DEFINITIONS

In this document, unless the context otherwise requires, the following terms shall have the meanings set forth below. Certain technical terms are explained in "Glossary of Technical Terms" in this document.

"Accountants' Report"	the audited consolidated financial statements of our Company for the Track Record Period, as included in Appendix I
"affiliate(s)"	with respect to any person, any other person, directly or indirectly, controlling, controlled by or under common control with such person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Anhui Guosheng"	Anhui Guosheng Electronics Co., Ltd. (安徽國盛電子有限公司), a limited liability company established in the PRC on November 18, 2024 and a connected person of our Company
"Anhui Xinst"	Anhui Xinst Technology Co., Ltd. (安徽芯斯特科技有限公司), a limited liability company established in the PRC on November 20, 2023 and a non-wholly-owned subsidiary of our Company
"Articles" or "Articles of Association"	the amended and restated articles of association of the Company, which was conditionally adopted on July 25, 2025 with effect from the **[REDACTED]**, as amended, supplemented or restated from time to time; see the section headed "Summary of the Articles of Association" in Appendix V for a summary of the Articles
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Bengbu Huaan"	Bengbu Hua'an Technology Center (Limited Partnership) (蚌埠華安科技中心(有限合夥)), a limited partnership established in the PRC on February 14, 2023 and one of our employee shareholding platforms
"Bengbu Huajing"	Bengbu Huajing Technology Center Partnership (Limited Partnership) (蚌埠華晶技術中心合夥企業(有限合夥)), a limited partnership established in the PRC on April 21, 2022 and one of our employee shareholding platforms
"Bengbu Huarui"	Bengbu Huarui Investment Co., Ltd.(蚌埠華睿投資有限責任公司), a company established in the PRC with limited liability on March 23, 2022 and wholly-owned by Dr. Wang
"Bengbu Huarui Technology"	Bengbu Huarui Technology Center (Limited Partnership) (蚌埠華瑞科技中心(有限合夥)), a limited partnership established on February 16, 2023 and a shareholding platform controlled by Dr. Wang as its general partner through Bengbu Huarui

"Bengbu Lesi"	Bengbu Lesi Technology Center (Limited Partnership) (蚌埠樂思科技中心(有限合夥)), a limited partnership established in the PRC on December 30, 2013 and one of our employee shareholding platforms
"Bengbu Xinda"	Bengbu Xinda Technology Center (Limited Partnership) (蚌埠芯達科技中心(有限合夥)), a limited partnership established in the PRC on December 30, 2013 and a shareholding platform controlled by Dr. Wang as its general partner
"Board" or "Board of Directors"	the board of Directors of the Company
"business day"	a day on which banks in Hong Kong are generally open for business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong

[REDACTED]

"China" or "PRC"	the People's Republic of China
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance" or "Companies (WUMP) 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
"Company", "our Company", or "the Company"	Anhui Sinomags Technology Co., Ltd (安徽希磁科技股份有限公司), a limited liability company established under PRC laws on December 14, 2018, which was converted into a joint stock limited liability company on August 31, 2023
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"**[REDACTED]** of Unlisted Shares into H Shares"	the **[REDACTED]** of **[REDACTED]** Unlisted Shares into H Shares on a one-for-one basis upon the completion of the **[REDACTED]**. Such **[REDACTED]** of Unlisted Shares into H Shares has been approved by the CSRC on [•] and an application for H Shares to be **[REDACTED]** on the Stock Exchange has been made to the **[REDACTED]**

"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"EIT"	the enterprise income tax
"EIT Law"	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》), promulgated on March 16, 2007 and came into effect on January 1, 2008 and was most recently amended on December 29, 2018 which became effective on the same date
"Extreme Conditions"	the occurrence of "extreme conditions" as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below
"FIIF"	Future Industry Investment Fund II (先進製造產業投資基金二期(有限合夥)), a limited partnership established in the PRC on June 18, 2019 and a substantial Shareholder holding 15.79% of the issued Shares as of the Latest Practicable Date

[REDACTED]

"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent market research and consulting company
"Frost & Sullivan Report"	the report prepared by Frost & Sullivan and commissioned by us

[REDACTED]

"German Legal Advisor"	Deloitte Legal Rechtsanwaltsgesellschaft mbH, our legal advisor as to German laws

[REDACTED]

"Group", "we", "our", or "us"	our Company and, where appropriate, our subsidiaries or, in respect of the period before our Company became the holding company of our present subsidiaries, the businesses operated by such subsidiaries or their predecessors, as the case may be

[REDACTED]

"H Share(s)"	Shares which an application has been made for the **[REDACTED]** and permission to **[REDACTED]** the Stock Exchange with nominal value of RMB1.00 each

[REDACTED]

"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong

[REDACTED]

"Hong Kong Takeovers Code" or "Takeovers Code"	Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC

[REDACTED]

[REDACTED]

"IDM"	integrated device manufacturer, a company that maintains control over the design and manufacturing process of semiconductor devices, while managing sales of the finished products. Some IDMs outsource standardized processes such as packaging and testing functions while others handle these functions in-house
"IFRS"	International Financial Reporting Standards, as issued by the International Accounting Standards Board
"Independent Third Party(ies)"	person(s) or company(ies), who/which, to the best of our Directors' knowledge, information and belief, is/are not our connected persons

[REDACTED]

[REDACTED]

"Sole Sponsor"	China Securities (International) Corporate Finance Company Limited
"Latest Practicable Date"	February 23, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication

[REDACTED]

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"mainland China"	the People's Republic of China excluding Hong Kong, Macau Special Administrative Region and Taiwan region
"Ministry of Finance" or "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)
"NDRC"	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)
"Ningbo Sinomags"	Ningbo Sinomags Electronic Technology Co., Ltd. (寧波希磁電子科技有限公司), a company established in the PRC with limited liability on February 20, 2013 and direct wholly-owned subsidiary of our Company
"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]

"PBOC"	the People's Bank of China (中國人民銀行), the central bank of Mainland China

"PRC Company Law"	the Company Law of the PRC, as amended, modified and/or otherwise supplemented from time to time
"PRC GAAP"	generally accepted accounting principles in mainland China
"PRC government" or "State"	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 Advisor"	T&C Law Firm, our legal advisor as to PRC laws
"**[REDACTED]** Investment(s)"	the **[REDACTED]** investment(s) in our Company, the details of which are set out in "History, Development and Corporate Structure — **[REDACTED]** Investments"
"**[REDACTED]** Investor(s)"	the investor(s) of the **[REDACTED]** Investments

[REDACTED]

"province"	a province or, where the context requires, a provincial level autonomous region or municipality, under the direct supervision of the central government of the PRC
"Regulation S"	Regulation S under the U.S. Securities Act
"RMB" or "Renminbi"	Renminbi yuan, the lawful currency of mainland China
"SAFE"	the State Administration for Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAIC"	the State Administration of Industry and Commerce of the PRC (中華人民共和國國家工商行政管理總局), which has now been merged into the SAMR
"SAMR"	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"SAT"	the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
"Securities Law"	the Securities Law of the People's Republic of China (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time

"SFC"	the Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Shenste"	Shenste Sensing Technology (Wuxi) Co., Ltd. (申思特傳感技術(無錫)有限公司), a company established in the PRC with limited liability on April 24, 2022 and a wholly-owned subsidiary of our Company
"Single Largest Shareholders Group"	our single largest group of shareholders and refers to, collectively, Dr. Wang, Bengbu Lesi, Bengbu Huarui Technology, Bengbu Huarui, Bengbu Xinda, Bengbu Huajing and Bengbu Huaan
"Special Regulations"	the Special Regulations of the State Council on Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市的特別規定), promulgated by the State Council on August 4, 1994

[REDACTED]

"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary" or "subsidiaries"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Supervisor(s)"	the supervisor(s) of our Company
"Track Record Period"	the years ended December 31, 2022, 2023 and 2024, and the nine months ended September 30, 2025
"Treasury Shares"	Shares repurchased and held by the Company in treasury (which include Shares repurchased by the Company and held or deposited in **[REDACTED]** for sale on the Stock Exchange) from time to time

"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
"U.S.", "US" or "United States"	the United States of America, its territories, its possessions, any State of the United States and the District of Columbia
"USD", "U.S. dollars" or "US$"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	United States Securities Act of 1933 and the rules and regulations promulgated thereunder

[REDACTED]

"Unlisted Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are not **[REDACTED]** on any stock exchange
"VAT"	value-added tax

[REDACTED]

"Wuxi Este Magnetic"	Wuxi Este Magnetic Technology Co., Ltd (無錫埃斯特磁科技有限公司), a limited liability company established in the PRC on August 29, 2023 and a connected subsidiary of our Company within the meaning under the Listing Rules
"Wuxi Lertech"	Wuxi Lertech Co., Ltd. (無錫樂爾科技有限公司), a limited liability company established in the PRC on September 14, 2009 and a wholly-owned subsidiary of our Company
"%"	per cent

Unless otherwise specified, in this document:

(a) certain amounts and percentage figures have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them; and

(b) for ease of reference, the names of PRC laws and regulations, governmental authorities, institutions, nature persons or other entities (including certain of our subsidiaries) have been included in this document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.