839	402,123	186,011		180,337
Company controlled by shareholder	–	1	1		–
<u>Purchase of goods and acceptance of services</u>					
Associates	89,801	65,385	53,129		48,849
Company controlled by shareholder	–	13,271	13,271		8,835
Other related parties	7	–	–		–
<u>Purchase of material</u>					
Associate	647	–	–		–
<u>Interest expenses</u>					
Shareholder	14,152	7,481	6,188		3,466
Associates	1,530	1,530	1,274		–
<u>Proceed from disposal of assets</u>					
Associates	23,234	20,247	3,151		1,253
Company controlled by shareholder	–	27	–		–
<u>Rental income</u>					
Company controlled by shareholder	78	155	130		211

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(c) Outstanding balances with related parties:

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-operational			
<i>Due from related parties</i>			
Associates	58,376	33,550	8,457
Other related parties	21,592	–	–
<i>Due to related parties</i>			
Associates	39,897	4,126	4,893
Shareholder	252,159	256,046	234,628
Operational			
<i>Due from related parties</i>			
Associates	375,860	431,307	315,341
Shareholder	85	260	–
Company controlled by shareholder	73	–	–
<i>Due to related parties</i>			
Associates	62,102	82,501	94,542
Other related parties	1,338	–	–
	<u> </u>	<u> </u>	<u> </u>

(d) Acting as guarantee with related parties:

	As at 31 December		As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
<u>The Group as guarantor</u>			
Associates	55,500	—	—
	<u> </u>	<u> </u>	<u> </u>

(e) Compensation of key management personnel

	Year ended 31 December		Ten months ended 31 October	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000 (unaudited)
Directors’ fee, salaries, allowances and benefits in kind	4,772	4,565	3,884	4,758
Performance related bonuses	6,243	6,943	–	–
Retirement benefit scheme contributions	395	549	458	723
Equity settled share-based compensation	7,852	9,862	7,791	11,933
Total	<u>19,262</u>	<u>21,919</u>	<u>12,133</u>	<u>17,414</u>

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(f) Settlement of liabilities on behalf of the Group or by the Group on behalf of that related party

	Year ended 31 December	Year ended 31 December	Ten months ended 31 October	Ten months ended 31 October
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Received on behalf of the Group . .	32,418	48,772	41,176	38,919
Paid on behalf of the Group	158,704	120,858	112,175	127,775
Received on behalf of associates . .	55,962	378,720	303,065	506,700
Paid on behalf of associates	9,383	12,583	11,030	17,034
	<u>256,467</u>	<u>560,933</u>	<u>467,446</u>	<u>690,428</u>

Further details of directors’ and supervisors’ emoluments are included in note 12 to the Historical Financial Information.

45. FINANCIAL INSTRUMENTS

The Group

(a) Categories of financial instruments

	As at 31 December	As at 31 December	As at 31 October
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (unaudited)
Financial assets:			
Investments at fair value through profit or loss . .	3	3	3
Financial assets at fair value through profit or loss	19,689	–	–
Notes receivable at fair value through other comprehensive income	147,825	269,960	133,205
Financial assets measured at amortised cost exclude contract assets (including cash and cash equivalents)	<u>12,136,146</u>	<u>13,522,895</u>	<u>12,971,432</u>
Financial liabilities:			
Financial assets measured at amortised cost	<u>13,279,959</u>	<u>13,647,665</u>	<u>13,150,082</u>
Lease liabilities	<u>1,190,182</u>	<u>1,189,430</u>	<u>965,874</u>

(b) Financial risk management objectives and policies

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

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

Foreign currency risk

The Group has transactional exchange rate risk exposures mainly arising from sales or purchases in currencies other than the functional currencies. The Group has subsidiaries using HKD, USD, SAR and EUR as their functional currencies. These subsidiaries have transactions in currencies other than their functional currencies. The Group adopts an overall management on its foreign exchange business, and reduce its exchange rate exposures using forward foreign exchange contracts based on the market trend as necessary.

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The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rate of HKD, USD, SAR and EUR, with all other variables held constant, of the Group’s profit before tax (due to changes in the fair value of monetary assets and liabilities).

	Increase/(decrease) in foreign currency rate	Increase/(decrease) in profit before tax
	%	RMB’000
31 December 2023		
If RMB weakens against USD and EUR	5%	(1,961)
If RMB strengthens against USD and EUR	(5%)	1,961
31 December 2024		
If RMB weakens against HKD, USD and EUR	5%	(3,310)
If RMB strengthens against HKD, USD and EUR	(5%)	3,310
31 October 2025 (unaudited)		
If RMB weakens against HKD, USD, SAR and EUR	5%	(10,518)
If RMB strengthens against HKD, USD, SAR and EUR	(5%)	10,518

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable rate bank borrowings (note 35). The Group cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates LPR arising from the Group’s borrowings. The Group aims at keeping borrowings at variable rates. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in variable rates and ensure they are within reasonable range.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the Track Record Period. The analysis is prepared assuming the financial instruments outstanding at the end of the Track Record Period were outstanding for the whole year. A 50 basis point increase or decrease in variable-rate bank borrowings is used when represents management’s assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group’s: profit before tax for the period ended 31 October 2025, for the year ended 31 December 2024 and for the year ended 31 December 2023 would decrease/increase by RMB6,234,000, RMB6,587,000 and RMB6,796,009 respectively. This is mainly attributable to the Group’s exposure to interest rates on its variable-rate bank borrowings.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group’s counterparties default on their contractual obligations resulting in financial losses to the Group. The Group’s credit risk exposures are primarily attributable to trade receivables and bills receivables, notes receivable at fair value through other comprehensive income, financial assets included in other receivables, contract assets, and bank balances and cash, loan receivables. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Maximum exposure and year-end/period-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group’s credit policy, which is mainly based on ageing information unless other information is available without undue cost or effort, and year-end/period-end staging classification as at the end of each of the Track Record Period. The amounts presented are gross carrying amounts for financial assets.

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As at 31 December 2023

	12-months ECL	Lifetime ECLs		Simplified approached	Total
	Stage 1	Stage 2	Stage 3		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables	–	–	–	8,460,341	8,460,341
Financial assets at fair value through profit or loss	19,689	–	–	–	19,689
Investments at fair value through profit or loss	3	–	–	–	3
Notes receivable at fair value through other comprehensive income	–	–	–	147,825	147,825
Financial assets included in prepayments and other receivables	781,441	–	–	–	781,441
Contract assets	–	–	–	1,111,643	1,111,643
Bank balances and cash	2,837,650	–	–	–	2,837,650
Total	3,638,783	–	–	9,719,809	13,358,592

As at 31 December 2024

	12-months ECL	Lifetime ECLs		Simplified approached	Total
	Stage 1	Stage 2	Stage 3		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables	–	–	–	9,913,743	9,913,743
Investments at fair value through profit or loss	3	–	–	–	3
Notes receivable at fair value through other comprehensive income	–	–	–	269,960	269,960
Financial assets included in prepayments and other receivables	661,840	–	–	–	661,840
Contract assets	–	–	–	1,394,973	1,394,973
Bank balances and cash	2,742,215	–	–	–	2,742,215
Total	3,404,058	–	–	11,578,676	14,982,734

As at 31 October 2025 (unaudited)

	12-months ECL	Lifetime ECLs		Simplified approached	Total
	Stage 1	Stage 2	Stage 3		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables	–	–	–	9,721,703	9,721,703
Investments at fair value through profit or loss	3	–	–	–	3
Notes receivable at fair value through other comprehensive income	–	–	–	133,205	133,205
Financial assets included in prepayments and other receivables	885,661	–	–	–	885,661
Contract assets	–	–	–	1,561,481	1,561,481
Bank balances and cash	2,125,558	–	–	–	2,125,558
Total	3,011,222	–	–	11,416,389	14,427,611

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Liquidity risk

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings to meet its working capital requirements.

The maturity profile of the Group’s financial liabilities as at the end of each of the Track Record Period, based on the contractual undiscounted payments, is as follows:

As at 31 December 2023

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>More than 5 years</u>	<u>Total</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade and bills payables . .	7,734,681	–	–	–	7,734,681
Financial liabilities included in other payables and accruals . .	1,350,243	42,620	–	–	1,392,863
Interest-bearing bank borrowings	2,741,077	1,280,323	177,508	24,880	4,223,788
Lease liabilities	211,225	192,634	525,630	492,249	1,421,738
	<u>12,037,226</u>	<u>1,515,577</u>	<u>703,138</u>	<u>517,129</u>	<u>14,773,070</u>

As at 31 December 2024

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>More than 5 years</u>	<u>Total</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade and bills payables . .	8,078,910	–	–	–	8,078,910
Financial liabilities included in other payables and accruals . .	1,486,919	37,530	–	–	1,524,449
Interest-bearing bank borrowings	3,128,809	513,120	441,693	10,150	4,093,772
Lease liabilities	221,946	202,187	573,818	380,778	1,378,729
	<u>12,916,584</u>	<u>752,837</u>	<u>1,015,511</u>	<u>390,928</u>	<u>15,075,860</u>

As at 31 October 2025 (unaudited)

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>More than 5 years</u>	<u>Total</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade and bills payables . .	7,599,787	–	–	–	7,599,787
Financial liabilities included in other payables and accruals . .	1,140,933	29,711	–	–	1,170,644
Interest-bearing bank borrowings	3,749,090	460,982	191,722	10,042	4,411,836
Lease liabilities	179,403	222,955	454,359	246,735	1,103,452
	<u>12,669,213</u>	<u>713,648</u>	<u>646,081</u>	<u>256,777</u>	<u>14,285,719</u>

Capital management

The primary objectives of the Group’s capital management are to safeguard the Group’s ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders’ value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new capitals.

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The Group monitors capital using a gearing ratio, which is net debt divided by capital plus net debt. Net debt includes interest-bearing bank and other borrowings and lease liabilities, less cash and cash equivalents. Capital includes equity attributable to the owners of the parent. The gearing ratios as at the end of the Track Record Period are as follows:

	As at 31 December 2023 RMB'000	As at 31 December 2024 RMB'000	As at 31 October 2025 RMB'000 (unaudited)
Interest-bearing bank and other borrowings	4,152,415	4,044,306	4,379,651
Lease liabilities	1,190,182	1,189,430	965,874
Less: Cash and cash equivalents	(2,837,650)	(2,742,215)	(2,125,558)
Net debt	2,504,947	2,491,521	3,219,967
Equity attributable to owners of the parent	6,689,405	7,474,538	8,158,545
Capital and net debt	9,194,352	9,966,059	11,378,512
Gearing ratio	27%	25%	28%

46. STEP ACQUISITION OF A SUBSIDIARY

For the ten months ended 31 October 2025 (unaudited)

On 29 April 2025, a non wholly-owned subsidiary of the Company entered into a sale and purchase agreement (the “Acquisition Agreement”) with the seller, an independent third parties of the Group.

Pursuant to the Acquisition Agreement, the Group conditionally agreed to acquire and the seller conditionally agreed to sell 48% of the equity interest in 江西國特智慧新能源有限公司, a company incorporated in the PRC with limited liability. 江西國特智慧新能源有限公司 is principally engaged in sales of charging equipment and investment in and operation of charging networks. The cash consideration of the acquisition was RMB24,000,000. The acquisition was completed on 30 April 2025 and the Group’s equity interest in 江西國特智慧新能源有限公司 increased from 32% to 80%. The acquisition accounted for as an acquisition of business using the acquisition method.

No material acquisition-related costs are incurred for the acquisition.

Fair value of identifiable assets and liabilities recognised at the date of acquisition

	RMB'000
Cash and cash equivalents	24,302
Trade receivables	22,093
Inventories	2,308
Property, plant and equipment	34,776
Prepayments and other receivables	9,612
Contract assets	150
Interests in associates	14,238
Right-of-use assets	6,334
Goodwill	–
Other non-current assets	2,766
Deferred tax assets	1,134
Trade and bills payables	(23,471)
Other payables and accruals	(11,219)
Income tax payable	(91)
Contract liabilities	(612)
Lease liabilities	(7,596)
Deferred income	(8,065)
Net assets	66,659
Less: Non-controlling interest	(30,465)
Recognised amounts of net assets acquired	38,117

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The fair value of trade and other receivables at the date of acquisition amounted to approximately RMB31,222,000. The gross contractual amounts of those trade and other receivables acquired amounted to approximately RMB31,222,000 at the date of acquisition.

Goodwill arising on acquisition

RMB'000

Consideration transferred	
– Cash	24,000
– Fair value of equity interests previously held by the Group	14,117
Total consideration transferred	38,117
Less: recognised amounts of net assets acquired	(36,194)
Goodwill arising on acquisition	1,923

Net cash inflows arising on acquisition

RMB'000

Consideration paid in cash	(24,000)
Plus: bank balances and cash acquired	24,302
	302

Impact of acquisition on the results of the Group

江西國特智慧新能源有限公司 result a net loss of RMB1,683,000 and revenue of RMB13,191,000 respectively for the ten months ended 31 October 2025.

Had the acquisition been completed on 1 January 2025, the Group’s total revenue for the ten months ended 31 October 2025 would have been approximately RMB11,337,948,000 and profit for the ten months ended 31 October 2025 would have been approximately RMB834,199,000. This proforma information is provided for illustrative purposes only and is not necessarily an indication of the revenue and profits the Group would actually have achieved had the acquisition been completed on 1 January 2025, nor is it intended to be a projection of future results.

47. DISPOSAL AND DEREGISTRATION OF PARTICULAR SUBSIDIARIES

Name of particular subsidiary	Place of registration	Equity interest held by the Group before disposal	Equity interest held by the Group after disposal	Total consideration
				RMB'000
<i>For the year ended 31 December 2023</i>				
Gansu Hengchang Derui New Energy Development Co., Ltd. (甘肅恒昌德瑞新能源開發有限公司)	PRC	70%	Nil	–
Qingdao Terui IoT Technology Co., Ltd. (青島特銳德物聯科技有限公司)	PRC	70%	40%	–
Qingdao Terui Energy Management Co., Ltd. (青島特銳德能源管理有限公司)	PRC	100%	Nil	1,001
<i>For the year ended 31 December 2024</i>				
Changshu Gaoyun TELD Charger Network Technology Co., Ltd. (常熟高運特來電充電網科技有限公司)	PRC	51%	49%	–
Shanxi Jineng Power Technology Co., Ltd. (山西晉能電力科技有限公司)	PRC	51%	Nil	27,500

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Name of particular subsidiary	Place of registration	Equity interest held by the Group before disposal	Equity interest held by the Group after disposal	Total consideration RMB'000
<i>For the ten months ended 31 October 2025</i>				
Leshan Yilaide	PRC	52%	Nil	80,000
Zhangjiagang Jiaoyun Teld Electric Charging Network Technology Co., Ltd. (張家港市交運特來電充電網科技有限公司)	PRC	51%	49%	–
Ulanqab Jingxi Teld Electric New Energy Technology Co., Ltd. (烏蘭察布京西特來電新能源科技有限公司)	PRC	64%	48%	551
Tavrida Electric (Qingdao) Co., Ltd. (特瑞德電氣(青島)有限公司)	PRC	51%	Nil	6,555

The carrying values of the assets and liabilities on the dates of disposal were as follows:

	For the year ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the ten months ended October 31, 2024 RMB'000	For the ten months ended October 31, 2025 RMB'000
Cash and cash equivalents	1,147	219	–	19,500
Property, plant and equipment (note 16)	733	11,150	–	54,390
Right-of-use assets (note 17)	–	986	–	17,371
Investment properties (note 18)	–	–	–	4,580
Other intangible assets (note 20)	–	–	–	96
Other non-current assets	–	2	–	3
Trade and bills receivables	11	103,560	91,351	187,034
Prepayments and other receivables	7,217	2,149	1,869	6,122
Contract assets	–	2,709	2,709	–
Deferred tax assets	76	363	–	6,064
Inventories	67	284	–	52,816
Trade and bills payables	(8,285)	(32,644)	(29,667)	(113,363)
Other payables and accruals	(48)	(91)	(288)	(6,917)
Contract liabilities	–	(65)	–	(929)
Lease liabilities	–	(1,270)	–	(1,065)
Deferred income (note 36)	(4,942)	–	–	(1,615)
Deferred tax liabilities	–	(329)	–	–
Interest-bearing bank and other borrowings	–	–	–	(53,077)
Net assets value of subsidiaries	(4,024)	87,023	65,974	171,010
Less: non-controlling interest	(11)	(42,628)	(32,314)	(81,130)
Subtotal	(4,035)	44,395	33,660	89,880
Transferred to interests held and classified as associates and joint ventures	(11)	(10,782)	–	(12,401)
Reclassification of cumulative reserve upon disposal	–	–	–	(6,762)
Gain/(loss) on disposal of subsidiaries	5,047	(6,113)	(6,160)	16,389
Total consideration	1,001	27,500	27,500	87,106

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	For the year ended December 31,	For the year ended December 31,	For the ten months ended October 31,	For the ten months ended October 31,
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Satisfied by:				
Cash consideration received	1,001	–	–	31,306
Consideration receivables from disposal	–	27,500	27,500	55,800
	<u>1,001</u>	<u>27,500</u>	<u>27,500</u>	<u>87,106</u>
Net cash inflow arising on disposal:				
Cash consideration received	1,001	–	–	31,306
Cash and cash equivalents disposed of	(1,147)	(219)	–	(19,500)
	<u>(146)</u>	<u>(219)</u>	<u>–</u>	<u>11,806</u>

For the ten months ended 31 October 2025

(a) Leshan Yilade

On 31 December 2024, a non-controlling interest party of Leshan Yilade and the Company, entered into an agreement, pursuant to which, the Company has conditionally agreed to sell 52.4194% of the equity interest in Leshan Yilade. The disposal was completed on 16 April 2025 and the Group’s equity interest in Leshan Yilade was entirely disposed.

RMB'000

Net assets at the date of disposal were as follows:

Cash and bank balances	11,133
Trade and bills receivables	175,112
Prepayment and other receivables	6,209
Inventories	37,276
Contract assets	(472)
Property, plant and equipment	30,420
Investment properties	4,580
Right-of-use assets	16,267
Intangible assets	96
Deferred tax assets	5,501
Bank and other borrowings	(52,949)
Trade and bills payables	(97,283)
Other payables and accrued charges	(2,064)
Non-controlling interests	(63,677)
Net assets value of subsidiary	<u>70,149</u>
Net assets value of 52.4194% of disposed subsidiary	70,149
Reclassification of cumulative reserve upon disposal of Leshan Yilade to profit or loss	(6,762)
Gain on disposal of subsidiary	<u>16,613</u>
Total consideration	<u>80,000</u>

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ACCOUNTANTS’ REPORT

RMB'000

Satisfied by:

Cash consideration received	24,200
Consideration receivables from disposal	55,800
	<u>80,000</u>

Net cash inflow arising on disposal:

Cash consideration received	24,200
Cash and cash equivalents disposed of	(11,133)
	<u>13,067</u>

Out of total consideration of RMB80,000,000, approximately RMB24,200,000 was settled during the ten months ended 31 October 2025 whereas the remaining balance of approximately RMB55,800,000 was included in “Non-current trade receivables” as at 31 October 2025 and will be partial settled within 3 years.

48. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group’s policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy

	Fair value measurement using			Total
	Quoted prices (unadjusted) in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
<u>As at 31 December 2023</u>				
Notes receivable at fair value through other comprehensive income	—	—	147,825	147,825
Investments at fair value through profit or loss	—	—	3	3
Financial assets at fair value through profit or loss	19,689	—	—	19,689
Total	<u>19,689</u>	<u>—</u>	<u>147,828</u>	<u>167,517</u>

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	Fair value measurement using			Total
	Quoted prices (unadjusted) in active markets	Significant observable inputs	Significant unobservable inputs	
	(Level 1)	(Level 2)	(Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
<u>As at 31 December 2024</u>				
Notes receivable at fair value through other comprehensive income	—	—	269,960	269,960
Investments at fair value through profit or loss	—	—	3	3
Total	—	—	269,963	269,963
<u>As at 31 October 2025 (unaudited)</u>				
Notes receivable at fair value through other comprehensive income	—	—	133,205	133,205
Investments at fair value through profit or loss	—	—	3	3
Total	—	—	133,208	133,208

(b) Reconciliation of assets measured at fair value based on level 3:

	Notes receivable at fair value through other comprehensive income	Investments at fair value through profit or loss	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2023	241,408	5,003	246,411
Addition	147,825	—	147,825
Total gains recognised in consolidated profit or loss	—	(5,000)	(5,000)
Disposal	(241,408)	—	(241,408)
At 31 December 2023 and 1 January 2024	147,825	3	147,828
Addition	269,960	—	269,960
Disposal	(147,825)	—	(147,825)
At 31 December 2024 and 1 January 2025	269,960	3	269,963
Addition	133,205	—	133,205
Disposal	(269,960)	—	(269,960)
At 31 October 2025 (unaudited)	133,205	3	133,208

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:

The Group’s finance team is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The chief financial officer reports directly to the board of directors of the Company for these fair value measurements. Discussions of valuation processes and results are held between the chief financial officer and the board of directors of the Company on a regular basis.

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Level 3 fair value measurements

Note receivable at fair value through other comprehensive income amounted to RMB147,820,000, RMB269,960,000 and RMB133,205,000 as at 31 December 2023, 31 December 2024 and 31 October 2025 respectively are valued under discounted cash flow method and the key unobservable inputs is discount rate.

During the Track Record Period, there were no changes in the valuation techniques used.

49. EVENTS AFTER THE REPORTING PERIOD

No significant events took place subsequent to 31 October 2025.

50. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group in respect of any periods subsequent to 31 October 2025 and up to the date of this report. Save as disclosed in this report, no dividend or distribution has been declared or made by the Group in respect of any period subsequent to 31 October 2025.

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

The information set out in this Appendix does not form part of the accountants’ report on the financial information of the Group for the years ended 31 December 2023 and 2024, and the ten months ended 31 October 2025 (the “Track Record Period”) (the “Accountants’ Report”) issued by ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set out in Appendix I to this document, and is included herein for information only.

The unaudited [REDACTED] financial information should be read in conjunction with the section headed “Financial Information” in this document and the Accountants’ Report set out in Appendix I to this document.

A. STATEMENT OF UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

The statement of unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with Rule 4.29 of the Listing Rules is set out below to illustrate the effect of the proposed [REDACTED] of H shares of the Company (the “[REDACTED]”) on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company at 31 October 2025 as if the [REDACTED] had taken place on 31 October 2025.

The statement of unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as at 31 October 2025 or any future dates following the [REDACTED].

The following statement of unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 October 2025 as shown in the Accountants’ Report, as set out in Appendix I to this document, and adjusted as described below.

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 October 2025	Estimated net proceeds from the [REDACTED]	Unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 October 2025	Unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 October 2025 Per Share	
	RMB’000 (Note 1)	RMB’000 (Note 2)	RMB’000	RMB (Note 3)	HK\$ (Note 4)
Based on a lower limit [REDACTED] of [REDACTED] per Share	7,662,073	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Based on an upper limit [REDACTED] of [REDACTED] per Share	<u>7,662,073</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

Notes:

- (1) The unaudited consolidated net tangible assets attributable to owners of the Company as of 31 October 2025 is arrived at after (i) deducting the Group’s goodwill and intangible assets of approximately RMB191,209,000 and RMB346,177,000, respectively, and (ii) adjusting the share of intangible assets attributable to non-controlling interests of RMB40,914,000 from the consolidated total equity attributable to owners of the Company of RMB8,158,545,000 as of 31 October 2025, as shown in the Accountants’ Report, the text of which is set out in Appendix I to this document.
- (2) The adjustment to the pro forma statement of net tangible assets reflects the estimated proceeds from the [REDACTED] of [REDACTED] Shares to be received by the Company. The estimated proceeds from the [REDACTED] is based on the [REDACTED] of lower limit and upper limit of [REDACTED] and [REDACTED] per H Share, respectively, after deduction of estimated [REDACTED] fee and other related [REDACTED] expected to be incurred by the Group subsequent to 31 October 2025 and takes no account of any Shares which may be allotted and issued by the Company upon the exercise of the [REDACTED].
- (3) The unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that [REDACTED] Shares (including [REDACTED] A-shares (excluding 18,661,240 A-shares as treasury shares) and [REDACTED] H-shares) were in issue as at 31 October 2025, assuming that the [REDACTED] had been completed on 31 October 2025 but does not take into account of any Shares which may be allotted and issued by the Company upon the exercise of the [REDACTED].
- (4) The unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share, stated in Renminbi are converted into Hong Kong dollar at an exchange rate of HK\$1 to RMB0.88787, the rate prevailing on latest practicable date.
- (5) No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 October 2025.

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UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix mainly provides investors with a summary of the Articles of Association.

The following information is only a summary and may not include all the materials that may be important to potential investors.

ISSUANCE OF SHARES

The Company’s shares are in the form of stock.

The issuance of the Company’s shares follows the principles of fairness and justice. Each share of the same class shall have equal rights.

Shares of the same class issued at the same time shall be issued under the same condition and at the same price. Shares subscribed by any entity or individual shall be paid for at the same consideration.

INCREASE, REDUCTION, REPURCHASE AND TRANSFER OF SHARES

Increase and Reduction of Capital

The Company may increase its registered capital by the following methods in accordance with the needs of its operation and development, in compliance with laws, regulations and the Hong Kong Listing Rules and upon resolutions passed by the Shareholders’ meeting:

- (i) Issuing shares to non-specific objects;
- (ii) Issuing shares to specific objects;
- (iii) Distributing bonus shares to existing shareholders;
- (iv) Converting capital reserve into share capital;
- (v) Other means stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed.

The Company may decrease its registered capital. The decrease of the Company’s registered capital shall be carried out in accordance with the procedures stipulated in the Company Law, other relevant regulations and the Articles of Association.

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SUMMARY OF ARTICLES OF ASSOCIATION

Repurchase of Shares

The Company shall not repurchase its own shares, except under any of the following circumstances:

- (i) To reduce the Company's registered capital;
- (ii) To merge with another company holding the Company's shares;
- (iii) To use the shares for employee stock ownership plans or equity incentives;
- (iv) To repurchase shares from shareholders who object to the resolutions on the Company's merger or division made by the Shareholders' meeting;
- (v) To use the shares for converting corporate bonds issued by the Company into shares;
- (vi) As necessary to safeguard the Company's value and the rights and interests of shareholders;
- (vii) Other circumstances under which the Company may repurchase its own shares as stipulated by laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and other applicable regulations.

The Company may repurchase its own shares either through an open centralized trading method, or by other means permitted by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the securities regulatory authorities of the place where the Company's shares are listed.

The Company's repurchase of its own shares under the circumstances as stipulated in items (iii), (v), or (vi) of the preceding paragraph shall be conducted by an open centralized transaction method.

The Company repurchases its own shares under the circumstances specified in items (i) and (ii) above, such repurchase shall be subject to a resolution of the Shareholders' meeting. Where the Company repurchases its own shares under the circumstances specified in items (iii), (v), and (vi) above, such repurchase may, in accordance with the provisions of the Articles of Association, the securities regulatory rules of the place where the Company's shares are listed, or as authorized by the Shareholders' meeting, be subject to a resolution passed at a meeting of the Board of Directors with the attendance of more than two-thirds of the Directors.

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SUMMARY OF ARTICLES OF ASSOCIATION

After the Company repurchases its own shares pursuant to the preceding provision, if it falls under item (i), the shares shall be canceled within 10 days from the date of repurchase; if it falls under items (ii) or (iv), the shares shall be transferred or canceled within 6 months; if it falls under items (iii), (v), or (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and the shares shall be transferred or canceled within 3 years.

Where the securities regulatory rules of the place where the Company’s shares are listed provide otherwise, such provisions shall prevail.

Transfer of Shares

The Company’s shares shall be transferred in accordance with the law.

All transfers of overseas listed shares shall be effected by an instrument of transfer in any usual or common form or any other form accepted by the Board of Directors, or in such form as permitted by applicable laws, administrative regulations, departmental rules, normative documents, or the securities regulatory rules of the place where the Company’s shares are listed (including the standard transfer form or instrument of transfer as required by The Stock Exchange of Hong Kong Limited from time to time). Such instrument of transfer may only be executed by hand signature or by affixing the Company’s valid seal (where the transferor or transferee is a corporation). Where the transferor or transferee is a recognized clearing house (the “recognized clearing house”) as defined under the relevant regulations in force from time to time under the laws of Hong Kong, or its nominee, the written instrument of transfer may be signed by hand or by mechanical imprint. All instruments of transfer must be deposited at the Company’s legal address, the address of the share registrar, or such other address as the Board of Directors may designate from time to time. If the Company refuses to register a transfer of shares, it shall, within two months from the date on which the application for transfer is formally lodged, send a notice of such refusal to the transferor and the transferee.

The Company does not accept its own shares as the collateral of pledge.

Directors and senior management members of the Company shall report to the Company the shares they hold in the Company and any changes therein. During their term of office as determined at the time of their assumption of office, they shall not transfer more than 25% of the total number of shares of the same class they hold in the Company each year; the shares they hold in the Company shall not be transferred within one year from the date the Company’s shares are listed and traded. The above personnel shall not transfer the shares they hold in the Company within six months after leaving their positions.

If laws, administrative regulations, or the securities regulatory rules of the place where the Company’s shares are listed provide otherwise regarding restrictions on the transfer of the Company’s shares, such rules shall prevail.

APPENDIX III

SUMMARY OF ARTICLES OF ASSOCIATION

SHAREHOLDERS AND SHAREHOLDERS’ MEETING

General Provisions on Shareholders

The Company shall keep a register of Shareholders according to the evidence provided by the share registrars. The register of Shareholders shall be the sufficient evidence of the Shareholders’ shareholding in the Company. The Company shall manage the register of shareholders in accordance with the requirements of laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company’s shares are listed, and the securities regulatory authorities in and outside China. Shareholders have rights and assume obligations in proportion to the class of shares they hold; Shareholders who hold the same class of shares shall enjoy equal rights and assume the same obligations.

The original register of shareholders of H shares shall be kept in Hong Kong and made available for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with the applicable laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed.

Shareholders of the Company shall enjoy the following rights:

- (i) To receive dividends and other forms of profit distribution according to the proportion of shares they hold;
- (ii) To request the convening of, convene, preside over, attend, or appoint a shareholder proxy to attend the Shareholders’ meeting in accordance with the law, and exercise corresponding rights to speak, inquire, and vote (except where such shareholder is required to abstain from voting on relevant matters under the securities regulatory rules of the place where the Company’s shares are listed);
- (iii) To supervise the Company’s operations and make suggestions or inquiries;
- (iv) To transfer, donate, or pledge the shares held by them in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed, and the Articles of Association;
- (v) To inspect and copy the Articles of Association, register of shareholders, minutes of Shareholders’ meetings, resolutions of the Board of Directors, financial reports and accounting books, and the Company’s accounting books and accounting vouchers if they meet the requirements;
- (vi) To participate in the distribution of the Company’s remaining assets according to the proportion of shares they hold when the Company is terminated or liquidated;

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SUMMARY OF ARTICLES OF ASSOCIATION

- (vii) To request the Company to repurchase their shares if they object to the resolutions on the Company's merger or division made by the Shareholders' meeting;
- (viii) Other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

If Shareholders request to inspect or copy the relevant materials of the Company, they shall abide by the provisions of laws and administrative regulations, such as the *Company Law* and the *Securities Law*. If Shareholders request to inspect or copy the aforementioned information or request materials, they shall provide the Company with written documents evidencing the class and number of the shares held by them, and enter into a confidentiality agreement with the Company. Upon verification of their status as Shareholders, the Company shall provide the Shareholders with such information or materials as required by them.

If the content of the resolutions of the Shareholders' meeting or the Board of Directors violates laws or administrative regulations, Shareholders have the right to request the people's court to determine the invalidity of the resolutions.

If the procedures for convening the Shareholders' meeting or the Board of Directors, or the voting methods violate laws, administrative regulations, or the Articles of Association, or if the content of the resolutions violates the Articles of Association, Shareholders have the right to request the people's court to revoke the resolutions within 60 days from the date the resolutions are made. However, if the procedures for convening the Shareholders' meeting or the Board of Directors or the voting methods have only minor defects and do not have a substantial impact on the resolutions, this provision does not apply.

Where there is a dispute among the Board of Directors, Shareholders and other relevant parties regarding the validity of the resolutions of the Shareholders' meeting, the relevant parties shall promptly initiate legal proceeding in the People's Court. Prior to the People's Court rendering a judgment or ruling such as revoking the resolution, the relevant parties shall implement the resolutions of the Shareholders' meeting. The Company, directors and senior management members shall faithfully perform their duties to ensure the normal operation of the Company.

Where the People's Court renders a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, fully explain the impact, and actively cooperate in the enforcement after the judgment or ruling becomes effective. If the matter involves the correction of prior matters, the Company shall handle such matters promptly and fulfill the corresponding information disclosure obligations.

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SUMMARY OF ARTICLES OF ASSOCIATION

A resolution of the Shareholders' meeting or Board meeting of the Company shall not be valid under any of the following circumstances:

- (i) No Shareholders' meeting or Board meeting has been convened to pass the resolution;
- (ii) The resolution matter is not voted on at the Shareholders' meeting or Board meeting;
- (iii) The number of attendees or voting rights held by such attendees did not reach the number of attendees or voting rights held by such attendees as required by the Company Law or the Articles of Association;
- (iv) The number of persons agreeing to the resolution matter or the voting rights held by them did not reach the number of persons or the voting rights held by them as required by the *Company Law* or the Articles of Association.

If directors and senior management personnel (other than members of the Audit Committee) cause losses to the Company for violation of the requirements of laws, administrative regulations or the Articles of Association during the performance of their duties, Shareholders who hold more than 1%, individually or jointly, of the Company's Shares for more than 180 days continuously, have the right to request the Audit Committee in written form to bring a suit to the People's Court; if members of the Audit Committee cause losses to the Company for violation of the requirements of laws, administrative regulations or the Articles of Association during the performance of their duties, the aforesaid Shareholders can request the Board in written form to bring a suit to the People's Court.

In the event that the Audit Committee or the Board of Directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within 30 days from the date of receiving such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, the shareholders described in the preceding paragraph shall have the right to for the benefit of the Company bring a suit to the people's court directly in their own names.

If others infringe on the legitimate rights and interests of the Company and cause losses to it, Shareholders who hold more than 1%, individually or jointly, of the Company's Shares for more than 180 days continuously can bring a suit to the People's Court as per the regulations as set out in the preceding paragraphs.

If directors and senior management members cause damage to the Shareholders' interests for violation of the requirements of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, Shareholders can bring a suit to the People's Court.

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If directors, supervisors and senior management members of a wholly-owned subsidiary of the Company violates laws, administrative regulations or the Articles of Association in execution of his/her functions, causing losses to the Company, or where any other person infringes upon the lawful rights and interests of the wholly-owned subsidiary of the Company, causing losses, Shareholders who individually or jointly hold more than 1% of the Company's shares for more than 180 consecutive days may, in accordance with the first three paragraphs of Article 189 of the Company Law, request in writing the board of supervisors or the board of directors of the wholly-owned subsidiary to initiate a legal proceeding in the People's Court, or directly initiate a legal proceeding in the People's Court in the name of the Shareholders. Where a wholly-owned subsidiary of the Company does not establish a board of supervisors or appoint supervisors but has established an audit committee, the provisions of the first and second paragraphs of this Article shall apply.

Shareholders of the Company shall bear the following obligations:

- (i) To comply with laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;
- (ii) To pay the share price according to the shares they subscribe for and the method of subscription;
- (iii) Not to withdraw their capital except in circumstances stipulated in laws and regulations;
- (iv) Not to abuse shareholder rights to damage the interests of the Company or other shareholders; not to abuse the Company's independent legal person status and shareholders' limited liability to damage the interests of the Company's creditors;
- (v) Other obligations stipulated in laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Shareholders who abuse their rights and cause losses to the Company or other shareholders shall bear compensation liability according to law. Shareholders who abuse the Company's independent legal person status and shareholders' limited liability to evade debts and seriously damage the interests of the Company's creditors shall bear joint and several liability for the Company's debts.

The Company's controlling shareholder and actual controller shall exercise their rights and fulfill their obligations, and shall safeguard the interests of the Company in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed.

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The Company’s controlling shareholder and actual controller shall exercise shareholder rights according to law and not abuse control rights or use connected relationships to damage the legitimate rights and interests of the Company or other shareholders.

General Provisions on Shareholders’ Meeting

The Shareholders’ meeting of the Company is composed of all Shareholders. The Shareholders’ meeting is the organ of the authority of the Company, which exercises its functions and powers in accordance with the laws:

- (i) To elect and replace directors not serving as employee representatives, and decide on matters concerning directors’ remuneration;
- (ii) To examine and approve the report of the Board of Directors;
- (iii) To examine and approve the Company’s profit distribution plan and loss recovery plan;
- (iv) To make resolutions on the increase or reduction in the Company’s registered capital, and issuance of any class of shares, warrants or other similar securities;
- (v) To make resolutions on the Company’s merger, division, dissolution, liquidation, or change of corporate form;
- (vi) To make resolutions on the issuance of corporate bonds;
- (vii) To amend the Articles of Association;
- (viii) To make resolutions on the appointment and removal of an accounting firm engaged in the audit work of the Company and on matters relating to the remuneration of such accounting firm;
- (ix) To examine and approve the transaction matters stipulated in the Articles of Association;
- (x) To examine and approve the guarantee matters stipulated in the Articles of Association;
- (xi) To examine and approve matters related to the Company’s purchase or sale of major assets exceeding 30% of the Company’s total assets as of the latest audited financial statements within one year;
- (xii) To examine and approve related transactions between the Company and its connected parties (excluding the Company’s receipt of cash assets and provision of guarantees) where the transaction amount exceeds RMB30 million and represents more than 5% of the absolute value of the Company’s net assets as of its latest audited financial statements;

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- (xiii) To examine and approve changes in the use of raised funds;
- (xiv) To examine and approve equity incentive plans and employee stock ownership plans;
- (xv) To examine and approve transactions between the Company and its related persons which reach the threshold requiring approval by the Shareholders' meeting under Chapter 14A of the *Hong Kong Listing Rules;
- (xvi) To examine and approve transactions of the Company which reach the threshold for a discloseable transaction requiring approval by the Shareholders' meeting under Chapter 14 of the *Hong Kong Listing Rules;
- (xvii) To examine and approve proposals submitted by shareholders who individually or jointly hold more than 1% of the voting shares of the Company;
- (xviii) To examine and approve other matters that should be decided by the Shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association;

The Shareholders' meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

Except as otherwise provided in laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed, the aforesaid functions and powers of the Shareholders' meeting shall not be exercised by the Board of Directors or other bodies and individuals through any form of authorization.

The Shareholders' meeting is divided into annual Shareholders' meetings and extraordinary Shareholders' meetings. The annual Shareholders' meeting shall be held once a year and shall be held within 6 months after the end of the previous fiscal year.

Under any of the following circumstances, the Company shall hold an extraordinary Shareholders' meeting within 2 months from the date of occurrence:

- (i) When the number of directors is less than the number stipulated in the Company Law or two-thirds of the number stipulated in the Articles of Association;
- (ii) When the Company's unrecovered losses reach one-third of the total share capital;
- (iii) When shareholders who individually or jointly hold more than 10% of the Company's shares request it;
- (iv) When the Board of Directors deems it necessary;

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- (v) When the Audit Committee proposes to convene;
- (vi) Other circumstances stipulated in laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association.

If the extraordinary Shareholders’ meeting is convened in accordance with the regulations of the securities regulatory rules of the place where the Company’s shares are listed, the actual date of the meeting can be adjusted based on the regulations of the securities regulatory rules of the place where the Company’s shares are listed.

Convening of Shareholders’ Meeting

The Board of Directors shall convene the Shareholders’ meeting within the prescribed time limit as stipulated in the Articles of Association.

With the approval by a majority of all independent non-executive Directors, an independent non-executive Director has the right to propose to the Board to convene an extraordinary Shareholder’s meeting. In respect to the proposal by the independent non-executive Director for convening an extraordinary Shareholder’s meeting, the Board of Directors shall provide a written feedback regarding the acceptance or refusal to convene an extraordinary Shareholder’s meeting within 10 days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

Where the Board of Directors agrees to convene an extraordinary Shareholder’s meeting, a notice for convening such meeting shall be given within 5 days after the Board resolution is passed; where the Board disagrees to convene an extraordinary Shareholder’s meeting, it shall give its reasons and make an announcement.

The Audit Committee shall propose in writing to the Board to convene an extraordinary Shareholders’ meeting. The Board of Directors shall provide a written feedback regarding the acceptance or refusal to convene an extraordinary Shareholder’s meeting within 10 days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

If the Board of Directors agrees to convene an extraordinary Shareholders’ meeting, it shall issue a notice of the Shareholders’ meeting within 5 days of making the board resolution, and any changes to the original proposal in the notice shall be agreed upon by the Audit Committee.

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If the Board of Directors does not agree to convene an extraordinary Shareholders' meeting or fails to provide feedback within 10 days of receiving the proposal, it shall be deemed that the Board of Directors is unable or unwilling to perform its duties of convening the Shareholders' meeting, and the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or jointly hold more than 10% of the Company's shares have the right to request the Board of Directors to convene an extraordinary Shareholders' meeting and shall submit the request in writing to the Board of Directors. The Board of Directors shall, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide written feedback within 10 days after receiving the request, indicating whether it agrees or disagrees to convene the extraordinary Shareholders' meeting.

If the Board of Directors agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice convening the extraordinary Shareholders' meeting within 5 days of making the board resolution, and any changes to the original request in the notice shall be agreed upon by the relevant shareholders.

If the Board of Directors does not agree to convene an extraordinary Shareholders' meeting or fails to provide feedback within 10 days of receiving the request, shareholders who individually or jointly hold more than 10% of the Company's shares have the right to propose to the Audit Committee to convene an extraordinary Shareholders' meeting and shall submit the request in writing to the Audit Committee.

If the Audit Committee agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of convening Shareholders' meeting within 5 days of receiving the request, and any changes to the original request in the notice shall be agreed upon by the relevant shareholders.

If the Audit Committee fails to issue the notice of the Shareholders' meeting within the prescribed time limit, it shall be deemed that the Audit Committee is unable or unwilling to convene and preside over the Shareholders' meeting, and shareholders holding more than 10% of the Company's shares separately or jointly for more than 90 consecutive days may convene and preside over the meeting on their own.

Before the announcement of the Shareholders' meeting resolution, the shareholding ratio of the convening shareholders shall not be less than 10%.

Proposals and Notices of the Shareholders' Meeting

The content of the proposals shall fall within the scope of the Shareholders' meeting's authority, have clear topics and specific resolution matters, and comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

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When the Company convenes a Shareholders' meeting, the Board of Directors, Audit Committee, and shareholders individually or jointly holding more than 1% of the Company's shares have the right to propose proposals to the Company.

Shareholders individually or jointly holding more than 1% of the Shares of the Company may submit written provisional proposals to the convener 10 days before the Shareholders' meeting is convened. The convener shall serve a supplemental notice of the Shareholders' meeting within 2 days after receipt of the proposals and announce the contents of the said provisional proposals, and submit the provisional proposals to the Shareholders' meeting for consideration. However, provisional proposals that violate laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or the Articles of Association, or that do not fall within the scope of authority of the Shareholders' meeting, shall be excluded.

Except for the circumstances stipulated in the preceding paragraph, the convener shall not modify the proposals already listed in the notice of the Shareholders' meeting or add new proposals after issuing the notice of the Shareholders' meeting.

Any proposals not set out in the notice of the Shareholders' meeting or that do not comply with the provisions of these Articles of Association shall not be voted upon or resolved at the Shareholders' meeting.

The convener shall notify all shareholders by way of announcement 21 days before the annual Shareholders' meeting and 15 days before the extraordinary Shareholders' meeting.

The notice of the Shareholders' meeting shall include the following contents:

- (i) The time, place, and duration of the meeting;
- (ii) The matters and proposals to be reviewed at the meeting;
- (iii) A clear statement that all shareholders are entitled to attend the Shareholders' meeting and may appoint a proxy in writing to attend the meeting and vote, and the proxy does not need to be a shareholder of the Company;
- (iv) The record date for shareholders entitled to attend the Shareholders' meeting;
- (v) The name and telephone number of the standing contact person for the meeting;
- (vi) The time and procedure for voting by network or other means;
- (vii) Other requirements as stipulated by laws, regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

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After the notice of the Shareholders' meeting is issued, the meeting shall not be postponed or canceled without justifiable reasons, and the proposals listed in the notice shall not be cancelled. Should postponement or cancellation occur, the convener shall announce the change and provide reasons at least 2 business days prior to the originally scheduled date. Where the securities regulatory rules of the place where the Company's shares are listed provide special procedures for postponing or canceling a Shareholders' meeting, and such procedures do not contravene the domestic regulatory requirements, such rules shall prevail.

Convening of the Shareholders' Meeting

The Board of the Company and other conveners may take necessary measures to maintain the normal order of the Shareholders' meeting. They shall adopt measures to stop any acts from interfering with the Shareholders' meeting, creating quarrels and nuisance, and infringing the lawful interests of the Shareholders, and timely report such acts to the relevant authorities for investigation.

All shareholders in the shareholders' register on the equity registration date or proxies thereof shall be entitled to attend general meetings, and exercise voting rights pursuant to relevant laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, unless an individual Shareholder is, under the securities regulatory rules of the place where the Company's shares are listed, required to abstain from voting for a particular matter, and shall have the right to speak at the Shareholders' meeting.

Shareholders may attend a Shareholders' meeting in person or entrust a proxy as their proxy to attend and vote on their behalf.

If a shareholders' meeting requires the attendance of directors or senior management, the directors or senior management shall do so and answer shareholders' inquiries.

The Shareholders' meeting shall be presided over by the chairman of the Board. Where the chairman of the Board is unable to perform or fails to perform his/her duties, it shall be presided over by the vice chairman. Where the vice chairman is unable to perform or fails to perform his/her duties, it shall be presided over by a director jointly elected by more than half of the directors.

A Shareholders' meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. Where the convener of the Audit Committee is unable to perform or fails to perform his/her duties, more than half of the members of the Audit Committee shall jointly elect a member to preside over such meeting.

A Shareholders' meeting convened by shareholders themselves shall be presided over by a representative elected by the convener.

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When the shareholders' meeting is being held, if the meeting cannot continue due to the meeting presider's violation of the procedural rules, the shareholders' meeting may, subject to the consent of shareholders who hold more than half of the voting rights represented at the live shareholders' meeting, elect someone to act as the meeting presider, following which the meeting may continue.

Voting and Resolutions at the Shareholders' Meeting

Resolutions of the Shareholders' meeting are divided into ordinary resolutions and special resolutions.

An ordinary resolution of the Shareholders' meeting shall be passed by more than half of the voting rights held by the shareholders present at the meeting. A special resolution of the Shareholders' meeting shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting.

The following matters shall be passed by the Shareholders' meeting as ordinary resolutions:

- (i) The work report of the Board of Directors;
- (ii) The profit distribution plan and loss recovery plan proposed by the Board of Directors;
- (iii) The appointment, removal, remuneration, and payment methods of the members of the Board of Directors;
- (iv) Other matters other than those required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association to be adopted by special resolutions;

The following matters shall be passed by the Shareholders' meeting as special resolutions:

- (i) The increase or decrease of the Company's registered capital;
- (ii) The division, merger, dissolution, and liquidation of the Company or change of corporate form;
- (iii) Amendments to the Articles of Association;
- (iv) The Company's purchase or sale of major assets or provision of guarantees to others exceeding 30% of the Company's total assets as of the latest audited financial statements within one year;
- (v) Equity incentive plans;

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- (vi) Other matters required by laws, administrative regulations, the listing rules of the place where the Company's shares are listed or the Articles of Association, and which have been determined by ordinary resolutions at the shareholder's meeting to have a significant impact on the Company and should be passed by the Shareholders' meeting as special resolutions.

Shareholders (including Shareholders' proxies) shall exercise their voting rights based on the number of voting shares they represent; each share shall have one vote.

The Shareholders' meeting shall be convened in the form of an on-site meeting at designated venues. In accordance with laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed or the Articles of Association, the Company shall provide convenience for Shareholders to attend the Shareholders' meeting by the use of online voting platform. A Shareholder participating in the Shareholders' meeting through the aforementioned means shall be deemed as present.

When electing or replacing two or more directors at a Shareholders' meeting, a cumulative voting system shall be adopted. The cumulative voting system refers to the system for electing directors in a Shareholders' meeting where the voting right of each share shall be equal to the number of directors to be elected; the voting right owned by a Shareholder may be used in a concentrated manner. Elected directors shall be determined in order according to the number of directors to be elected, based on those with higher votes.

The cumulative voting system refers to the system for electing directors in a Shareholders' meeting where the voting right of each share shall be equal to the number of directors to be elected; the voting right owned by a Shareholder may be used in a centralized manner.

When a Shareholders' meeting has passed resolutions on the distribution of cash dividends, allotment of new shares or conversion of capital reserve fund into share capital, the Company shall implement the specific proposal within 2 months after conclusion of the Shareholders' meeting.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors of the Company are natural persons. Any person falling under any of the following circumstances shall not serve as a director of the Company:

- (i) Having no capacity for civil conduct or limited capacity for civil conduct;

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- (ii) Having been sentenced to a criminal penalty for embezzlement, bribery, infringement of property, misappropriation of property, or disrupting the socialist market economic order, or having had his/her political rights deprived due to a crime, and less than 5 years have elapsed since the expiration of the execution period, or if on probation, less than 2 years have elapsed since the expiration of the probation period;
- (iii) Having served as a director, factory director, or manager of a company or enterprise undergoing bankruptcy liquidation and being personally liable for the bankruptcy of such company or enterprise, and less than 3 years have elapsed since the completion of the bankruptcy liquidation of such company or enterprise;
- (iv) Having served as the legal representative of a company or enterprise whose business license has been revoked or has been ordered to close down due to illegal activities and being personally liable, and less than 3 years have elapsed since the revocation of the business license of such company or enterprise;
- (v) Having a large-amount debt due but unpaid and being listed as a person subject to enforcement for bad credit by the people’s court;
- (vi) Having been subject to measures restricting access to the securities market by the and the China Securities Regulatory Commission (the “CSRC”) and the time limit has not expired;
- (vii) Having been publicly determined by the stock exchange as unfit to serve as a director or the member of senior management of listed companies, with the term yet to be expired;
- (viii) Other contents stipulated by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Company’s shares are listed.

Elections or appointments of directors that violate the provisions of this article shall be invalid. If a director becomes subject to any of the circumstances aforementioned during their term of office, the Company shall remove them from office and suspend their duties.

Directors shall be elected or replaced by the Shareholders’ meeting, The term of office for each session of the Board of Directors is 3 years, and upon the expiration of their term of office, they may be re-elected. Where the securities regulatory rules of the place where the Company’s shares are listed provide otherwise on the re-election of directors, such rules shall prevail.

The term of a director is calculated from the date of assuming office until the expiration of the current Board of Directors’ term. If the directors are not timely re-elected upon the expiration of their term, the original directors shall continue to perform their duties as directors in accordance with laws, administrative regulations, departmental rules and the Articles of Association until the newly elected directors assume office.

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A director may also hold the position of senior management positions, but the total number of directors who also serve as senior management positions, as well as directors who are employee representatives, shall not exceed half of the total number of directors of the Company.

The directors shall comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association and shall faithfully perform their obligations to the Company. The directors shall take measures to avoid conflicts between their own interests and the Company's interests, and must not abuse their authority to seek improper benefits.

The directors shall fulfill the following fiduciary obligations towards the Company:

- (i) Not to misappropriate the properties of the Company and embezzle funds of the Company;
- (ii) Not to deposit any assets or money of the Company in any accounts under their names or in the names of other persons;
- (iii) Not to abuse their rights to accept bribes or other illegal income;
- (iv) Not to enter into any contract or perform any transaction, directly or indirectly, with the Company without reporting to the Board or the Shareholders' meeting and obtaining approval through resolutions by the Board or the Shareholders' meeting as stipulated in the Articles of Association;
- (v) Not to use their position to obtain business opportunities which should be available to the Company for themselves or others, unless having reported to the Board or the Shareholders' meeting and approved by a resolution of the Shareholders' meeting, or except that the Company is unable to utilize such business opportunity according to the provisions of laws, administrative regulations or the Articles of Association;
- (vi) Not to conduct any businesses similar to those of the Company for themselves or others without reporting to the Board or the Shareholders' meeting and obtaining approval through resolutions by the Shareholders' meeting;
- (vii) Not to accept commissions from transactions between any third party and the Company for their own benefit;
- (viii) Not to disclose the secrets of the Company without consent;
- (ix) Not to use their related relationships to harm the interests of the Company.
- (x) Other contents stipulated by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Company's shares are listed.

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The Company shall be entitled to the income gained by the directors in violation of the above article; the director shall be liable for compensation if any loss is caused to the Company.

The provisions of the item (iv) aforementioned shall apply to the conclusion of contracts or engagement in transactions with the Company by close relatives of the directors and senior management or enterprises directly or indirectly controlled by the directors and senior management or their close relatives, as well as connected persons who are otherwise connected to the directors and senior management.

The directors shall comply with laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association to perform their obligations of diligence to the Company. They shall fulfill their obligations with reasonable care generally expected of managers in the best interests of the Company.

The directors shall diligently perform their following obligations to the Company:

- (i) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company’s commercial activities comply with laws, administrative regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business license;
- (ii) to treat all shareholders equally and fairly;
- (iii) to understand the operation and management of the Company in a timely manner;
- (iv) to approve the regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;
- (v) to provide all relevant information and materials required by the Audit Committee truthfully and shall not intervene in the performance of the Audit Committee of its duties;
- (vi) to perform other obligations of diligence stipulated by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Company’s shares are listed.

A director who fails to attend two consecutive meetings of the Board in person or by proxy shall be deemed unable to perform his/her duties. The Board shall propose to the Shareholders’ meeting for removal of such director.

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A director may resign before the expiry of his/her term of service. When a director resigns, he/she shall submit a written resignation notice to the Company. Such resignation shall take effect on the date when the Company receives the resignation notice and the Company shall disclose relevant information in accordance with the securities regulatory rules of the place where the Company's shares are listed.

In the event that the resignation of any director during his/her term of office results in the number of members of the Board being less than the statutory minimum requirement, by the newly elected director, the original director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association before an re-elected director takes office.

The Company has a system in place to manage the departure of directors, which specifies safeguards for pursuing and recovering liability for unfulfilled public commitments and other outstanding matters. When a director's resignation takes effect or his/her term of office expires, he/she shall duly complete all handover procedures with the Board. His/her duties of loyalty towards the Company and shareholders shall not automatically terminate upon the conclusion of the term of office and shall remain effective for two years after the resignation takes effect or the term expires. The liability that a director shall bear for acts performed during his/her tenure shall not be exempted or terminated due to his/her departure. His/her obligation to keep trade secrets of the Company confidential shall remain effective after his/her resignation or the expiry of his/her term of office until such secrets become public information. The duration of other duties shall be determined according to the principle of fairness, depending on the length of time between the occurrence of the event and the departure, and the circumstances and conditions under which the relationship with the Company is terminated.

The Shareholders' meeting may remove any director by a resolution, which shall come into effect from the date on which such resolution is made. If a director is removed before the expiration of his/her term without justifiable reason, he/she may require the Company to provide compensation.

Board of Directors

The Company shall establish a Board.

The Board of Directors shall consist of 9 directors, including one chairman, one vice chairman, one employee representative director, and no less than three independent directors. The Company's directors may include executive directors, non-executive directors and independent directors. Non-executive directors refer to directors who do not hold operational management positions in the Company. The chairman and vice chairman shall be elected by the Board of Directors by a majority vote of all directors.

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The Board of Directors shall exercise the following powers and duties:

- (i) Convening the Shareholders' meeting and reporting to the Shareholders' meeting;
- (ii) Implementing the resolutions of the Shareholders' meeting;
- (iii) Deciding on the Company's business plans and investment proposals;
- (iv) Formulating the Company's profit distribution plans and loss recovery plans;
- (v) Formulating plans for the Company's increase or decrease of registered capital, issuance of bonds or other securities and listing;
- (vi) Drafting plans for major acquisitions, repurchases of the Company's shares, mergers, divisions, dissolution, or changes in the Company's form;
- (vii) To decide, within the scope authorized by the Shareholders' meeting, on matters such as external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, related transactions, external donations, etc.;
- (viii) Deciding on the establishment of the Company's internal management structure;
- (ix) Deciding on the appointment or dismissal of the general manager, secretary of the Board and other senior management members, and determining their remuneration and rewards and punishments; based on the general manager's nomination, deciding on the appointment or dismissal of the executive president, vice presidents, chief financial officer, and other senior management members, and determining their remuneration and rewards and punishments;
- (x) Formulating the Company's basic management systems;
- (xi) Drafting amendments to the Articles of Association;
- (xii) Managing the Company's information disclosure matters;
- (xiii) Proposing to shareholders' meetings the appointment or change of the accounting firm acting as the auditor of the Company;
- (xiv) Listening to the work reports of the general manager and reviewing the general manager's work;
- (xv) Other powers and duties conferred by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, or the Shareholders' meeting.

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Matters that exceed the scope authorized by the Shareholders' meeting shall be submitted to the Shareholders' meeting for consideration.

The chairman shall exercise the following functions and powers:

- (i) to preside over the Shareholders' meetings and to convene and preside over the Board meetings;
- (ii) to supervise and examine the implementation of the resolutions of the Board of Directors;
- (iii) to sign important documents of the Board of Directors and other documents that should be signed by the legal representative of the Company (Applicable to individuals serving as the legal representative);
- (iv) to sign shares, corporate bonds and other marketable securities of the Company;
- (v) to exercise the functions and powers of the legal representative (Applicable to individuals serving as the legal representative);
- (vi) in the event of emergency situations such as the occurrence of large-scale natural disasters, to take special steps in handling the Company's business according to laws, regulations and the Company's interest, and to report to the Board of Directors of the Company and the Shareholders' meetings afterwards;
- (vii) in accordance with relevant laws, administrative regulations, and normative documents, and based on the principle of prudent authorization, the Board of Directors hereby authorizes the Chairman with respect to external investments, acquisitions, disposal of assets, and financing matters as follows:
 - 1. external Investments: The Chairman is authorized to decide on individual external investment amounts representing more than 1% and not exceeding 10% of the absolute value of the Company's net assets as of the latest audited financial statements (calculated on a consolidated basis). The cumulative amount of such decisions exercised by the Chairman within the same fiscal year shall not exceed 10% of the absolute value of the Company's net assets as of the latest audited financial statements.
 - 2. acquisition and Disposal of Assets: The Chairman is authorized to decide on individual acquisitions or disposals of assets with amounts representing more than 1% and not exceeding 10% of the absolute value of the Company's total assets as of the latest audited financial statements (calculated on a consolidated basis). The cumulative amount of such decisions exercised by the Chairman within the same fiscal year shall not exceed 10% of the absolute value of the Company's total assets as of the latest audited financial statements.

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3. financing Matters: The Chairman is authorized to decide on individual financing amounts representing more than 1% and not exceeding 10% of the absolute value of the Company's net assets as of the latest audited financial statements (calculated on a consolidated basis). The cumulative amount of such financing decisions exercised by the Chairman within the same fiscal year shall not exceed 10% of the absolute value of the Company's net assets as of the latest audited financial statements.

After approving the aforementioned matters, the Chairman shall report the relevant circumstances to the Board of Directors at the next Board meeting.

(viii) other powers and duties authorized by the Board of Directors.

The Company's Vice Chairman assists the Chairman in his/her work. Where the Chairman is unable to perform or fails to perform his/her duties, the Vice Chairman shall perform such duties; where the Vice Chairman is unable to perform or fails to perform his/her duties, a director jointly elected by more than half of the directors shall perform such duties on their behalf.

The meeting of the Board of Directors shall be convened at least four times a year and called by the Chairman, with written notice delivered to all directors at least 14 days before the meeting by means of personal delivery, fax, email, specialized messenger, or other methods.

Shareholders representing more than 10% of the voting rights, more than one-third of the directors, or the Audit Committee may propose convening an extraordinary meeting of the Board of Directors. The Chairman shall convene and preside over the Board meeting within 10 days of receiving such a proposal.

The Chairman may decide to convene an extraordinary Board meeting whenever he/she deems it necessary. For an extraordinary Board meeting, written notice shall be delivered to all directors at least 3 days before the meeting, except where the extraordinary meeting is convened by on-site meeting, telephone, fax, or similar means under special or urgent circumstances.

If a director is related to the enterprise or individual involved in a matter under a Board meeting resolution, the director shall promptly report in writing to the Board of Directors. The related director shall not vote on the resolution or act as a proxy for another director to vote. The board meeting may proceed with the attendance of more than half of the non-related directors, and resolutions shall require the approval of more than half of the or non-related directors. If the number of non-related directors attending the board meeting is less than three, the matter shall be submitted to the Shareholders' meeting for consideration. Where laws, regulations, or the securities regulatory rules of the place where the Company's shares are listed impose any additional restrictions on directors' participation in Board meetings and voting, such rules shall prevail.

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SENIOR MANAGEMENT MEMBERS

The Company shall have one President, and may, as needed, have one or more Executive Presidents, who shall be appointed or dismissed by the Board of Directors.

The Company shall have a number of Senior Vice Presidents and Vice Presidents, who shall be appointed or dismissed by the Board of Directors upon the nomination of the President.

The Company's President, Executive President(s), Senior Vice President(s), Vice President(s), Chief Financial Officer, and Secretary to the Board of Directors are senior management members of the Company.

The term of office for the President is three years for each term, and he/she may be re-appointed upon the expiration of the term.

The general manager shall be responsible to the Board of Directors and shall exercise the following functions and powers:

- (i) To be in charge of the Company's production, operation and management, and to organize and implement the resolutions of the Board of Directors and report on works to the Board of Directors;
- (ii) To organize and implement the Company's annual business plan and investment proposals;
- (iii) To draft plans for the establishment of the Company's internal management organizations;
- (iv) To draft the Company's basic management system;
- (v) To formulate specific rules and regulations for the Company;
- (vi) To propose to the Board of Directors on the appointment or dismissal of the Company's Senior Vice Presidents, Vice Presidents, and Chief Financial Officer;
- (vii) To decide on the appointment or dismissal of management personnel other than those whose appointment or dismissal should be decided by the Board of Directors;
- (viii) To formulate the salaries, welfare, rewards and punishments of the Company's employees, and to decide on the employment and dismissal of the Company's employees;
- (ix) The President has the authority to decide on matters such as the Company's external investments, acquisitions, disposal of assets, and financing, provided that the amount of any single decision does not exceed 1% of the absolute value of the

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Company’s net assets as of the latest audited financial statements (calculated on a consolidated basis). However, the cumulative amount of such decisions exercised within the same fiscal year shall not exceed 3% of the absolute value of the Company’s net assets as of the latest audited financial statements.

- (x) Other powers and duties stipulated in the securities regulatory rules of the place where the Company’s shares are listed, the Articles of Association, or delegated by the Board of Directors.

The general manager shall attend meetings of the Board of Directors.

The Company shall appoint a Secretary to the Board of Directors, who is responsible for preparing the Shareholders’ meetings and Board meetings, maintaining documents, managing shareholder information, and handling information disclosure matters, among other duties. The Secretary to the Board of Directors shall comply with relevant laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company’s shares are listed, and the provisions of the Articles of Association.

FINANCIAL AND ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT

Financial and Accounting System

The Company shall establish its financial accounting system in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the provisions of relevant national authorities.

Disclosure of Periodic Reports for A Shares: The Company shall submit and disclose its annual report to the local office of the CSRC and the stock exchange within 4 months from the end of each fiscal year, and submit and disclose its interim report to the local office of the CSRC and the stock exchange within 2 months from the end of the first half of each fiscal year.

Disclosure of Periodic Reports for H Shares: The periodic reports for the Company’s H Shares include the annual report and the interim report. The Company shall disclose the preliminary announcement of the annual results within 3 months from the ending date of each fiscal year, and shall prepare and disclose the annual report within 4 months from the ending date of each fiscal year and at least 21 days before the date of the annual Shareholders’ meeting. The Company shall disclose the preliminary announcement of the interim results within 2 months from the ending date of the first half of each fiscal year, and shall prepare and disclose the interim report within 3 months from the ending date of the first half of each fiscal year.

The above financial reports shall be prepared in accordance with the provisions of relevant laws, administrative regulations, and the securities regulatory rules of the place where the Company’s shares are listed.

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The Company shall not establish account books other than the statutory account books. The funds of the Company shall not be deposited in any personal account.

When the Company allocates the after-tax profits for the current year, it shall extract 10% of the profits into the Company's statutory reserve fund. Should the accumulated amount of the Company's statutory reserve fund be more than 50% of the Company's registered capital, no appropriation shall be made.

In the event that the Company's statutory reserve fund is not sufficient to cover all the losses for the previous year, the profits for the current year shall be firstly used to cover the loss before making appropriation to the statutory reserve fund pursuant to the foregoing provisions.

After the Company has made up its losses and contributions to the reserve funds, the remaining after-tax profit may be distributed to the shareholders in proportion to their respective shareholdings, unless otherwise stipulated in the Articles of Association regarding non-proportional distribution.

In case the Shareholders' meeting approves to distribute any profit to any shareholder in violation of the provisions of the Company Law, before the Company makes up its losses and contributes to the statutory reserve fund, the shareholder shall return profits so distributed to the Company; if losses are caused thereby to the Company, the shareholders, as well as any directors and senior managers responsible for the violation, shall be liable for compensation.

The Company shall not be entitled to any distribution of profits in respect of shares held by it.

The Company must appoint one or more receiving agents in Hong Kong for holders of H shares. The receiving agent shall receive and keep the dividends and other amounts payable by the Company in respect of distribution of H shares on behalf of the relevant H Shareholders, pending payment to such H Shareholders. The receiving agent appointed by the Company shall comply with the requirements of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

The Company's reserve funds shall be used to cover the Company's losses, expand the Company's production and operation, or convert into additional registered capital.

When using reserve funds to cover the Company's losses, the optional reserve fund and the statutory reserve fund shall be used first; if the losses cannot be fully covered, the capital reserve fund may be used in accordance with regulations.

When converting the statutory reserve fund into additional registered capital, the remaining statutory reserve fund shall not be less than 25% of the Company's registered capital before the conversion.

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SUMMARY OF ARTICLES OF ASSOCIATION

Internal Audit

The Company shall implement an internal audit system, which clearly defines the leadership system, responsibilities and authorities, personnel allocation, funding support, application of audit results and accountability for internal audit.

The internal audit system of the Company shall be implemented after approval by the Board of Directors and shall be disclosed to the public.

Appointment of Accounting Firms

The Company shall engage an accounting firm that complies with the *Securities Law of the People's Republic of China*, the securities regulatory rules of the place where the Company's shares are listed, and possesses the “qualification for securities-related business” to conduct audits of financial statements, verification of net assets, and provide other related consulting services. The engagement term shall be one year and may be renewed.

Matters relating to the appointment and dismissal of an accounting firm and its remuneration shall be decided by the Shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the decision of the Shareholders' meeting.

The Company shall ensure that the engaged accounting firm is provided with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse, conceal, or misreport such materials.

The audit fees of the accounting firm shall be decided by the Shareholders' meeting.

When the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm 30 days in advance. When the Shareholders' meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to present its opinions.

If the accounting firm resigns, it shall explain to the Shareholders' meeting whether the Company is involved in any anomaly.

NOTICE AND ANNOUNCEMENT

Notices of the Company shall be served by the following means:

- (i) By hand;
- (ii) By postal mail;
- (iii) By way of announcement;

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- (iv) By facsimile, electronic mail, telephone, or WeChat;
- (v) By other means as recognized by the Articles of Association

Company notices delivered by hand shall be signed (or stamped) by the recipient on the delivery receipt, with the recipient's acknowledgment date serving as the delivery date. Company notices mailed shall be deemed delivered on the fifth working day following the date of delivery to the post office. Company notices served by fax, electronic mail, telephone, or WeChat, the sending date shall be deemed as the date of delivery. Company notices issued by public announcement, the date of the first announcement shall be deemed as the delivery date. Notices issued by the Company in the form of announcements shall, upon publication, be deemed to have been received by all relevant persons.

The failure to deliver a meeting notice to a person entitled to receive it due to accidental omission, or the non-receipt of such notice by that person, shall not invalidate the meeting or the resolutions adopted at the meeting.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase, and Capital Reduction

Where there is a merger of the Company, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution and shall publish an announcement in the media designated by the Company for information disclosure, or on the National Enterprise Credit Information Publicity System and the website of The Stock Exchange of Hong Kong Limited within 30 days from the date of the merger resolution. The creditors may, within 30 days after receipt of notice or, if the creditors do not receive such notice, within 45 days of the announcement, demand the Company to repay in full or to provide a guarantee.

At the time of merger, the claims and debts of the merger parties shall be succeeded by the company which subsists after the merger or the newly-established company.

Where there is a division of the Company, its assets shall be divided accordingly.

Where there is a division of the Company, a balance sheet and inventory of property shall be prepared. The Company shall notify its creditors within 10 days from the date of the division resolution and shall publish an announcement in the media designated by the Company for information disclosure, or on the National Enterprise Credit Information Publicity System and the website of The Stock Exchange of Hong Kong Limited within 30 days from the date of the division resolution.

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Debts of the Company prior to the division shall be jointly assumed by the surviving companies after the division unless a written agreement has been entered into by the Company and its creditors in relation to the repayment of debts before the division.

When the Company reduces its registered capital, it shall prepare a balance sheet and a property list.

The Company shall inform its creditors within 10 days and publish an announcement in the media designated by the Company for information disclosure or on the National Enterprise Credit Information Publicity System and on the website of the Hong Kong Stock Exchange within 30 days after the resolution approving the reduction of registered capital has been passed at the Shareholders' meeting. Creditors may within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received, require the Company to pay its debts or provide guarantees covering the debts.

When the Company reduces its registered capital, the contribution amounts or shares held by shareholders shall be reduced proportionally, unless otherwise provided by law or the Articles of Association.

If the Company still has losses after covering them in accordance with the Articles of Association, it may reduce its registered capital to cover such losses. Where registered capital is reduced to cover losses, the Company shall not distribute profits to shareholders nor exempt shareholders from their obligations to contribute capital or pay share premiums.

When the Company issues new shares to increase its registered capital, Shareholders shall not enjoy preemptive subscription rights, unless otherwise provided in the Articles of Association or decided by a resolution of the Shareholders' meeting.

The Company shall, in accordance with laws, handle the procedures for change registration with the Company registration authority where a change in any registration items arises as a result of any merger or division. In the event of dissolution of the Company, the Company shall handle the procedures for registration of cancellation in accordance with the law. In the event of establishment of a new company, the Company shall handle the procedures for registration of establishment in accordance with laws.

Where the Company increases or reduces its registered capital, the Company shall handle the procedures for change registration with the Company registration authority in accordance with laws.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

- (i) other dissolution reasons stipulated in the Articles of Association arise;
- (ii) The Shareholders' meeting resolves to dissolve the Company;

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- (iii) The Company needs to be dissolved due to a merger or division;
- (iv) The Company is legally revoked its business license, ordered to close, or revoked;
- (v) The Company's operation and management encounter serious difficulties, and its continued existence would cause significant losses to shareholders' interests, and no other solutions can be found. Shareholders holding 10% or more of the Company's total voting rights may request the people's court to dissolve the Company.

When the Company has the dissolution reasons mentioned above, it shall publicize the dissolution reasons through the National Enterprise Credit Information Publicity System within 10 days.

Under the circumstance of the item (i) and (ii) above, and has not yet distributed property to Shareholders, it may continue to exist by amending the Articles of Association.

Amendments to the Articles of Association pursuant to the preceding paragraph shall be subject to the approval of shareholders representing more than two-thirds of the voting rights attending the Shareholders' meeting.

If a company is dissolved due to the circumstances mentioned in items (i), (ii), (iv), and (v) above, it shall be liquidated. The directors are the liquidation obligors and shall establish a liquidation group within 15 days from the date the dissolution reason arises to commence liquidation.

The liquidation committee shall consist of directors, unless otherwise stipulated in the Articles of Association or the Shareholders' meeting resolves to appoint others. If the liquidation obligors fail to perform their liquidation obligations in a timely manner, causing losses to the Company or creditors, they shall bear the liability for compensation.

During the liquidation period, the liquidation committee shall exercise the following powers and duties:

- (i) Checking the Company's assets and prepare a balance sheet and an inventory of assets;
- (ii) Notifying creditors by notice and announcement;
- (iii) Dealing with the outstanding affairs of the Company in relation to liquidation;
- (iv) Paying off outstanding taxes as well as taxes arising in the course of liquidation;
- (v) Settling claims and debts;
- (vi) Allocate the remaining assets of the Company after repayment of debts;

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(vii) Representing the Company in civil litigation activities.

The liquidation committee shall notify creditors within 10 days from the date of its establishment and make an announcement in the newspaper designated by the Company for information disclosure, or on the National Enterprise Credit Information Publicity System and the website of The Stock Exchange of Hong Kong Limited within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receiving the notice or within 45 days from the date of the announcement if they have not received the notice.

Creditors shall provide an explanation for the relevant particulars and evidence of the claims upon declaration of such claims. The liquidation committee shall register the creditors' claims.

During the claim declaration period, the liquidation committee shall not settle claims with creditors.

After liquidating the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' meeting or the People's Court for confirmation.

The remaining properties of the Company, after payment of liquidation expenses, wages, social insurance premiums and statutory compensation of staff, outstanding taxes and debts of the Company, shall be distributed according to the shareholding proportion held by shareholders.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities not relating to liquidation. The assets of the Company shall not be distributed to shareholders before the settlement of debts in accordance with the aforesaid provisions.

If, after liquidating the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee discovers that the assets of the Company are insufficient to repay the debts of the Company in full, it shall apply to the People's Court for a declaration of insolvency according to the law.

Upon acceptance of the insolvency application by the People's Court, the liquidation committee shall transfer the liquidation affairs to the insolvency administrator appointed by the People's Court.

Upon completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report and submit the same to the shareholders' meeting or the people's court for confirmation, and submit the aforesaid documents to the company registration authority, and apply to cancel the registration of the Company.

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The members of the liquidation committee shall perform their liquidation duties and shall assume the obligations of loyalty and diligence.

Where the member of the liquidation committee neglects to perform the liquidation duties and causes any loss to the Company, he/she shall be liable to make compensation. If losses are caused to any creditor due to intentional misconduct or gross negligence, such member shall be liable for compensation.

If the Company is declared insolvent according to laws, the Company shall perform insolvency liquidation procedures according to the laws relating to insolvency of companies.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under the following circumstances:

- (i) After amendments are made to the *Company Law* or relevant laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed, matters stipulated in the Articles of Association contravene the provisions of such amended laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed.
- (ii) The Company's conditions have changed, and such changes are not consistent with the matters recorded in the Articles of Association;
- (iii) The Shareholders' meeting resolves to amend the Articles of Association.

Where approval from the competent authority is required for the amendments to the Articles of Association resolved by the shareholders' meeting, such amendments shall be submitted to the competent authority for approval. If amendments to the Articles of Association involve particulars of the Company's registration, changes shall be made to the registration in accordance with the laws.

The Board of Directors shall amend the Articles of Association in accordance with the resolutions of the shareholders' meeting and the opinion of the relevant competent authorities on any amendment hereto.

If amendments to the Articles of Association involve matters required to be disclosed by laws, regulations, or the securities regulatory rules of the place where the Company's shares are listed, an announcement shall be made pursuant to the regulations.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation of Our Company

On March 16, 2004, our Company was established under the name of TGOOD Electric Co., Ltd. (青島特銳德電氣有限公司), as a limited liability company in the PRC, with a registered capital of USD1 million. On June 4, 2009, our Company was converted into a joint stock company with limited liability and renamed as Qingdao TGOOD Electric Co., Ltd. (青島特銳德電氣股份有限公司). Our Company completed the listing of our A Shares on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300001) on October 30, 2009.

Our registered office is at No. 336 Songling Road, Laoshan District, Qingdao City, Shandong Province, PRC. We have established a place of business in Hong Kong at 46th Floor Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong and have been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on [●], 2026. Ms. Chan Ching Nga has been appointed as our authorized representative for the acceptance of services of process and notices on behalf of our Company in Hong Kong. Our address for acceptance of service of process in Hong Kong is the same as the address of our principal place of business in Hong Kong.

As our Company was established in the PRC, we are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and our Articles of Association is set out in “Regulatory Overview” of this document and Appendix III to this document.

2. Changes in the Share Capital of Our Company

Save as disclosed in “History, Development and Corporate Structure”, there has been no alteration in our share capital within the two years immediately preceding the date of publication of this document.

3. Changes in the Share Capital of Our Principal Subsidiaries

We have applied to the Stock Exchange for, and the Stock Exchange has [granted] us a waiver from strict compliance with the requirements of paragraph 26 of Appendix D1A to the Listing Rules in relation to the disclosure of information relating to the changes in the share capital of any member of our Group within the two years immediately preceding the date of this document. For details, see “Waivers — Waiver in relation to disclosure requirements with respect to changes in share capital” in this document.

Saved as disclosed below, there has been no alteration in the share capital of our Principal Subsidiaries during the two years immediately preceding the date of this document.

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(1) *Chuankai Electric*

On April 30, 2024, the share capital of Chuankai Electric increased from RMB332,540,000 to RMB347,100,000.

On May 30, 2024, the share capital of Chuankai Electric increased from RMB347,100,000 to RMB347,103,600.

(2) *Yichang TGOOD*

On April 17, 2024, the share capital of Yichang TGOOD increased from RMB50,000,000 to RMB52,396,700.

For details of our Principal Subsidiaries, see “History, Development and Corporate Structure — Our Principal Subsidiaries.”

4. Shareholders’ Resolutions

At the general meeting of our Company held on February 9, 2026, the following resolutions, among others, were passed by the Shareholders:

- (i) the issue by our Company of H Shares with a nominal value of RMB1.00 each and such H Shares be [REDACTED] on the Stock Exchange;
- (ii) the number of H shares to be issued shall be no more than [REDACTED] of the total issued share capital of our Company as enlarged by the [REDACTED], and the grant of the [REDACTED] in respect of no more than [REDACTED] of the initial number of H Shares to be issued pursuant to the [REDACTED];
- (iii) authorization of the Board or its authorized individual to handle all matters relating to, among other things, the [REDACTED], the issue and the [REDACTED] of H Shares on the Stock Exchange; and
- (iv) subject to the completion of the [REDACTED], the conditional adoption of the Articles of Association, which shall become effective on the [REDACTED].

5. Restrictions on Repurchase

See “Appendix III — Summary of Articles of Association” for details.

APPENDIX IV STATUTORY AND GENERAL INFORMATION

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

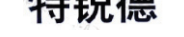
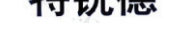
The following contracts (not being contract entered into in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this document and are or may be material:

- (i) the [REDACTED].

2. Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
1. . .		PRC	Our Company	9	4636220	May 20, 2028
2. . .		PRC	Our Company	9	7498671	February 6, 2031
3. . .		PRC	Our Company	7	15119846	November 20, 2035
4. . .		PRC	Our Company	9	15119847	September 27, 2035
5. . .		PRC	Our Company	37	15119850	September 27, 2035
6. . .		PRC	Our Company	7	15119855	November 20, 2035
7. . .		PRC	Our Company	9	15119856	November 20, 2035
8. . .		PRC	Our Company	37	15119859	May 20, 2027
9. . .		PRC	Our Company	9	68247344	June 20, 2033
10. .		Hong Kong	Our Company	9	306638266	August 11, 2034
11. .		PRC	TELD	9	51994579	September 13, 2031

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No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
12.		PRC	TELD	37	51994575	September 6, 2031
13.		PRC	TELD	37	39893187	March 20, 2030
14.		PRC	TELD	9	63175961	September 13, 2032
15.		PRC	TELD	9	18792659	February 13, 2027
16.		PRC	TELD	37	63171316	September 13, 2032
17.		PRC	TELD	37	63161675	September 6, 2032
18.		PRC	TELD	9	64203484	October 27, 2032
19.		PRC	TELD	9	74891589	April 6, 2034
20.		PRC	TELD	9	74879609	April 13, 2034

Patents

According to the Patent Law of the People’s Republic of China (中華人民共和國專利法), the validity period of an invention patent is twenty years, the validity period of a utility model patent is ten years. All periods are calculated from the date of application.

As of the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
1	Switchgear (開關櫃)	Invention patent	PRC	201210588838.8	Our Company, Chuankai Electric	December 31, 2012

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
2 . .	Compact substation (緊湊型變電站)	Invention patent	PRC	201310457141.1	Our Company	September 30, 2013
3 . .	Prefabricated cabin substation (預制艙式變電站)	Invention patent	PRC	201310456887.0	Our Company	September 30, 2013
4 . .	Vacuum circuit breaker and medium-voltage gas-insulated switchgear (真空斷路器及中壓充氣櫃)	Invention patent	PRC	201210589369.1	Our Company, Chuankai Electric	December 31, 2012
5 . .	Prefabricated cabin GIS combined electrical apparatus and prefabricated cabin substation (預制艙式GIS組合電器及預制艙式變電站)	Invention patent	PRC	201410194448.1	Our Company	May 9, 2014
6 . .	Cable tank and GIS equipment (電纜罐及GIS設備)	Invention patent	PRC	201310494697.8	Our Company	October 18, 2013
7 . .	Prefabricated cabin substation and heat dissipation control method (預制艙式變電站及散熱控制方法)	Invention patent	PRC	201511010966.4	Our Company	December 30, 2015
8 . .	Pre-installed adjustable three-position isolation grounding device, GIS equipment, and assembly method (預裝可調節式三工位隔離接地裝置、GIS設備及組裝方法)	Invention patent	PRC	201610776075.8	Our Company	August 31, 2016
9 . .	Three-position isolating switch (一種三工位隔離開關)	Invention patent	PRC	201710647626.5	Our Company, Chuankai Electric	August 1, 2017
10 . .	Switchgear door interlocking mechanism (一種開關櫃閉門聯鎖機構)	Invention patent	PRC	201711386519.8	Our Company, Chuankai Electric	December 20, 2017

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
11 . .	Interlocking device for switchgear door body (一種開關櫃門體用聯鎖裝置)	Invention patent	PRC	201711385500.1	Our Company	December 20, 2017
12 . .	Prefabricated cabin substation with phase-change temperature control function and its temperature control method (具有相變調溫功能的預制艙變電站及其控溫方法)	Invention patent	PRC	201810393141.2	Our Company	April 27, 2018
13 . .	Prefabricated cabin substation and its heat dissipation method (預制艙變電站及其散熱方法)	Invention patent	PRC	201810392119.6	Our Company	April 27, 2018
14 . .	Prefabricated cabin substation with automatic temperature control function and its temperature control method (具有自動調溫功能的預制艙變電站及其控溫方法)	Invention patent	PRC	201810394057.2	Our Company	April 27, 2018
15 . .	Composite wall panel for prefabricated cabin, processing method, and prefabricated cabin substation (預制艙用複合壁板、加工方法及預制艙變電站)	Invention patent	PRC	201810394019.7	Our Company	April 27, 2018
16 . .	Modular prefabricated cabin substation and its heat dissipation method (模塊化預制艙變電站及其散熱方法)	Invention patent	PRC	201810394026.7	Our Company	April 27, 2018

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
17 . .	Automatic temperature control method for prefabricated cabin substation (預制艙變電站的自動控溫方法)	Invention patent	PRC	201810392118.1	Our Company	April 27, 2018
18 . .	Prefabricated cabin, assembly method, and prefabricated cabin substation (預制艙、組裝方法及預制艙變電站)	Invention patent	PRC	201810393105.6	Our Company	April 27, 2018
19 . .	Vehicle-mounted combined electrical apparatus and mobile substation (車載組合電器和車載移動變電站)	Invention patent	PRC	201710462447.4	Our Company	June 19, 2017
20 . .	Pressure relief structure for prefabricated substation, and prefabricated substation (一種箱式變電站用洩壓結構及箱式變電站)	Invention patent	PRC	201710428331.9	Our Company	June 8, 2017
21 . .	Off-grid valve chamber (一種離網型閥室)	Invention patent	PRC	202210647338.0	Our Company	June 9, 2022
22 . .	Interlocking device for three-position switch operating mechanism (三工位開關操作機構聯鎖裝置)	Invention patent	PRC	201810629161.5	Our Company	June 19, 2018
23 . .	Modular arc-extinguishing channel assembly (組裝式模塊化燃弧通道)	Invention patent	PRC	201810629145.6	Our Company	June 19, 2018

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
24 . .	Uninterrupted power regulation equipment, system, and control method (無間斷調電設備、系統及控制方法)	Invention patent	PRC	201710519692.4	Zibo Power Supply Company of State Grid Shandong Electric Power Company, Our Company, Tavrida Electric (Qingdao) Co., Ltd.	June 29, 2017
25 . .	Vehicle-mounted GIS substation and installation method (一種車載式GIS變電站及其安裝方法)	Invention patent	PRC	201811071836.5	Our Company	September 14, 2018
26 . .	Fire protection system for energy storage cabinet-type substation (一種儲能箱變消防系統)	Invention patent	PRC	201910585493.2	Our Company	July 1, 2019
27 . .	Isolation switch and circuit breaker gas chamber structure (一種隔離開關及斷路器氣室結構)	Invention patent	PRC	201810721542.6	Our Company	July 3, 2018
28 . .	Installation method for prefabricated cabin used in substation (一種變電站用預制艙的安裝方法)	Invention patent	PRC	202111441348.0	Our Company	November 30, 2021

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
29 . .	Auxiliary transport device for mobile vehicle-mounted HGIS combined electrical apparatus (移動車載變HGIS組合電器的輔助運輸裝置)	Invention patent	PRC	201910938204.2	Our Company	September 30, 2019
30 . .	Pre-installed offshore booster station upper module construction method (一種預裝式海上升壓站上部組塊的施工方法)	Invention patent	PRC	202010325646.2	Our Company, TGOOD High Voltage (as defined in the section headed “History, Development and Corporate Structure”)	April 23, 2020
31 . .	Vehicle-mounted movable GIS equipment (一種車載可移動式GIS設備)	Invention patent	PRC	201911369030.9	Our Company	December 26, 2019
32 . .	Isolation-type ventilated energy storage cabin (一種隔離式通風儲能艙)	Invention patent	PRC	201910574100.8	Our Company	June 28, 2019
33 . .	Water-based fire protection battery rack (一種水消防式電池架)	Invention patent	PRC	201910509970.7	Our Company	June 13, 2019
34 . .	New rapid grounding mechanism and closing control method (一種新型快速接地機構及合閘控制方法)	Invention patent	PRC	201910501192.7	Our Company	June 11, 2019
35 . .	Ventilation and heat dissipation device (一種通風散熱裝置)	Invention patent	PRC	202011293935.5	Our Company	November 18, 2020

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
36 . .	Substation with built-in transformer (一種變壓器內置的變電站)	Invention patent	PRC	202210010541.7	Our Company	January 6, 2022
37 . .	Substation with external transformer (一種變壓器外置的變電站)	Invention patent	PRC	202210010542.1	Our Company	January 6, 2022
38 . .	Modular prefabricated cabin for substation and substation (一種變電站用模塊化預制艙及變電站)	Invention patent	PRC	202111442376.4	Our Company	November 30, 2021
39 . .	Electrical equipment module for prefabricated cabin, prefabricated cabin, and substation (一種預制艙電氣設備模組、預制艙及變電站)	Invention patent	PRC	202111441341.9	Our Company	November 30, 2021
40 . .	Interlocking mechanism for lower door of metal-clad switchgear (中置式開關設備下門聯鎖機構)	Invention patent	PRC	201210388385.4	Chuankai Electric	October 12, 2012
41 . .	110kV circuit breaker arc-extinguishing chamber (一種110KV斷路器滅弧室)	Invention patent	PRC	201210512284.3	Chuankai Electric	December 4, 2012
42 . .	Interlocking device for ring main unit (一種環網櫃連鎖裝置)	Invention patent	PRC	201810200826.0	Chuankai Electric	March 12, 2018
43 . .	One-touch sequential control method for switchgear (一種開關櫃的一鍵順控方法)	Invention patent	PRC	202311027840.2	Chuankai Electric	August 16, 2023

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
44 . .	Online monitoring method for mechanical characteristics of 10kV vacuum circuit breaker (一種10kV真空斷路器的機械特性在線監測方法)	Invention patent	PRC	202310917209.3	Chuankai Electric, Chengdu Tezhihui Energy Technology Co., Ltd.	July 25, 2023
45 . .	Ventilation and heat dissipation control method inside prefabricated cabin (預制艙內通風散熱控制方法)	Invention patent	PRC	202311096535.9	Our Company, Chuankai Electric	August 29, 2023
46 . .	Distributed energy storage converter integrated system and power distribution method (分佈式儲能變流器集成系統及其功率分配方法)	Invention patent	PRC	202410459406.X	Chuankai Electric	April 17, 2024
47 . .	Instrument box assembly indication system (儀錶箱裝配指示系統)	Invention patent	PRC	201910486562.4	Chuankai Electric	June 5, 2019
48 . .	System and method for implementing multi-mode control using relay-based logic (利用繼電器搭建邏輯關係實現多模式控制的系統和方法)	Invention patent	PRC	202510028957.5	Our Company, Chuankai Electric	January 8, 2025
49 . .	New type of gas-insulated switchgear and method (一種新式充氣櫃及方法)	Invention patent	PRC	202510000207.7	Chuankai Electric	January 2, 2025
50 . .	Gas-insulated switchgear and system (一種充氣櫃及系統)	Invention patent	PRC	202510018696.9	Chuankai Electric	January 7, 2025

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
51 . .	Virtual power plant power control method, device, and medium (虛擬電廠功率控制方法、裝置、設備及存儲介質)	Invention patent	PRC	202510896967.0	Nanjing Derui TELD (as defined in the section headed “History, Development and Corporate Structure”), Qingdao TELD New Energy (as defined in the section headed “History, Development and Corporate Structure”)	July 1, 2025
52 . .	Abnormal charging detection method, device, and medium for new energy equipment (一種新能源設備充電異常檢測方法、裝置及介質)	Invention patent	PRC	202110424424.0	Qingdao TELD New Energy, Qingdao TELD Big Data (as defined in the section headed “History, Development and Corporate Structure”)	April 20, 2021

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
53 . .	Conductive connection structure of charging plug, charging plug, and charging terminal (一種充電插頭的導電連接結構、充電插頭及充電終端)	Invention patent	PRC	201911182447.4	Qingdao TELD New Energy	November 27, 2019
54 . .	Charging control device, method, charging system, and medium based on power distribution (基於功率分配的充電控制裝置、方法、充電系統及介質)	Invention patent	PRC	202211008984.9	Xi'an TELD (as defined in the section headed “History, Development and Corporate Structure”)	August 22, 2022
55 . .	Detection method, device, medium, and prompt terminal for abnormal charging of new energy equipment (新能源設備充電異常的檢測方法、裝置、介質及提示終端)	Invention patent	PRC	202110192368.2	Qingdao TELD New Energy, Qingdao TELD Big Data	February 20, 2021
56 . .	Charging control method and device, equipment, and computer-readable storage medium (充電控制方法及裝置、設備、計算機可讀存儲介質)	Invention patent	PRC	202010505922.3	Nanjing Derui TELD, Qingdao TELD New Energy	June 5, 2020
57 . .	Battery safety detection method, device, and electronic equipment (電池安全檢測的方法、裝置和電子設備)	Invention patent	PRC	202210817033.X	Qingdao TELD New Energy, Qingdao TELD Big Data	July 12, 2022

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
58 . .	Method and device for determining battery degradation based on integral area characteristics (一種基於積分面積特徵的電池衰減程度判定方法和裝置)	Invention patent	PRC	202311653992.3	Qingdao TELD New Energy , Qingdao TELD Big Data	December 4, 2023
59 . .	Current-sharing method, controller, and related components for interleaved parallel LLC circuit (交錯並聯LLC電路的均流方法、控制器及相關組件)	Invention patent	PRC	202411587657.2	Xi'an TELD	November 8, 2024
60 . .	Charge-discharge control method, device, and energy storage system (一種充放電控制方法、裝置及儲能系統)	Invention patent	PRC	202210258621.4	Xi'an TELD	March 16, 2022
61 . .	Training method, device, electronic equipment, and medium for battery capacity prediction model (電池容量預測模型的訓練方法、裝置、電子設備和介質)	Invention patent	PRC	202110952398.9	Qingdao TELD New Energy, Qingdao TELD Big Data	August 19, 2021
62 . .	Health status evaluation method, device, medium, and prompt terminal for new energy equipment (新能源設備的健康狀況測評方法、裝置、介質及提示終端)	Invention patent	PRC	202110192496.7	Qingdao TELD New Energy, Qingdao TELD Big Data	February 20, 2021

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
63 . .	Cascade battery screening method, device, and medium (一種梯次電池篩選方法、裝置及介質)	Invention patent	PRC	202210955244.X	Qingdao TELD New Energy, Qingdao TELD Big Data	August 10, 2022
64 . .	Health status evaluation method, system, device, and medium for new energy equipment (新能源設備的健康狀況測評方法、系統、裝置及介質)	Invention patent	PRC	202210826298.6	Qingdao TELD New Energy, Qingdao TELD Big Data	July 14, 2022
65 . .	Charging controller, application device, and charging control method (充電控制器及其應用裝置和充電控制方法)	Invention patent	PRC	202010507004.4	Nanjing Derui TELD, Qingdao TELD New Energy	June 5, 2020
66 . .	Pantograph charging device (充電弓)	Invention patent	PRC	201811456051.X	Qingdao TELD New Energy	November 30, 2018
67 . .	Fire emergency device for energy storage battery and its control method and charging station (儲能電池消防應急裝置及其控制方法及充電場站)	Invention patent	PRC	202111064133.1	Qingdao TELD New Energy	September 10, 2021
68 . .	Device charging apparatus and pantograph charging device (一種設備充電裝置及設備充電弓)	Invention patent	PRC	201710639142.6	Qingdao TELD New Energy	July 31, 2017
69 . .	Charging terminal (一種充電終端)	Invention patent	PRC	201911184309.X	Qingdao TELD New Energy	November 27, 2019

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
70 . .	Vehicle charging method, device, and electronic equipment (車輛充電方法、裝置和電子設備)	Invention patent	PRC	202111317514.6	Qingdao TELD New Energy, Qingdao TELD Big Data	November 9, 2021
71 . .	Cabinet-type substation and microgrid system (箱式變電站及微網系統)	Invention patent	PRC	201710690591.3	Qingdao TELD New Energy	August 14, 2017
72 . .	Accelerated charging controller, application device, and accelerated charging control method (一種加速充電控制器及其應用裝置和加速充電控制方法)	Invention patent	PRC	202010505923.8	Nanjing Derui TELD, Qingdao TELD New Energy	June 5, 2020
73 . .	Power distribution method, device, equipment, and medium (一種功率分配方法、裝置、設備及介質)	Invention patent	PRC	202211170169.2	Qingdao TELD New Energy	September 26, 2022
74 . .	Power distribution device and method (功率分配裝置與方法)	Invention patent	PRC	201810757002.3	Xi'an TELD, Qingdao TELD New Energy	July 11, 2018
75 . .	DC output switching circuit (一種直流輸出切換電路)	Utility model patent	PRC	202120088539.2	Xi'an TELD, Qingdao TELD New Energy	January 13, 2021
76 . .	Charging plug and charging terminal (一種充電插頭及充電終端)	Invention patent	PRC	201911182449.3	Qingdao TELD New Energy	November 27, 2019

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
77 . .	DC charging control method, online joining detection method, and high-power cluster charging system (直流充電控制方法、在線加入檢測方法及大功率群充系統)	Invention patent	PRC	201811167329.1	Qingdao TELD New Energy	October 8, 2018
78 . .	DC charging system, PDU, and online joining detection method for charging circuit (直流充電系統、PDU及充電通路的在線加入檢測方法)	Invention patent	PRC	201810575494.4	Xi'an TELD, Qingdao TELD New Energy	June 6, 2018
79 . .	Output series-parallel switching circuit (輸出串並聯切換電路)	Utility model patent	PRC	201921647487.7	Qingdao TELD New Energy	September 29, 2019
80 . .	Electric vehicle charging method, device, and system (電動車充電方法、裝置及系統)	Invention patent	PRC	201710811851.8	Qingdao TELD New Energy	September 11, 2017
81 . .	Charging terminal (充電終端)	Invention patent	PRC	201911182479.4	Qingdao TELD New Energy	November 27, 2019
82 . .	Power receiving device, charging device, and charging system (一種受電裝置、充電裝置及充電系統)	Utility model patent	PRC	202320904957.3	Qingdao TELD New Energy	April 19, 2023
83 . .	Power receiving device, charging device, and charging system (一種受電裝置、充電裝置及充電系統)	Utility model patent	PRC	202320887892.6	Qingdao TELD New Energy	April 19, 2023

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
84 . .	Charging posture adjustment device, charging device, and charging connection equipment (一種充電位姿調節裝置、充電裝置及充電連接設備)	Utility model patent	PRC	202223406942.9	Qingdao TELD New Energy	December 19, 2022
85 . .	Power distribution device, charging system, charging equipment, charging station, and charging method (功率分配裝置、充電系統、充電設備、充電站和充電方法)	Invention patent	PRC	202111300502.2	Xi'an TELD, Qingdao TELD New Energy	November 4, 2021
86 . .	Method, device, and electronic equipment for determining battery internal resistance (電池內阻的確定方法、裝置及電子設備)	Invention patent	PRC	202210015399.5	Qingdao TELD New Energy 、 Qingdao TELD Big Data	January 7, 2022
87 . .	Charging amount prediction method, device, electronic equipment, and medium for charging station (充電站的充電量預測方法、裝置、電子設備及介質)	Invention patent	PRC	202211426532.2	Qingdao TELD New Energy 、 Qingdao TELD Big Data	November 14, 2022
88 . .	Bidirectional DCDC converter and power conversion module (一種雙向DCDC變換器及功率變換模塊)	Utility model patent	PRC	202422282886.5	Xi'an TELD	September 18, 2024

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
89 . .	Liquid-cooled cluster charging system and hybrid heat dissipation cluster charging system (一種液冷群充系統以及混合式散熱群充系統)	Utility model patent	PRC	202422147954.7	Xi'an TELD	September 2, 2024
90 . .	Monitoring data hierarchical management method, device, and equipment based on charging cloud platform (基於充電雲平台的監控數據分級管理方法、裝置及設備)	Invention patent	PRC	202210528365.6	Qingdao TELD New Energy, Qingdao TELD Big Data	May 16, 2022
91 . .	Root cause analysis method and device for abnormal data using text clustering combined with link invocation (文本聚類結合鏈路調用的異常數據根因分析方法及裝置)	Invention patent	PRC	202210128929.7	Qingdao TELD New Energy, Qingdao TELD Big Data	February 11, 2022
92 . .	Address configuration device and cluster charging system including address configuration device (地址配置裝置及包括地址配置裝置的群充電系統)	Utility model patent	PRC	202323428676.4	Qingdao TELD New Energy	December 15, 2023
93 . .	Power supply circuit and its control method and control system (一種供電電路及其控制方法和控制系統)	Invention patent	PRC	202110842181.2	Qingdao TELD New Energy	July 23, 2021

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Application Date
94 . .	Overcurrent judgment circuit and power conversion circuit (一種過流判斷電路和功率變換電路)	Utility model patent	PRC	202323567970.3	Xi'an TELD	December 26, 2023
95 . .	Noise-reducing heat dissipation device, single-stage power conversion module, multi-stage power conversion module, and charging equipment (一種可降擾的散熱裝置、單級功率變換模塊、多級功率變換模塊及充電設備)	Utility model patent	PRC	202322552911.2	Qingdao TELD New Energy	September 19, 2023
96 . .	Charging seat, receiving seat, and charging system (一種充電座、受電座、及充電系統)	Utility model patent	PRC	202322653767.1	Qingdao TELD New Energy	September 28, 2023
97 . .	Charging device and charging connection equipment (一種充電裝置和充電連接設備)	Utility model patent	PRC	202320890371.6	Qingdao TELD New Energy	April 19, 2023
98 . .	Charging connection equipment and receiving seat (一種充電連接設備和受電座)	Utility model patent	PRC	202320890393.2	Qingdao TELD New Energy	April 19, 2023
99 . .	Charging gun and charging equipment (一種充電槍及充電設備)	Invention patent	PRC	201710552051.9	Qingdao TELD New Energy	July 7, 2017
100 .	Energy storage battery hoisting structure, fire protection device, and energy storage system (一種儲能電池吊裝結構、消防裝置及儲能系統)	Utility model patent	PRC	202222859888.7	Qingdao TELD New Energy	October 28, 2022

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

Copyrights

According to the Copyright Law of the People’s Republic of China (中華人民共和國著作權法), the term of copyright owned by legal entities or other organizations is 50 years, expiring on December 31 in the 50th year after its first publication. For copyrights that have not been published within 50 years of registration, the term expires on the 50th anniversary of the date of registration.

Software Copyright

As of the Latest Practicable Date, we had registered the following copyrights which we consider to be or may be material to our business:

No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
1. . .	Power Safety Intelligent Monitoring System V1.0 (電力安全智能監控裝置系統V1.0)	PRC	Our Company	2019SR1081621	March 15, 2019
2. . .	TGOOD End-to-End Communication Software V1.3.22.0 (特銳德端端通軟件[簡稱：端端通] V1.3.22.0)	PRC	Our Company	2024SR0007241	Not Published
3. . .	TGOOD New Energy Box Transformer Online Monitoring System V1.0 (特銳德新能源箱變在線監測系統V1.0)	PRC	Our Company	2024SR0165702	Not Published
4. . .	TGOOD Prefabricated Substation Auxiliary Control System V1.0 (特銳德預制艙式變電站輔控系統V1.0)	PRC	Our Company	2024SR0170210	Not Published
5. . .	Rail Power Supply O&M Management System V1.0 (鐵路電力供配電運維管理系統V1.0)	PRC	Our Company	2024SR0962570	Not Published

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No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
6. . .	TGOOD Ruiruitong (One-Click Translation) Software V1.0 (特銳德端端通 (一鍵轉譯)軟件[簡稱： 端端通] V1.0)	PRC	Our Company	2024SR1929715	Not Published
7. . .	TGOOD Secondary Wiring Layout Design Software V1.0.5 (特銳 德二次線佈局設計軟件 [簡稱：二次線佈局設 計]V1.0.5)	PRC	Our Company	2025SR1095343	Not Published
8. . .	Transformer Parametrization Design Software V1.09 (變壓 器參數化設計軟件 [簡 稱:變壓器參數化] V1.09)	PRC	TGOOD High Voltage	2025SR0180771	Not Published
9. . .	Power Safety Intelligent Monitoring System V2.0 (電力安全智能監 控裝置系統V2.0)	PRC	TGOOD High Voltage	2019SR1127781	October 8, 2019
10. . .	Chuankai Electric Intelligent Distribution System V1.0 (川開電 氣智能配電系統V1.0)	PRC	Chuankai Electric	2019SR0880396	Not Published
11. . .	Chuankai Electric Intelligent Environmental Control System V1.0 (川開電 氣智能環控系統[簡稱 ：智能環控系統] V1.0)	PRC	Chuankai Electric	2019SR1025569	Not Published
12. . .	Intelligent Operation and Maintenance Terminal System for Power Distribution Equipment V1.0 (配電 設備智能運維源端維護 系統V1.0)	PRC	Chuankai Electric	2020SR1055417	May 29, 2020

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No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
13.	Chuankai Expert Analysis System for Power Distribution Operation and Maintenance V1.0 (川開配電運維專家分析系統[簡稱：配電運維專家分析系統] V1.0)	PRC	Chuankai Electric	2020SR1149635	May 20, 2020
14.	Integrated Energy Management Cloud — Basic Energy Management Software V1.0 (綜合能源管理雲基礎能源管理軟件 V1.0)	PRC	Chuankai Electric	2020SR1250777	April 30, 2020
15.	A Backup Automatic Switching Control System for Low-Voltage Power Distribution Systems V1.0.1 (一種用於低壓配電系統的備自投控制系統 [簡稱：備自投控制系統] V1.0.1)	PRC	Chuankai Electric	2021SR1530906	Not Published
16.	An Outdoor Temporary Intelligent Power Distribution Box System V1.0.1 (一種戶外臨時智能配電箱系統 [簡稱：智能配電箱系統] V1.0.1)	PRC	Chuankai Electric	2022SR0065645	Not Published
17.	A Low-Voltage Power Distribution System V1.0.1 (一種低壓配電系統[簡稱：低壓配電系統] V1.0.1)	PRC	Chuankai Electric	2022SR0574960	Not Published

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No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
18.	An Intelligent Power Distribution Monitoring System for Medium-Voltage Systems (Intelligent Medium-Voltage Power Distribution System) V1.0 (一種用於中壓系統的智能配電監控系統[簡稱：智能中壓配電系統]V1.0)	PRC	Chuankai Electric	2023SR1146453	Not Published
19.	A DC Power Supply Monitoring System (DC Power Supply Monitoring System) V1.0.1 (一種直流電源監控系統[簡稱：直流電源監控系統]V1.0.1)	PRC	Chuankai Electric	2023SR1146451	Not Published
20.	Intelligent Auxiliary Monitoring System for Prefabricated Substations (Substation Auxiliary Control System) V1.0 (預裝式變電站智能輔助監控系統[簡稱：變電站輔控系統]V1.0)	PRC	Chuankai Electric	2023SR1146452	Not Published
21.	Secondary Wiring Calculation Software for Power Transmission and Distribution Panels (Wire) V4.06 (輸配電盤櫃二次導線計算軟件(Wire) [簡稱：Wire] V4.06)	PRC	Chuankai Electric	2024SR1315801	June 1, 2024

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No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
22.	Root Cause Analysis System Based on Decision Tree (Decision Tree Root Cause Analysis System) V1.0 (基於決策樹的根因分析系統 [簡稱: 決策樹根因分析系統]V1.0)	PRC	Qingdao TELD Big Data, Qingdao TELD New Energy	2022SR0738454	February 21, 2022
23.	TELD Abnormal Detection System (Abnormal Detection System) V1.0 (特來電異常檢測系統 [簡稱: 異常檢測系統]V1.0)	PRC	Qingdao TELD Big Data	2020SR1012326	June 1, 2020
24.	TELD Fault Root Cause Analysis System (Fault Root Cause Analysis System) V1.0 (特來電故障根因分析系統 [簡稱: 故障根因分析系統]V1.0)	PRC	Qingdao TELD Big Data	2020SR1244560	February 1, 2020
25.	TELD Big Data Multi-dimensional Analysis Platform System (Security Protection Multi-Dimensional Analysis System) V1.0 (特來電大數據多維分析平台系統 [簡稱: 安全防護多維分析系統]V1.0)	PRC	Qingdao TELD Big Data	2021SR0497579	August 30, 2020
26.	TELD Charging Service Management Platform Software (TELD Charging Service Management Platform) V1.0 (特來電充電服務管理平台軟件 [簡稱: 特來電充電服務管理平台]V1.0)	PRC	Qingdao TELD Big Data	2024SR0493526	October 31, 2023

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No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
27.	Charging Operations Management Platform V1.0 (充電運營管理平台 V1.0)	PRC	Qingdao TELD Big Data	2024SR0826318	November 1, 2023
28.	TELD Large-Model Dashboard Monitoring System V1.0 (特來電大模型大屏監控系統 [簡稱：大模型大屏監控] V1.0)	PRC	Qingdao TELD Big Data	2024SR1657498	July 31, 2024
29.	TELD High-Power Liquid-Cooled Cluster Charging Monitoring System Software V1.0 (TELD大功率液冷群充監控系統軟件[簡稱：TELD液冷監控系統軟件]V1.0)	PRC	Xi'an TELD, Qingdao TELD New Energy	2025SR0035763	Not Published
30.	Standalone Deployment Power Station Management Program (Power Station Management) V1.0 (獨立部署電站管理程序 [簡稱:電站管理] V1.0)	PRC	Qingdao TELD Big Data	2025SR0366394	October 10, 2024
31.	Order Management System (Order Management) V1.0 (訂單管理平台 [簡稱:訂單管理] V1.0)	PRC	Qingdao TELD Big Data	2025SR0807288	April 1, 2023
32.	Derui Microgrid Energy Cloud Software (Microgrid Energy Cloud) V1.0 (德睿微電網能量雲軟件[簡稱:微網能量雲軟件]V1.0)	PRC	Nanjing Derui TELD	2019SR0182828	Not Published
33.	IMGCA01 Advanced Microgrid Controller Software (IMGCA01) V1.0 (IMGCA01高級微網控制器軟件[簡稱:IMGCA01] V1.0)	PRC	Nanjing Derui TELD	2018SR1088372	Not Published

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No.	Name of Software	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
34. . .	Derui EV V2G Economic-Optimization Platform V2 (Electric Vehicle V2G Economic Optimization Software) V1.0 (德睿電動汽車V2G經濟優化運行軟件[簡稱:電動汽車V2G經濟優化運行軟件]V1.0)	PRC	Nanjing Derui TELD	2021SR2030919	Not Published
35. . .	Derui Microgrid Load Forecasting Software (Microgrid Load Forecasting Software) V1.0 (德睿微網負荷預測軟件[簡稱:微網負荷預測軟件]V1.0)	PRC	Nanjing Derui TELD	2021SR1877566	Not Published
36. . .	Derui Microgrid PV Generation Forecasting Software (Microgrid Photovoltaic Power Generation Forecasting Software) V1.0 (德睿微網光伏發電預測軟件[簡稱:微網光伏發電預測軟件]V1.0)	PRC	Nanjing Derui TELD	2022SR1444609	Not Published

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Domain Names

As of the Latest Practicable Date, we owned the following domain name, which we consider to be or may be material to our business:

No.	Domain Name	Registration Owner	Registration date	Expiry Date
1. . .	qdtgood.com	Our Company	October 23, 2004	October 23, 2026
2. . .	tckdq.com	Chuankai Electric	January 19, 2020	January 19, 2030
3. . .	teld.com	TELD	May 12, 2002	May 13, 2027

Save as disclosed above, as of the Latest Practicable Date, there were no other intellectual property rights that were material in relation to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Particulars of Directors’ Contracts

Pursuant to Rules 19A.54 and 19A.55 of the Listing Rules, our Company [has entered into] a service agreement with each of the Directors which contains provisions in relation to, among other things, compliance of relevant laws and regulations, observations of Articles of Association and provisions on arbitration.

The principal particulars of these service agreements are: (a) each of the agreements is for a term of three years following his/her respective effective date of his/her respective effective date of his/her appointment; and (b) each of the agreements is subject to termination in accordance with their respective terms. The service contracts can be renewed pursuant to our Articles of Association and applicable rules.

Save as disclosed above, our Company has not entered, and does not propose to enter, into any service contracts with any of the Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

2. Directors’ Remuneration

Save as disclosed in “Directors and Senior Management — Remuneration” and under Note 12 to the financial information in the Accountants’ Report set out in Appendix I, no Director received any other directors’ fee, salaries, wages and bonuses, retirement benefits, housing fund and other benefits, and share-base payment expenses from our Company in respect of each of the year ended December 31, 2023, 2024 and the ten months ended October 31, 2025.

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Under the arrangement currently in force, the aggregate amounts of remuneration payable by our Company to our Directors for the year ending December 31, 2026 to be approximately RMB13.05 million. The actual remuneration of Directors in 2026 may be different from the expected remuneration.

D. DISCLOSURE OF INTERESTS

1. Interests and short positions of the substantial shareholders in the Shares and underlying Shares

Save as disclosed in “Substantial Shareholders” of this document, up to the Latest Practicable Date, our Directors were not aware of any other person, not being a Director or chief executive of our Company, who have any interest or short position in the Shares or underlying Shares, which following completion of the [REDACTED], will fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

2. Interests and short positions of the substantial shareholders in other members of our Group

Name of the Subsidiary	Name of Shareholder	Percentage of Interest in the Subsidiary (%)
TELD	Mr. Yu ⁽¹⁾	0.65%
TELD	Derui Investment ⁽²⁾	0.007%

Notes:

- (1) As of the Latest Practicable Date, TELD was held as to approximately 2.02% by Telaijin No.1 (as defined in the section headed “History, Development and Corporate Structure”) and approximately 0.46% by Zhongchuang Yongte (as defined in the section headed “History, Development and Corporate Structure”). Telaijin No. 1 is held as to approximately 31.95% by Mr. Yu. Zhongchuang Yongte is owned as to approximately 1.16% by its general partner Yongxing Capital (as defined in the section headed “History, Development and Corporate Structure”) and approximately 98.84% by 16 other limited partners, each holding less than 30% interests. Yongxing Capital is wholly owned by Zhongchuang Qianhai (as defined in the section headed “History, Development and Corporate Structure”), which is in turn held as to approximately 3.33% by Mr. Yu and the remaining interest by 21 other shareholders each holding less than 30% interests.
- (2) As of the Latest Practicable Date, TELD was held as to approximately 1.68%, 1.37% and 0.37% by Jinyang Venture, Honghu Venture and Tierui Investment (as defined in the section headed “History, Development and Corporate Structure”), respectively.

Jinyang Venture is held as to approximately 1.42% by its general partner Beijing Jinhui (as defined in the section headed “History, Development and Corporate Structure”), approximately 35.5% by Mr. Ruan Jin as its limited partner and the remaining interest by 25 other limited partners each holding less than 30% interests. Beijing Jinhui is held as to 40% by Mr. Fan Jian, 35% by Mr. Liu Kai, 15% by Derui Investment and 10% by Mr. Gu Hua.

Honghu Venture is held as to approximately 1.74% by its general partner Beijing Jinhui. The remaining interest is held by 21 other limited partners each holding less than 30% interests. Beijing Jinhui is held as to 40% by Mr. Fan Jian, 35% by Mr. Liu Kai, 15% by Derui Investment and 10% by Mr. Gu Hua.

Tierui Investment is held to approximately 0.1% by its general partner Tiefsa Equity (as defined in the section headed “History, Development and Corporate Structure”) and 99.9% by its sole limited partner Railway Development. Tiefsa Equity is held as to 80% by Railway Development and 20% by Derui Investment.

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So far as set out above and save as disclosed in the document, our Directors are not aware of any persons (other than our Directors or chief executive) who will, immediately following the completion of the [REDACTED], directly or indirectly, be interested in 10% or more of the issued voting shares of any other member of our Group.

3. Interests and short positions of the Directors or the chief executive of our Company in the Share, underlying Shares and debentures of our Company and its associated corporations

Save as disclosed below, immediately following completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED]), none of our Directors or chief executive of our Company has any interest and/or short position in the Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which has been taken or is deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to our Company and the Stock Exchange.

Interest in Shares of our Company

Name	Position	Type of shares	Nature of Interest	Number ⁽¹⁾	Approximate % of the issued Shares immediately after the [REDACTED] ⁽²⁾
Mr. Yu ⁽³⁾	Executive Director, chairman of the Board	A Shares	Beneficial interest Interest in controlled corporation	13,119,434 333,290,422	[REDACTED]
Mr. Zhou Jun ⁽⁴⁾	Executive Director, executive president	A Shares	Beneficial interest	486,400	[REDACTED]
Mr. Li Jun ⁽⁴⁾	Executive Director, senior vice president	A Shares	Beneficial interest	340,100	[REDACTED]
Ms. Han Zengxue ⁽⁵⁾ .	Executive Director	A Shares	Beneficial interest	63,000	[REDACTED]

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Notes:

- (1) All interests stated are long position.
- (2) The calculation is based on the assumption that immediately following the completion of the [REDACTED], there will be (i) a total number of [REDACTED] A Shares in issue; and (ii) a total number of [REDACTED] H Shares to be issued pursuant to the [REDACTED] (assuming that the [REDACTED] is not exercised).
- (3) As of the Latest Practicable Date, Derui Investment was held as to 69.27% by Mr. Yu. For the purpose of the SFO, Mr. Yu is deemed to be interested in the Shares held by Derui Investment.
- (4) Including the number of A Shares granted to the relevant Director pursuant to the 2024 Employee Stock Ownership Plan (subject to the relevant conditions of the Share Awards) and the 2024 Restricted Share Incentive Plans.
- (5) Including the number of A Shares granted to the relevant Director pursuant to the 2024 Employee Stock Ownership Plan (subject to the relevant conditions of the Share Awards) and the 2023 Restricted Share Incentive Plan.

Interests in our associated corporations

As of the Latest Practicable Date, to the best knowledge of our Directors, other than members of our Group, the Directors or chief executive of our Company, none of any persons or entities was interested in 10% or more of the voting rights at general meetings of our subsidiaries.

4. Disclaimers

Save as disclosed in this document,

- (a) none of our Directors nor any of the parties listed in “— E. Other Information — 8. Qualification and Consents of Experts” of this Appendix is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our business;
- (b) none of our Directors nor any of the parties listed in “— E. Other Information — 8. Qualification and Consents of Experts” of this Appendix is interested in our promotion, or in any assets which have, within two years immediately preceding the issue of this document, been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company;
- (c) none of the parties listed in the paragraph headed “— E. Other Information — 8. Qualification and Consents of Experts” of this Appendix: (i) is interested legally or beneficially in any of our Shares or any shares in any of our subsidiaries; or (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities; and

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- (d) save as disclosed in the section headed “Business” in this document, none of our Directors or their respective associates or any Shareholders of our Company (who to the knowledge of our Directors owns more than 5% of our issued share capital) has any interest in our five largest suppliers or our five largest customers.

5. 2024 EMPLOYEE STOCK OWNERSHIP PLAN

In recognition of the contributions of, the Directors, senior management and core business (technical) personnel of our Group, and to encourage them to further promote our development, we adopted the 2024 Employee Stock Ownership Plan. Eligible participants were granted share awards over the A Shares in our Company (“Share Awards”).

As of the Latest Practicable Date, our Company has granted outstanding Share Awards under the 2024 Employee Stock Ownership Plan to 326 Grantees for an aggregate of 7,489,000 A Shares, representing approximately [REDACTED] of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] are not exercised). Among the outstanding Share Awards, 11 Directors and senior management members of our Company, one connected person and 314 Grantees, who are employees of our Company but not Directors or senior management members or connected persons of our Company, were granted Share Awards for 1,420,000 A Shares, 25,000 A Shares and 6,044,000 A Shares, respectively. Save as disclosed in this paragraph headed “2024 Employee Stock Ownership Plan,” no Share Awards were granted to any other Directors, senior management members or connected persons of our Company under the 2024 Employee Stock Ownership Plan. For details of our Stock Ownership Plan, see “History, Development and Corporate Structure — 2024 Employee Stock Ownership Plan.”

The 2024 Employee Stock Ownership Plan does not involve any grant of share options or awards after the [REDACTED] and therefore is not subject to the provisions of Chapter 17 of the Listing Rules. Given the underlying A Shares under the 2024 Employee Stock Ownership Plan have already been issued, there will not be any further dilution effect to the issued Shares arising from the 2024 Employee Stock Ownership Plan.

Below is a summary of the principal terms and provisions of the 2024 Employee Stock Ownership Plan.

Purpose

The 2024 Employee Stock Ownership Plan aims to further enhance corporate governance, establish the long-term incentive mechanism, strengthen corporate cohesion, uphold the direction of our Company’s long-term development, and align the interests of our Company and employees.

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Eligible Grantees

The eligible Grantees of the 2024 Employee Stock Ownership Plan include Directors (excluding independent non-executive Directors), the then supervisors, senior management, key employees, and other individuals whom the Board deems necessary to incentivize. All Grantees shall have an employment, contractual, or labour relationship with our Company (and our controlling subsidiaries) during the assessment period of the 2024 Employee Stock Ownership Plan.

Administration

The 2024 Employee Stock Ownership Plan is managed by our Company with the holders’ meeting being its top management authority. A management committee shall be set up at the holders’ meeting, and the management committee shall be authorized to perform management functions and supervise the daily management of the 2024 Employee Stock Ownership Plan. The Board is responsible for drafting and amending the plan and handling other related matters of the 2024 Employee Stock Ownership Plan within the scope authorized by the general meeting of Shareholders.

Source of Shares

The source of the underlying Shares of the 2024 Employee Stock Ownership Plan shall be ordinary A Shares of our Company repurchased from the secondary market.

Term

The 2024 Employee Stock Ownership Plan shall be valid and effective for 72 months, counting from the date when the last batch of Share Awards granted have been disposed. Upon expiry, the 2024 Employee Stock Ownership Plan shall be terminated if it is not extended upon expiry.

Grants under the Employee Stock Ownership Plan

The maximum number of Shares underlying the Share Awards that may be granted under the Stock Ownership Plan is 7,715,000. As of the Latest Practicable Date, our Company has granted outstanding Share Awards under the 2024 Employee Stock Ownership Plan to 326 Grantees for an aggregate of 7,489,000 A Shares, representing approximately [REDACTED] of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] are not exercised). Among the outstanding Share Awards, 11 Directors and senior management members of our Company, one connected person and 314 Grantees, who are employees of our Company but not Directors or senior management members or connected persons of our Company, were granted Share Awards for 1,420,000 A Shares, 25,000 A Shares and 6,044,000 A Shares, respectively. Save as disclosed in this paragraph headed “2024 Employee Stock Ownership Plan,” no Share Awards were granted to any other Directors,

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senior management members or connected persons of our Company under the 2024 Employee Stock Ownership Plan. Details of the outstanding Share Awards granted as of the Latest Practicable Date are set out below:

Names of Grantee	Position in our Company	Date of grant	Number of outstanding Share Awards	Purchase price per share	Approximate percentage of issued Shares immediately after completion of the [REDACTED]
				(RMB)	
Directors					
Mr. Zhou Jun	Executive Director, executive president	May 24, 2024	150,000	9.78	[REDACTED]
Mr. Li Jun	Executive Director, senior vice president	May 24, 2024	150,000	9.78	[REDACTED]
Ms. Han Zengxue . .	Executive Director	May 24, 2024	20,000	9.78	[REDACTED]
Other senior management					
Mr. Wang Chao . . .	Executive president	May 24, 2024	175,000	9.78	[REDACTED]
Mr. Li Guangzhi . .	President	May 24, 2024	150,000	9.78	[REDACTED]
Ms. Zhao Wucun . .	Vice president, financial controller	May 24, 2024	150,000	9.78	[REDACTED]
Ms. Yang Kun	Vice president, secretary to the Board	May 24, 2024	125,000	9.78	[REDACTED]
Mr. Yang Jie	Vice president	May 24, 2024	125,000	9.78	[REDACTED]
Mr. Cui Zhiwei . . .	Vice president	May 24, 2024	125,000	9.78	[REDACTED]
Mr. Ji Guanghui . . .	Vice president	May 24, 2024	125,000	9.78	[REDACTED]
Mr. Liu Xuebao . . .	Vice president	May 24, 2024	125,000	9.78	[REDACTED]

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Names of Grantee	Position in our Company	Date of grant	Number of outstanding Share Awards	Purchase price per share (RMB)	Approximate percentage of issued Shares immediately after completion of the [REDACTED]
Connected person					
Mr. Jin Zhao (Note 1)	Deputy chief engineer	May 24, 2024	25,000	9.78	[REDACTED]
Other employees					
314 employees.	–	May 24, 2024	6,044,000	9.78	[REDACTED]

Note 1:

Mr. Jin Zhao is the spouse of Ms. Han Zengxue, an executive Director of our Company.

6. RESTRICTED SHARE INCENTIVE PLANS

In order to attract, retain and motivate key personnel, align the interests of our Company, its shareholders and employees, and support our Company’s long-term development strategy, our Company has implemented the 2023 Restricted Share Incentive Plan and the 2024 Restricted Share Incentive Plan (collectively, the “**Restricted Share Incentive Plans**”). The Restricted Share Incentive Plans were approved and adopted pursuant to the Shareholders’ resolutions dated June 2, 2023 and May 24, 2024. The terms of the Restricted Share Incentive Plans do not involve any grant of restricted Shares by our Company after the [REDACTED] and are not subject to the provision of Chapter 17 of the Listing Rules. Save as otherwise disclosed, the terms of each of the Restricted Share Incentive Plans are substantially similar and are summarized below.

Purpose

The purpose of the Restricted Share Incentive Plans is to improve our Group’s corporate governance structure, enhance the long-term incentive mechanism of our Company, attract and retain outstanding talents, effectively combine the interests of Shareholders, our Company and the employees, and incentivize the Directors, senior management and core staff or business (technical) personnel to achieve a sustained and healthy development of our Group in order to realize our Group’s long-term objectives. The Restricted Share Incentive Plans are implemented under the premise of protecting shareholders’ interests and with a principle of evaluating the benefits according to contribution.

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Administration

The Restricted Share Incentive Plans are subject to the approval of the Shareholders’ meeting and, administration of the Board.

Participants

The restricted Shares to be granted under the Restricted Share Incentive Plans shall be A Shares repurchased by our Company from the secondary market from time to time, and/or A Shares to be issued by our Company to the selected participants. In relation to the 2023 Restricted Share Incentive Plan, the grantee of restricted Shares are entitled to purchase the newly issued A Shares (with restriction to transfer) at the grant price upon the satisfaction of the granting conditions stipulated under the 2023 Restricted Share Incentive Plan. In relation to the 2024 Restricted Share Incentive Plan, each restricted Share granted represents the right to purchase one A Share within the agreed period at the grant price as set out under the 2024 Restricted Share Incentive Plan. The restricted Shares granted are subject to a vesting period and will only be vested upon fulfilling the vesting conditions stipulated under the 2024 Restricted Share Incentive Plan as listed in “— 6. Restricted Share Incentive Plans — Unlocking or vesting of the restricted Shares” of this Appendix below. Under the 2023 Restricted Share Incentive Plan and the 2024 Restricted Share Incentive Plan, the maximum number of restricted Shares granted are 15,187,000 Shares and 1,400,000 Shares respectively. As of the Latest Practicable Date, the number of grantees under the 2023 Restricted Share Incentive Plans and the 2024 Restricted Share Incentive Plan are 686 and 10 respectively.

Date of grant and term of the Restricted Share Incentive Plans

The date on which the restricted Shares are granted shall be determined by the Board after the approval of the Restricted Share Incentive Plans by the Shareholders’ general meeting and shall be a trading day. The grant of Restricted Shares shall be registered and announced by our Company within 60 days after the approval of the Restricted Share Incentive Plans by the Shareholders’ general meeting.

The Restricted Share Incentive Plans shall be effective from the date of grant of the restricted Shares under the Restricted Share Incentive Plans up to the date when the restricted Shares granted have all been unlocked, vested, lapsed or repurchased and canceled, provided that the term shall not exceed 60 months.

Lock-up requirements for Directors and the senior management

If the grantee is a Director or senior management member of our Company, the Shares to be transferred each year shall not exceed 25% of the total Shares he or she holds, and no Share held by such Director or senior management member shall be transferred within six months after termination of his or her employment with our Company. If the grantee is a Director or senior management member of our Company,

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income gained through sale of Shares by themselves or through their spouses, parents or children within six months of the purchase or purchase of Shares within six months of the sale shall belong to our Company and will be forfeited by the Board. If there is any change in the applicable laws and regulations on the foregoing lock-up requirements, the grantee shall comply with the revised laws and regulations.

Grant conditions

The restricted Shares under the Restricted Share Incentive Plans will only be granted to selected participants when the following conditions are fulfilled:

- (i) With respect to our Company, none of the following circumstances having occurred:
 - (1) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountants with respect to our Company’s accountant’s report for the most recent fiscal year;
 - (2) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountants with respect to the internal control report contained in accountant’s report for the most recent fiscal year;
 - (3) our Company has not distributed dividends in accordance with the laws and regulations, the Articles of Association or the public commitment within the last 36 months after its listing;
 - (4) applicable laws and regulations prohibit the implementation of any share incentive plan; or
 - (5) any other circumstances determined by the CSRC.
- (ii) With respect to a grantee, none of the following circumstances having occurred:
 - (1) the grantee has been regarded as an inappropriate person by the Shenzhen Stock Exchange within the last 12 months;
 - (2) the grantee has been regarded as an inappropriate person by the CSRC or its local office within the last 12 months;
 - (3) the grantee has been subject to administrative penalties or prohibited from entering into the securities market by the CSRC or its local office due to material violations of laws or regulations within the last 12 months;

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- (4) the grantee is not qualified to serve as a director or senior management according to the PRC Company Law;
- (5) the grantee is prohibited from participating in any incentive plan of listed companies according to applicable laws and regulations; or
- (6) any other circumstances determined by the CSRC.

Unlocking or vesting of the restricted Shares

The selected participants under the Restricted Share Incentive Plans will only have the restricted Shares unlocked or vested if the following conditions are fulfilled:

- (i) the conditions set out under “— 6. Restricted Share Incentive Plans — Grant conditions” of this Appendix above are fulfilled; and
- (ii) the applicable annual performance assessment targets of our Company and performance appraisal requirements of the relevant grantee as set out under the Restricted Share Incentive Plans are achieved.

The restricted Shares granted shall be unlocked or vested in accordance with the following unlocking arrangement or vesting schedule, subject to satisfaction of the above unlocking or vesting conditions:

2023 Restricted Share Incentive Plan

Unlocking arrangements	Unlocking schedule	Unlocking proportion
First unlocking period	Commencing from the first trading day upon the expiry of 24 months from the date of the completion of registration of the restricted Shares to the last trading day upon the expiry of 36 months from the date of the completion of registration of the restricted Shares	30%
Second unlocking period	Commencing from the first trading day upon the expiry of 36 months from the date of the completion of registration of the restricted Shares to the last trading day upon the expiry of 48 months from the date of the completion of registration of the restricted Shares	30%

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Unlocking arrangements	Unlocking schedule	Unlocking proportion
Third unlocking period	Commencing from the first trading day upon the expiry of 48 months from the date of the completion of registration of the restricted Shares to the last trading day upon the expiry of 60 months from the date of the completion of registration of the restricted Shares	40%

2024 Restricted Share Incentive Plan

Vesting period	Vesting schedule	Vesting proportion
First vesting period	Commencing from the first trading day after the expiry of 24 months from the date of grant and ending on the last trading day within 36 months from the date of grant	30%
Second vesting period	Commencing from the first trading day after the expiry of 36 months from the date of grant and ending on the last trading day within 48 months from the date of grant	30%
Third vesting period	Commencing from the first trading day after the expiry of 48 months from the date of grant and ending on the last trading day within 60 months from the date of grant	40%

Outstanding restricted Shares

As of the Latest Practicable Date, the number of outstanding restricted Shares granted under the 2023 Restricted Share Incentive Plan was 10,378,900, representing approximately [REDACTED] of the issued Shares immediately following completion of the [REDACTED] (assuming no changes to our issued Shares between the Latest Practicable Date and the [REDACTED]). As of the Latest Practicable Date, none of the restricted Shares granted under the 2024 Restricted Share Incentive Plan had been vested and therefore all such restricted Shares remained outstanding.

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The following table sets forth the number of outstanding restricted Shares granted to Directors, senior management and connected person(s) under the Restricted Share Incentive Plans as of the Latest Practicable Date:

Name of grantee	Position	Date of grant	Number of outstanding restricted Shares	Grant price	Unlocking arrangement/ vesting schedule	Approximate percentage of issued Shares immediately after completion of the [REDACTED]
(RMB)						
Directors						
Ms. Han Zengxue . . .	Director	June 16, 2023	30,100	11.16	Note 2	[REDACTED]
Mr. Zhou Jun . . .	Executive Director, executive president	May 24, 2024	150,000	9.88	Note 3	[REDACTED]
Mr. Li Jun . . .	Executive Director, senior vice president	May 24, 2024	150,000	9.88	Note 3	[REDACTED]
Other senior management						
Mr. Li Guangzhi . . .	President	May 24, 2024	150,000	9.88	Note 3	[REDACTED]
Mr. Wang Chao	Executive president	May 24, 2024	175,000	9.88	Note 3	[REDACTED]
Ms. Zhao Wucun	Vice president, financial controller	May 24, 2024	125,000	9.88	Note 3	[REDACTED]
Ms. Yang Kun	Vice president, secretary to the Board	May 24, 2024	125,000	9.88	Note 3	[REDACTED]
Mr. Yang Jie . . .	Vice president	May 24, 2024	125,000	9.88	Note 3	[REDACTED]
Mr. Cui Zhiwei	Vice president	May 24, 2024	150,000	9.88	Note 3	[REDACTED]
Mr. Ji Guanghui . . .	Vice president	May 24, 2024	125,000	9.88	Note 3	[REDACTED]
Connected person						
Mr. Jin Zhao (Note 4) . . .	Deputy chief engineer	June 16, 2023	42,000	11.16	Note 2	[REDACTED]

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Notes:

- (1) The calculation is based on the assumption that no new Shares are issued under the [REDACTED], and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED].
- (2) 30%, 30% and 40% of the share awards granted under the 2023 Restricted Share Incentive Plan will be released from lock-up in each of the three periods that occur between the first trading date after the 24-month anniversary from the date of completion of registration of the grant and the last trading day up to the 60-month anniversary of the date of completion of registration of the grant, respectively.
- (3) 30%, 30% and 40% of the share awards granted under the 2024 Restricted Share Incentive Plan will be vested in each of the three periods that occur between the first trading date after the expiry of 24 months from the date of grant and the last trading day within 60 months from the date of grant, respectively.
- (4) Mr. Jin Zhao is the spouse of Ms. Han Zengxue, an executive Director of our Company.

The following table sets forth the number of outstanding restricted Shares granted to other grantees (excluding Directors, senior management and connected person(s) of our Company) under the Restricted Share Incentive Plans as of the Latest Practicable Date:

Restricted Share Incentive Plan	Date of grant	Number of outstanding restricted Shares	Grant price	Vesting schedule	Approximate percentage of issued Shares immediately after completion of the [REDACTED] ^(Note 1)
(RMB)					
2023 Restricted Share Incentive Plan	June 16, 2023	10,306,800	11.16	Note 2	[REDACTED]
2024 Restricted Share Incentive Plan	May 24, 2024	125,000	9.88	Note 3	[REDACTED]

Notes:

- (1) The calculation is based on the assumption that no new Shares are issued under the [REDACTED], and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED].
- (2) 30%, 30% and 40% of the share awards granted under the 2023 Restricted Share Incentive Plan will be released from lock-up in each of the three periods that occur between the first trading date after the 24-month anniversary from the date of completion of registration of the grant and the last trading day up to the 60-month anniversary of the date of completion of registration of the grant, respectively.
- (3) 30%, 30% and 40% of the share awards granted under the 2024 Restricted Share Incentive Plan will be vested in each of the three periods that occur between the first trading date after the expiry of 24 months from the date of grant and the last trading day within 60 months from the date of grant, respectively.

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E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

2. Litigation

As of the Latest Practicable Date, save as disclosed in this document, we were not aware of any litigation or arbitration proceedings of material importance pending or threatened against any member of our Group that could have a material adverse effect on our financial condition or results of operations.

3. Joint Sponsors’ Independence

The Joint Sponsors have applied to the Stock Exchange for the [REDACTED] of, and [REDACTED] in, our H Shares. All necessary arrangements have been made enabling the H Shares to be admitted into [REDACTED].

The Joint Sponsors satisfy the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. The sponsors fee payable to the Joint Sponsors in connection with the [REDACTED] is USD750,000.

4. Compliance Advisor

Our Company has appointed Somerley Capital Limited as our Compliance Advisor in compliance with Rule 3A.19 of the Listing Rules.

5. Preliminary Expenses

As of the Latest Practicable Date, we have not incurred any material preliminary expenses in relation to the incorporation of our Company.

6. Taxation of Holder of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is a 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further information in relation to taxation, see “Regulatory Overview.”

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7. Promoters

Within two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor is any proposed to be paid, allotted or given to any promoters in connection with the [REDACTED] and the related transactions described in this document.

8. Qualification and Consents of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
China Galaxy International Securities (Hong Kong) Co., Ltd.	Licensed to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
GF Capital (Hong Kong) Limited . . .	Licensed to conduct type 6 (advising on corporate finance) regulated activities as defined under the SFO
ZHONGHUI ANDA CPA Limited . . .	Certified Public Accountants under Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
King & Wood Mallesons	PRC Legal Advisors to our Company
China Insights Consultancy	Independent industry consultant
Zhong Lun Law Firm	Legal Advisor as to PRC data privacy

As of the Latest Practicable Date, save in connection with the [REDACTED], none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

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9. Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

10. Binding Effect

This document shall have the effect, if an application is made in pursuance of this document, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in so far as applicable.

11. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial, business position or prospects since October 31, 2025, being the end date of the periods reported on our consolidated financial statements as set out in the Accountants' Report as set out in Appendix I to this document, and up to the date of this document.

Miscellaneous

Save as disclosed in this document:

- (i) within the two years immediately preceding the date of this document, to the best of our knowledge,
 - (a) neither our Company nor any of our subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash; and
 - (b) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;
- (ii) there are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries;
- (iii) no share or loan capital or debenture of our Company or any of the subsidiaries has been issued or agreed to be issued or is proposed to be issued for cash or as fully or partly paid otherwise than in cash;
- (iv) no share or loan capital or debenture of our Company or any of the subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

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- (v) there are no arrangements under which future dividends are waived or agreed to be waived;
- (vi) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the 12 months proceeding the date of this document; and
- (vii) our Company has no outstanding convertible debt securities or debentures.

APPENDIX V

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

A. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) a copy of each of the material contracts referred to in “Appendix IV — Statutory and General Information — B. Further Information about our Business — 1. Summary of Material Contracts”; and
- (b) the written consents referred to in the section headed “Appendix IV — Statutory and General Information — E. Other Information — 8. Qualification and Consents of Experts”.

B. DOCUMENTS AVAILABLE ON DISPLAY

Electronic copies of the following documents will be available on display on the website of our Company at www.qdtgood.com and on the website of the Hong Kong Stock Exchange at www.hkexnews.hk during a period of 14 days from the date of this document:

- (a) the Articles of Association;
- (b) the accountant’s report prepared by ZHONGHUI ANDA CPA Limited, the text of which is set out in Appendix I to this document;
- (c) the audited consolidated financial statements of our Group for the two years ended [December 31, 2023 and 2024] and the [ten months ended October 31, 2025];
- (d) the report from ZHONGHUI ANDA CPA Limited on the unaudited [REDACTED] financial information of our Group, the text of which is set out in the section headed “Unaudited [REDACTED] Financial Information” in Appendix II to this document;
- (e) the industry report issued by China Insights Consultancy referred to in “Industry Overview” in this document;
- (f) the PRC legal opinions issued by King & Wood Mallesons, our PRC Legal Advisors, in respect of certain general corporate matters and property interests in the PRC of our Group;
- (g) the material contracts referred to in “Appendix IV — Statutory and General Information — B. Further Information about our Business — 1. Summary of Material Contracts”;

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**DOCUMENTS DELIVERED TO THE REGISTRAR OF
COMPANIES AND AVAILABLE ON DISPLAY**

- (h) the written consents referred to in “Appendix IV — Statutory and General Information — E. Other Information — 8. Qualification and Consents of Experts”;
- (i) the service contracts referred to “Appendix IV — Statutory and General Information — C. Further Information about our Directors — 1. Particulars of Directors’ Contracts”; and
- (j) the PRC Company Law, PRC Securities Law and Overseas Listing Trial Measures, together with unofficial English translations thereof.