Application Proof of

Hefei Youibot Robotics Co., Ltd.
合肥優艾智合機器人股份有限公司

(the "**Company**")

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

WARNING

The publication of this Application Proof is required by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Securities and Futures Commission (the "**Commission**") solely for the purpose of providing information to the public in Hong Kong.

This Application Proof is in draft form. The information contained in it is incomplete and is subject to change which can be material. By viewing this document, you acknowledge, accept and agree with the Company, its sole sponsor, overall coordinator(s), advisers or members of the underwriting syndicate that:

(a) this document is only for the purpose of providing information about the Company to the public in Hong Kong and not for any other purposes. No investment decision should be based on the information contained in this document;

(b) the publication of this document or any supplemental, revised or replacement pages on the Stock Exchange's website does not give rise to any obligation of the Company, its sole sponsor, overall coordinator(s), advisers or members of the underwriting syndicate to proceed with an offering in Hong Kong or any other jurisdiction. There is no assurance that the Company will proceed with the offering;

(c) the contents of this document or any supplemental, revised or replacement pages may or may not be replicated in full or in part in the actual final listing document;

(d) the Application Proof is not the final listing document and may be updated or revised by the Company from time to time in accordance with the Rules Governing the Listing of Securities on the Stock Exchange;

(e) the Application Proof does not constitute a prospectus, offering circular, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it calculated to invite offers by the public to subscribe for or purchase any securities;

(f) this document must not be regarded as an inducement to subscribe for or purchase any securities, and no such inducement is intended;

(g) neither the Company nor any of its affiliates, its sole sponsor, overall coordinator(s), advisers or underwriters is offering, or is soliciting offers to buy, any securities in any jurisdiction through the publication of this document;

(h) no application for the securities mentioned in this document should be made by any person nor would such application be accepted;

(i) the Company has not and will not register the securities referred to in this document under the United States Securities Act of 1933, as amended, or any state securities laws of the United States;

(j) as there may be legal restrictions on the publication of this document or dissemination of any information contained in this document, you agree to inform yourself about and observe any such restrictions applicable to you; and

(k) the application to which this document relates has not been approved for listing and the Stock Exchange and the Commission may accept, return or reject the application for the subject public offering and/or listing.

If an offer or an invitation is made to the public in Hong Kong in due course, prospective investors are reminded to make their investment decisions solely based on the Company's prospectus registered with the Registrar of Companies in Hong Kong, copies of which will be published to the public during the offer period.

THIS DOCUMENT IS IN DRAFT FORM. THE INFORMATION CONTAINED HEREIN IS INCOMPLETE AND IS SUBJECT TO CHANGE. THIS DOCUMENT MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED "WARNING" ON THE COVER OF THIS DOCUMENT.

IMPORTANT

IMPORTANT: If you are in any doubt about any of the contents of this document, you should obtain professional independent advice.

Hefei Youibot Robotics Co., Ltd.
(合肥優艾智合機器人股份有限公司)

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

[REDACTED]

Number of [REDACTED] under the [REDACTED]	**:**	**[REDACTED] H Shares (subject to the [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED] and the [REDACTED])**
[REDACTED]	**:**	**HK$[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	**:**	**RMB[0.10] per Share**
[REDACTED]	**:**	**[•]**

***Sole Sponsor,* [REDACTED]**

[REDACTED]

Our Company is a Specialist Technology Company (as defined in Chapter 18C of the Listing Rules). The securities of Specialist Technology Companies carry high investment risks including risks of share price volatility and inflated valuation due to the difficulty in valuing such companies. Investors should fully understand the investment risks of a Specialist Technology Company and the risks disclosed by our Company before making their investment decisions.

[REDACTED]

[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE[1]

[REDACTED]

[REDACTED]

EXPECTED TIMETABLE[1]

[REDACTED]

CONTENTS

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This document is issued by us solely in connection with the **[REDACTED]** ***and the*** **[REDACTED]** ***and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the*** **[REDACTED]** ***by this document pursuant to the*** **[REDACTED]*****. This document may not be used for the purpose of making, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a*** **[REDACTED]** ***of the*** **[REDACTED]** ***in any jurisdiction other than Hong Kong, and no action has been taken to permit the distribution of this document in any jurisdiction other than Hong Kong. The distribution of this document for purposes of a*** **[REDACTED]** ***and the*** **[REDACTED]** ***and sale of the*** **[REDACTED]** ***in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.***

You should rely only on the information contained in this document to make your investment decision. The **[REDACTED]** ***is made solely on the basis of the information contained and the representations made in this document. We have not authorized anyone to provide you with information that is different from what is contained in this document. Any information or representation not contained nor made in this document must not be relied on by you as having been authorized by us, the Sole Sponsor,*** **[REDACTED]*****, any of our or their respective directors, officers, employees, agents, or representatives of any of them or any other parties involved in the*** **[REDACTED]*****. Information contained in our website, located at (youibot.com), does not form part of this document.***

CONTENTS

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to invest in the **[REDACTED]**. *In particular, we are a specialist technology company seeking to list on the Main Board of the Hong Kong Stock Exchange under Chapter 18C of the Listing Rules because we are unable to meet the requirements under Rule 8.05(1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with investing in companies such as ours. Your investment decision should be made in light of these considerations.*

There are risks associated with any investment. Some of the particular risks in investing in the **[REDACTED]** *are set out in "Risk Factors" of this document. You should read that section carefully before you decide to invest in the* **[REDACTED]**. *Your investment decision should be made in light of these considerations.*

OVERVIEW

Who We Are

We are an industrial embodied AI company, empowering various industries via robotics and shaping the future with human-robot symbiotic intelligence. We aim to advance intelligent transformation for industrial customers through mobile manipulation robots, including humanoid robots, and help our customers work towards efficient production. We provide industrial embodied AI robotic solutions based on our "unified intelligence + adaptive forms" ("一腦多態") architecture for various industries, such as semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries. Our solutions include a generalizable AI model and multi-form robots with perception, mobility and manipulation capabilities, and industry-specific software. Our solutions can be divided into two categories by application scenarios: industrial intralogistics solutions and inspection and maintenance solutions. As of the Latest Practicable Date, our industrial embodied AI robotic solutions had been adopted by customers covering leading semiconductor foundries, leading power grid groups and leading energy groups.

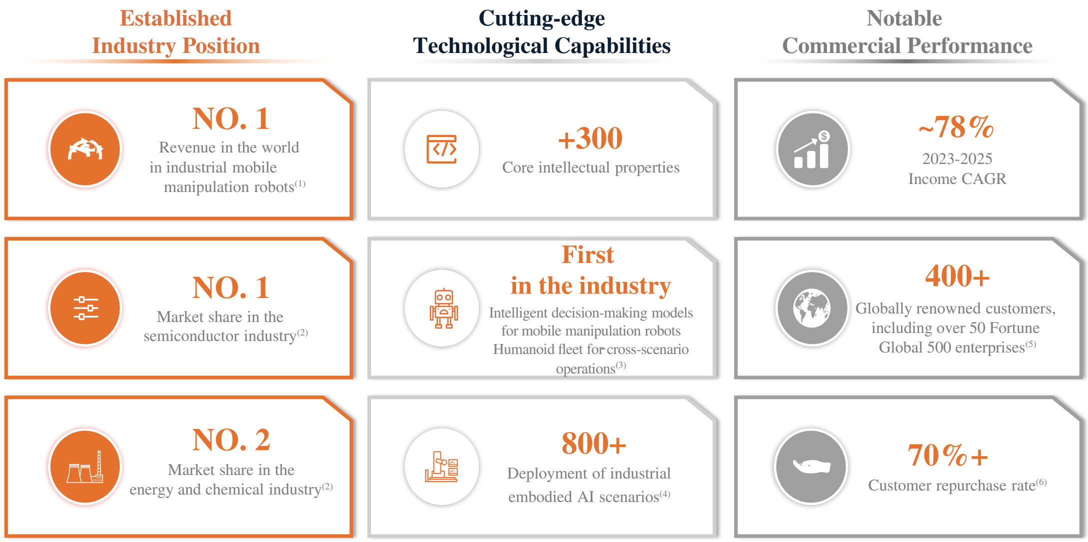
According to Frost & Sullivan, we are a key player in the global industrial embodied AI industry. We started to commercialize our solutions in 2017, becoming a relatively early robotic company in world to explore embodied AI technology and realize large-scale applications. We were an early mover in achieving large-scale sales in semiconductors, energy and chemical industries featuring stringent product requirements, high technical barriers and vast market potential. We strategically focus on mobile manipulation robots, including humanoid robots, which we believe has the greatest growth potential and scenario adaptability in the industrial embodied AI industry.

The competitive landscape of the global and China's embodied AI robotic solution market is fragmented. In terms of revenue in 2024, the market shares in the embodied AI robotic solution market, the mobile manipulation robotic solution market, and the industrial mobile manipulation robotic solution market in the overall robotic solutions market globally and in China were 30.8%, 3.5%, 1.6%, 23.8%, 2.8%, and 1.7%, respectively.

In terms of revenue in 2024, our market share in the the global and China's embodied AI robotic solution market was 0.3% and 0.9%, respectively. We ranked the fourth and the first in terms of revenue in 2024 in the global and China's mobile manipulation robotic solution market, with a market share of 2.8% and 7.1%, respectively.

In terms of revenue in 2024, we ranked first among industrial mobile manipulation robotic companies globally and in China, with a market share of 6.1% and 12.0%, respectively. Our robotic solutions are primarily applied in the semiconductor and energy and chemical industries. In terms of revenue in 2024, we ranked first in semiconductor industry, and ranked second in energy and chemical industries in China.

The following chart illustrates some of our business achievements:



Notes:

(1) According to Frost & Sullivan, mobile manipulation robots include humanoid robots and other adaptive robot forms.

(2) According to Frost & Sullivan, by revenue and market share in 2024 in China.

(3) One of the first companies in the world to independently develop intelligent decision-making models for mobile manipulation robots, and humanoid robot fleet for cross-scenario operations, according to Frost & Sullivan.

(4) As of Latest Practicable Date.

(5) As of December 31, 2025.

(6) Repurchase rate is calculated by dividing the number of customers who purchased from us in both the current period and any previous year/period, by the number of customers in the current period in 2025.

OUR BUSINESS MODEL

We are an industrial embodied AI company, empowering various industries via robotics and shaping the future with human-robot symbiotic intelligence. We offer tailored solutions to assist our customers in achieving robot-centric automation, digitalization and intelligence, which in turn help enhance production efficiency and facility safety across different industrial scenarios. During the Track Record Period, we had realized large-scale application of our solutions in two key scenarios: (i) industrial intralogistics, and (ii) inspection and maintenance. Specifically, the industrial intralogistics solutions generally help automate material/product transportation in major manufacturing processes and intralogistics processes, with enhanced production efficiency and yield rates. Inspection and maintenance solutions help monitor high-risk facilities with lower reliance on manual intervention while ensuring safety and efficiency of these facilities.

The table below sets for the additional information about our industrial intralogistics solutions and inspection and maintenance solutions.

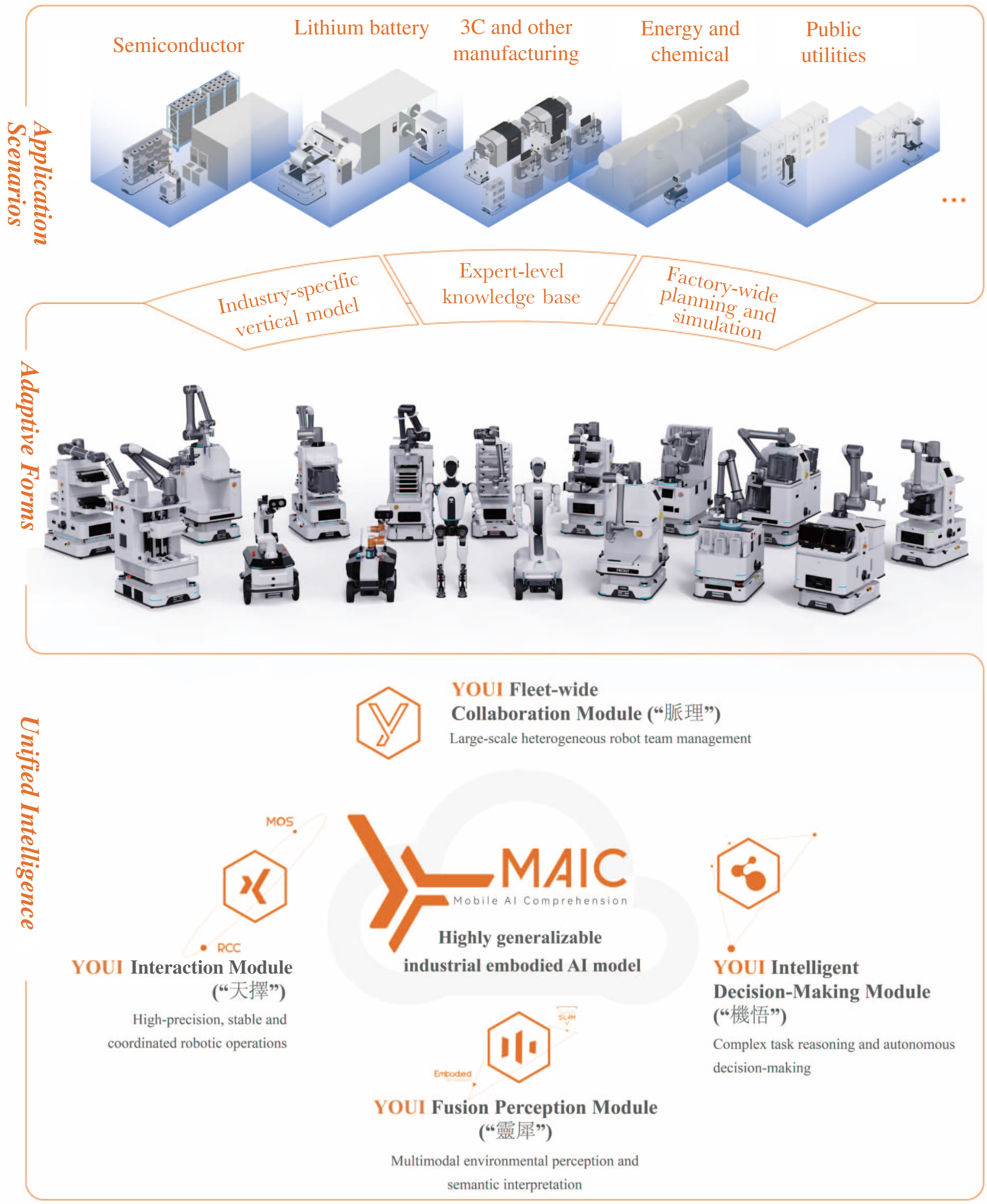
	Industrial Intralogistic Solutions	**Inspection and Maintenance Solutions**
Products/service offered in the solution	OW series, ATS series, L300, L1000, C1500, and CF1000 series robots, industry-specific software systems including YOUI TMS, and auxiliary services	Switchroom operational robots, indoor wheeled robots, rail-guided robots, and outdoor wheeled robots, industry-specific software systems including YOUI INS, and auxiliary services

	Industrial Intralogistic Solutions	Inspection and Maintenance Solutions
Customer types	Our customers comprise channel partners and end users. Our industrial intralogistics solutions are primarily deployed in the semiconductor, lithium battery and 3C manufacturing industries.	Our customers comprise channel partners and end users. Our inspection and maintenance solutions are primarily adopted in the energy, chemical and public utilities industries.
Pricing policy	We primarily adopt a cost-plus approach, under which pricing is based on costs while also taking into account specific requirements of the customer and the project, including the functionalities selected, the scope of deployment services and the complexity of the technology involved	We primarily adopt a cost-plus approach, under which pricing is based on costs while also taking into account specific requirements of the customer and the project, including the functionalities selected, the scope of deployment services and the complexity of the technology involved

The following table sets forth the breakdown of our revenue by application scenarios in the years indicated.

	Year Ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)					
Industrial intralogistics solutions	62,444	58.0	138,154	54.2	201,661	59.4
Inspection and maintenance solutions	45,227	42.0	116,738	45.8	138,024	40.6
Total	107,671	100.0	254,892	100.0	339,685	100.0

In providing a solution, we firstly formulate a plan with suitable types and quantities of robots, and industry-specific software that ensure efficient integration of our robots into the customers' operations, based on the customers' needs. Once the proposed plan is confirmed, we will deliver the robots to the site, deploy the robots and software on site and provide necessary training to our customer's personnel. We also offer ongoing online technical support and after-sales maintenance services throughout the warranty period. We charge our customers and channel partners with bundled fee that covers the types and numbers of robots, industry-specific software, pre-sale planning, delivery, deployment, and after-sales services. As of December 31, 2025, our solutions had been offered to over 400 leading enterprises in the semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries.



OUR STRENGTHS

- A Key Player in Industrial Embodied AI;
- Defining Advanced Technologies and Product Capabilities;
- Diversified Product Portfolio Integrating Industry Know-How;
- Leading and Continuously Deepening Business Layout;
- Mature and Efficient Supply Chain System; and
- A Top Management Team with Profound Technical Expertise and Business Insight.

OUR STRATEGIES

- Continuously focusing on embodied AI and consolidating our technological strength;
- Deepening industry layout and accelerating global expansion;
- Deploying key components and strengthening supply chain capabilities; and
- Strengthening ecosystem collaboration and talent acquisition to promote innovation.

SPECIALIST TECHNOLOGY INDUSTRY

Our industry consultant Frost & Sullivan confirms and our Directors are of the view that our Specialist Technology Products fall within acceptable sectors of a Specialist Technology Industry, namely, "robotic and automation" under "robot technology" as defined under Chapter 18C of the Listing Rules.

The following table sets forth an analysis of how our Specialist Technology Products fall within the acceptable sectors:

Specialty Technology Products	Relevant Specialist Technology Industry Sector	Function Analysis	Major Customer and Customer Demand Driver
Industrial intralogistics robots	Robot technology/IoT technology/Smart product designs	Our robot employs an algorithm that can be used to consolidate data from both visual and radar sources to represent spatial features in multiple dimensions, achieving reliable millimeter-level positioning in complex and dynamic environments in industrial intralogistics scenarios. Adopted on our OW12, OW8, OWC, OWM, ATS6, and ATS12 robots. We utilize omnidirectional drive technologies to enhance the robots' maneuverability in narrow spaces and improve operational efficiency on both sides. Adopted on our OWC, ATS6, and ATS12 robots. By integrating visual recognition and localization technologies with multi-joint manipulator control techniques, we enable precise motion and flexible grasping capabilities in our robots. Adopted on our OW12, OW8, OWC, OWM robots.	Major Customers: we have a diversified customer base across various industries such as semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries. Our customers are mainly manufacturers that apply our robotic solutions directly in their factories. Customer Demand Driver: according to Frost & Sullivan, driven by synergistic advancements in hardware and software, embodied AI robots have become a key force in upgrading manufacturing and other industrial sectors. Their adoption is accelerating in response to industrial intelligence growth and robust downstream demand from sectors. By deploying robotic solutions at scale and enabling collaborative operations among them, factories can achieve automated, intelligent, and flexible production processes.
Inspection and maintenance robots (including humanoid robots)	Robot technology/IoT technology/Smart product designs	Our robot employs an algorithm that can be used to consolidate data from both visual and radar sources to represent spatial features in multiple dimensions, achieving reliable millimeter-level positioning in complex and dynamic environments in inspection and maintenance scenarios. Adopted on various types of robots such as indoor wheeled robots, rail-guided robots and outdoor wheeled robots. We use wireless charging to eliminate the risk of leakage at the source and enhance the fundamental safety of the robots. Mostly used on our rail-guided robots designed for coal transportation corridors.	

Specialty Technology Products	Relevant Specialist Technology Industry Sector	Function Analysis	Major Customer and Customer Demand Driver
MAIC generalized model	AI solutions/robot technology	MAIC is our self-developed industrial embodied AI model. By integrating the three modules of perception, decision-making and interaction at the individual level, with the cluster coordination module at the collective level, it serves as the "brain" that directs robotic operations in various industry-specific scenarios. Equipped with sophisticated algorithms, MAIC enables robots to possess perception, decision-making, and interaction capabilities, allowing coordinated operation of multiple robots. We develop whole-body joint control algorithms based on reinforcement learning, enabling the MAIC generalized model to achieve real-time control over multiple types of robot bodies.	
Industry-specific software (YOUI TMS and YOUI INS)	AI solutions/robot technology	YOUI TMS integrates intelligent sophisticated algorithms to achieve multiple-objective optimization. The algorithm is tailored for high-concurrency order management, enabling management of multiple heterogeneous robots, while optimizing path planning and order assignment. YOUI INS incorporates deep learning technologies to achieve advanced semantic understanding of objects and robust automated reading of metering devices. By leveraging the strong reasoning capabilities of large models, the system diagnose fault for analysis and tracking of accumulated data, which enables proactive fault prediction and early risk mitigation under the inspection and maintenance scenarios.	

RESEARCH AND DEVELOPMENT

Since our inception in 2017, we have been dedicated to developing mobile manipulation robots and solutions, recognizing that comprehensive support from research and development is essential to achieve this goal. We believe our strong research and development capabilities are a core competitive strength. As of December 31, 2025, we had 141 research and development employees, representing 33.7% of our total employees. Our R&D personnel have an average work experience of around 7.5 years. Our research and development expenses were RMB67.4 million, RMB62.4 million, and RMB83.0 million in 2023, 2024 and 2025, respectively. For details, see "Business — Research and Development."

PRODUCTION

During the Track Record Period, we had three production facilities located in Huzhou, Hefei and Shenzhen. Our production facilities are designed with production lines tailored to the characteristics of various robots. See "Business — Production."

The following table sets forth the details of our production capacity, production volume and utilization rate during the Track Record Period:

	2023			2024			2025		
Facilities	Production Capacity[1]	Production Volume	Utilization Rate[2]	Production Capacity[1]	Production Volume	Utilization Rate[2]	Production Capacity[1]	Production Volume	Utilization Rate[2]
Hefei	—	—	—	—	—	—	1,200	788	65.6%
Huzhou	300	238	79.3%	1,200	818	68.2%	700	580	82.9%
Shenzhen[3]	200	106	53.0%	—	—	—	—	—	—
Total	**500**	**344**	**68.8%**	**1,200**	**818**	**68.2%**	**1,900**	**1,368**	**72.0%**

Notes:

(1) The production capacity for each period is calculated based on the hourly capacity of the relevant production lines and the working hours for that period. During the Track Record Period, working hours are calculated as eight hours per day multiplied by the number of working days (based on approximately 250 working days per year).

(2) Utilization rate is calculated by dividing production volume by the production capacity for the same period.

(3) Our Shenzhen production base ceased production in the first half of 2023 and our Huzhou production base commenced production in the latter half of 2023.

INTELLECTUAL PROPERTY

Intellectual property lays the foundation for our solutions, and we have invested substantial time and resources in developing and protecting it. We rely on a combination of patent, trademark, copyright, domain name trade secret and other proprietary rights protection laws, as well as confidentiality procedures and contractual provisions, in China and other jurisdictions to protect our intellectual property.

As of the Latest Practicable Date, we had 241 patents registered with the State Intellectual Property Office of the PRC, including 43 invention patents and 140 utility model patents. Additionally, we have one overseas patents related to our solutions and around 130 patent applications both domestically and internationally. As of the Latest Practicable Date, we had 25 trademarks registered with the China Trademark Office. We also had 77 software copyrights, 3 copyrights of artworks and mainly owned one registered domain names.

We acquire patents through self-development. The table below lists certain material patents for our core technologies in relation to our Specialist Technology Products. We were the registered owner of these patents as of the Latest Practicable Date.

No.	Patent name	Place of registration	Patent number	Core technology involved	Major functions/applications
1	An operating method and system for an intelligent robot in a power switchroom	China	ZL 201911238578.X	Robot scheduling and motion control, path planning algorithm, and image recognition algorithm based on deep learning	Power transmission or disconnection operations of high and low voltage switchgear in the electric power and energy industry
2	Path planning method, path planning device, management system, and storage medium	China	ZL 202110271767.8	Path planning algorithm, cross-map directed weighted graph construction, cross-map path planning method	Multi-robot motion planning and path navigation across multiple floors in industrial intralogistics scenarios

No.	Patent name	Place of registration	Patent number	Core technology involved	Major functions/applications
3	Wafer box handling robot	China	ZL 202110189522.0	A wafer box handling robot comprising automatic guidance, a supporting device, and a carrying device	Applied to wafer box handling in warehouses and production workshops, enhancing the universality and efficiency of material picking and placement, and improve the efficiency and reliability of transportation
4	Robot positioning method, positioning device, management system, and storage medium	China	ZL 202110627563.3	Directed weighted graph positioning algorithm, KD-Tree-based nearby position search, derailment detection and position correction	Core technologies for indoor robot positioning, enabling accurate localization before navigation
5	Robot scheduling method, apparatus, and storage medium	China	ZL 202210374057.2	A machine equipped with a fully automated management technology system that uses a path planning algorithm	A fully automated management technology system for task planning, calculation, comparison, allocation and execution

For the key intellectual property rights corresponding to the core technologies applied in our Specialist Technology Products, see "Business — Intellectual Property" for details.

OUR CUSTOMERS AND SUPPLIERS

During the Track Record Period, our major customers include leading companies in high-tech manufacturing and energy industries. For the years ended December 31, 2023, 2024 and 2025, sales to our largest customer in each year contributed to 10.5%, 7.2% and 20.4% of our revenue during the respective period. For the same periods, our five largest customers in each year contributed to 28.3%, 29.9% and 35.8% of our total revenue, respectively. See "Business — Customers".

Our suppliers primarily consist of (i) providers of components and accessories for the development and production of our robots, and (ii) third-party manufacturers to produce our robotic controllers and other components and parts necessary for building up our robots. For the years ended December 31, 2023, 2024 and 2025, purchase from our largest supplier in each year contributed to 13.1%, 7.8% and 8.2% of our total purchases during the respective periods. For the same periods, purchase from our five largest suppliers in each year contributed to 33.2%, 23.2% and 19.4% of our total purchases, respectively. See "Business — Suppliers."

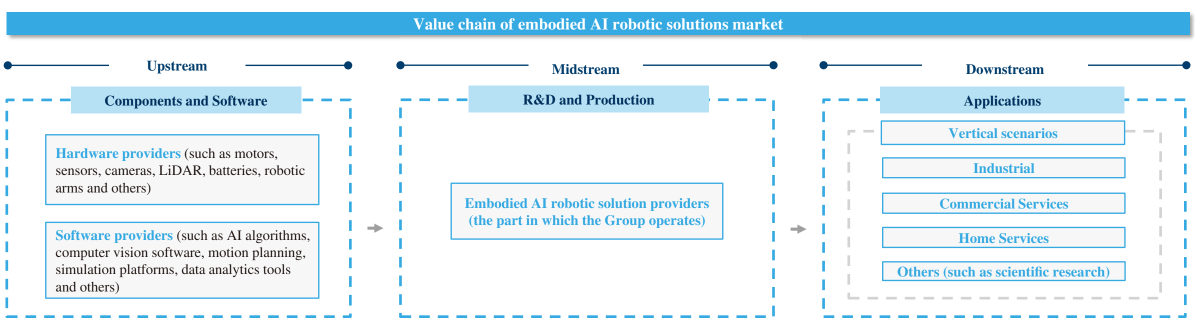
COMPETITIVE LANDSCAPE

The global market size for embodied AI robotic solutions reached RMB82.0 billion in 2024 and is projected to grow further to RMB367.5 billion by 2030, representing a CAGR of 28.4% from 2024 to 2030. The market size for embodied AI robotic solutions in China reached RMB28.7 billion in 2024 and is expected to further grow to RMB142.6 billion by 2030, with a CAGR of 30.6% from 2024 to

2030. The global market size for mobile manipulation robotic solutions reached RMB9.2 billion in 2024 and is projected to further grow to RMB156.9 billion by 2030, with a CAGR of 59.5% from 2025 to 2030. The market size for mobile manipulation robotic solutions in China reached RMB3.4 billion in 2024 and is projected to further grow to RMB62.0 billion by 2030, with a CAGR of 62.3% from 2024 to 2030, which is higher than the growth rate of the global market. In 2024, we ranked first in the mobile manipulation robotic industry in terms of revenue in China, with a market share of 7.1%.

Value Chain of Embodied AI Robots

The upstream segment includes hardware providers and software providers. Hardware providers supply the physical components that form the foundation of robotic systems. This includes motors, sensors, cameras, LiDAR, batteries, robotic arms and others. Software providers focus on the intelligence and control systems that drive embodied AI robots. This includes AI algorithms, motion planning, simulation platforms, data analytics tools and others that allow robots to perceive their surroundings, make decisions, and execute tasks autonomously or collaboratively. The midstream segment centers on research, development and production to transform core technologies into complete embodied AI robotic solutions. The downstream segment involves the deployment and application of solutions across various industries, where robots are used to improve operational efficiency, automation, or productivity.



For additional details regarding the competitive landscape of the industry in which we operate, see "Industry Overview" in this document.

[REDACTED] INVESTMENTS

Since our establishment, we have attracted certain **[REDACTED]** Investors and completed several rounds of financing to raise funds for the development of our business. For further information of the principal terms of the **[REDACTED]** Investments and the identity and background of our major **[REDACTED]** Investors, see "History, Development and Corporate Structure — **[REDACTED]** Investments."

IMPACT OF COVID-19

Since the end of December 2019, the outbreak of a novel strain of coronavirus, or COVID-19, had materially and adversely affected the Chinese and global economy. Our Directors are of the view that the outbreak and spread of COVID-19 had no material adverse impact on our business operations and financial condition during the Track Record Period and up to the Latest Practicable Date. Specifically, our revenue increased from RMB107.7 million in 2023 to RMB254.9 million in 2024 and further increased to RMB339.7 million in 2025, and our gross profit margin signficantly inreased from 26.1% in 2023 to 35.2% in 2024 and further increased to 36.5% in 2025, reflecting our business resilience against COVID-19 pandamic. As the COVID-19 pandemic had subsided since early 2023, our business and the operation had resumed to normal. During the Track Record Period, we did not experience significant delays in production or material delays or impediments of our research and development, due to the COVID-19 pandemic.

RISK FACTORS

We are a Specialist Technology Company seeking to be listed on the Main Board of the Stock Exchange under Chapter 18C of the Listing Rules. We are at a relatively early stage of commercialization of our robotic solutions, as we only met the revenue requirement as set out in Rule 18C.03(4) of the Listing Rules in 2024 following our revenue growth during the Track Record Period. In addition, we recorded net losses during the Track Record Period. We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control.

Our operations and the **[REDACTED]** involve certain risks and uncertainties, including (i) risks related to our research and development, (ii) risks related to our commercialization, (iii) risks related to our operations, (iv) risks related to our financial condition and need for additional capital, (v) risks related to doing business in the jurisdictions we operate, and (vi) risks related to the **[REDACTED]**. These risks are set out in "Risk Factors" in this document. Some of the major risks we face include:

- The industrial embodied AI robotic market is characterized by constant change. If we fail to meet evolving customer needs or the pace of industry innovation by improving our existing solutions and developing new solutions in a timely and cost-effective manner, our competitive position would be impacted and our business, results of operations and financial condition may be materially adversely affected.
- We have been and intend to continue investing heavily in our R&D and such investments may not generate the results we expect to achieve.
- If we fail to recruit, retain and motivate key employees, especially our senior management and R&D team, we could lose the innovation, collaboration and focus that contribute to our business.
- The development of our industry and market demand for our solutions may fall short of expectations, which could materially and adversely affect our business, financial condition and results of operations.
- If we fail to maintain existing customers and attract new customers, or fail to do so in a cost-effective manner, our business may be adversely affected.
- We may infringe intellectual property rights of third parties, which can lead to time-consuming and costly intellectual property infringement claims, and we may have to redesign or discontinue selling relevant solutions.

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

Revenue Growth

We achieved sustained business growth but were loss-making during the Track Record Period. Our revenue increased from RMB107.7 million in 2023 to RMB339.7 million in 2025. Our revenue growth was attributed to the increased market acceptance and expanded customer base for our industrial embodied AI robotic solutions. Additionally, we launched our humanoid robots for our solutions in 2025, recording sales in the same year to support revenue growth in the long-term.

Path to Profitability

We plan to achieve profitability primarily by (i) expanding our revenue sources, including through penetration into different sectors, technological upgrade and product iteration, expansion of sales network, overseas market expansion and talent acquisition; (ii) improving operating efficiency through continuous technology advancement, economies of scale and manufacturing efficiency; and (iii) enhancing operating leverage across research and development, general and administrative, and selling and marketing expenses. See "Business — Business Sustainability and Path to Profitability."

SUMMARY OF KEY FINANCIAL INFORMATION

The following tables set forth a summary of our consolidated financial statements for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document. The summary of consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements contained elsewhere in this document, including the related notes.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss, with line items in absolute amounts and as percentages of our revenue for the years indicated.

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Revenue	107,671	100.0	254,892	100.0	339,685	100.0
Cost of sales	(79,533)	(73.9)	(165,266)	(64.8)	(215,549)	(63.5)
Gross profit	28,138	26.1	89,626	35.2	124,136	36.5
Other net income	10,795	10.0	11,323	4.4	5,430	1.6
Selling and marketing expenses	(53,860)	(50.0)	(62,487)	(24.5)	(77,242)	(22.7)
General and administrative expenses	(52,746)	(49.0)	(56,051)	(22.0)	(87,314)	(25.7)
Research and development expenses	(67,425)	(62.6)	(62,398)	(24.5)	(83,023)	(24.4)
Provision of loss allowance on financial assets and contract assets	(4,792)	(4.5)	(8,281)	(3.2)	(11,948)	(3.5)
Finance costs	(1,526)	(1.4)	(2,979)	(1.2)	(5,214)	(1.5)
Share of (losses)/profits of an associate and a joint venture	(39)	—	(129)	(0.1)	226	0.1
Changes in the carrying amount of redemption liabilities	(118,539)	(110.1)	(108,840)	(42.7)	(249,384)	(73.4)
Loss before taxation	(259,994)	(241.5)	(200,216)	(78.5)	(384,333)	(113.1)
Income tax	—	—	—	—	—	—
Loss and total comprehensive income for the year	(259,994)	(241.5)	(200,216)	(78.5)	(384,333)	(113.1)

We recorded accumulated losses of RMB582.4 million as of January 1, 2023, which were primarily attributable to that we were in an early stage of product development and market expansion, during which significant resources were invested in research and development activities and market penetration efforts, resulting in substantial operating costs and expenses that exceeded our revenue at that time.

NON-IFRS MEASURE

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure) and adjusted net loss margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe these non-IFRS measures, when shown in conjunction with the corresponding IFRS measures, facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of items.

We believe these 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 adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS. We define adjusted net loss (non-IFRS measure) as net loss for the years adjusted by adding back (i) equity-settled share based payment expenses, (ii) changes in the carrying amount of redemption liabilities and (iii) **[REDACTED]**, and adjusted net loss margin (non-IFRS measure) as adjusted net loss (non-IFRS measure) divided by revenue. The adjustments have been consistently made during the Track Record Period.

The following table reconciles our adjusted net loss (non-IFRS measure) for the years indicated with our net loss, or loss for the years presented in accordance with IFRS:

	Year ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Loss for the years	(259,994)	(200,216)	(384,333)(4)
Add:			
— Equity-settled share based payment expenses(1)	10,065	10,191	11,500
— Changes in the carrying amount of redemption liabilities(2)	118,539	108,840	249,384
— **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Adjusted net loss (non-IFRS measure)	(131,390)	(81,185)	(106,041)(4)
Adjusted net loss margin (non-IFRS measure)(3)	(122.0%)	(31.9%)	(31.2%)

Notes:

(1) Equity-settled share based payment expense is a non-cash expense arising from granting share-based awards to selected employees. It mainly represents the arrangement that we receive services from employees as consideration for our equity instruments. Share-based payment is not expected to result in future cash payments.

(2) We adjust changes in the carrying amount of redemption liabilities because it was non-cash in nature. We recognized the redemption liabilities at their present value of the redemption amount, with changes in such carrying amounts being booked in profit or loss, arising from redemption rights issued to **[REDACTED]** Investors. These redemption rights issued will be terminated upon the **[REDACTED]**.

(3) Adjusted net loss margin (non-IFRS measure) equals adjusted net loss (non-IFRS measure) for the year divided by revenue for the year and multiplied by 100%.

(4) The increase in our loss for the year and adjusted net loss (non-IFRS measure) from 2024 and 2025 was primarily attributable to (i) an increase in our research and development expenses driven by our ongoing effort in R&D activities and R&D team scale expansion, (ii) an increase in our selling and marketing expenses resulting from sales team expansion, additional advertising activities and product warranty provision in line with our sales growth and (iii) an increase in our general and administrative expenses resulting from newly rented offices and employee benefits to support our business expansion, partially offset by an increase in our revenue as our existing customers continued to repurchase our products and we expanded our base of new customers.

DESCRIPTION OF KEY COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we generated revenue from the provision of industrial embodied AI robotic solutions. In particular, our solutions mainly covered two key scenarios: (i) industrial intralogistics and (ii) inspection and maintenance.

The following table sets forth a breakdown of our revenue by application scenario for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
			(RMB in thousands, except for percentages)			
Industrial embodied AI robotic solutions						
— Industrial intralogistics	62,444	58.0	138,154	54.2	201,661	59.4
— Inspection and maintenance	45,227	42.0	116,738	45.8	138,024	40.6
Total	**107,671**	**100.0**	**254,892**	**100.0**	**339,685**	**100.0**

Gross Profit and Gross Profit Margin

The following table sets forth our gross profit and gross profit margins by application scenario for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentages)					
Industrial embodied AI robotic solutions						
— Industrial intralogistics	9,905	15.9	38,723	28.0	57,701	28.6
— Inspection and maintenance	18,233	40.3	50,903	43.6	66,435	48.1
Total	**28,138**	**26.1**	**89,626**	**35.2**	**124,136**	**36.5**

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total non-current assets	27,142	28,524	21,897
Total current assets	290,495	442,120	655,871
Total current liabilities	1,451,682	1,834,710	2,605,930
Net Current Liabilities	(1,161,187)	(1,392,590)	(1,950,059)
Total Assets Less Current Liabilities	(1,134,045)	(1,364,066)	(1,928,162)
Total non-current liabilities	9,599	9,603	14,377
Net Liabilities	(1,143,644)	(1,373,669)	(1,942,539)

Net Current Liabilities

Our net current liabilities increased by 40.0% from RMB1,392.6 million as of December 31, 2024 to RMB1,950.1 million as of December 31, 2025, primarily due to (i) an increase in redemption liabilities of RMB665.1 million due to an increased carrying amount of the registered capital with special rights primarily due to additional equity financing, (ii) an increase in bank loans of RMB85.8 million to support our liquidity and (iii) an increase in trade and bills payables of RMB53.9 million resulting from increased procurement of services to support our expanding production and business operations, partially offset by (i) an increase in trade and bills receivables of RMB100.5 million in line with our business expansion and (ii) an increase in cash and cash equivalent of RMB112.1 million resulting from the net cash inflow from financing activities.

Our net current liabilities increased by 19.9% from RMB1,161.2 million as of December 31, 2023 to RMB1,392.6 million as of December 31, 2024, primarily due to (i) an increase in redemption liabilities of RMB228.8 million due to an increased carrying amount of the registered capital with special rights primarily due to additional equity financing and changes in carrying amount of redemption liabilities related to the Shares of our **[REDACTED]** Investors, (ii) an increase in bank loans of RMB72.3 million to support our liquidity and (iii) an increase in trade and bills payables of RMB60.2 million resulting from increased procurement of services to support our expanding production and business operations, partially offset by (i) an increase in trade and bills receivables of RMB95.9 million in line with our business expansion and (ii) an increase in cash and cash equivalents of RMB55.5 million resulting from the net cash inflow from financing activities.

In the future, we will continue to monitor and improve our net current liabilities position by maintaining optimal inventory levels through our demand-driven procurement strategy, enhancing the collection of receivables through proactive monitoring of milestone-based payment schedules, and improving our operating cash flow through continued revenue growth and operational efficiencies.

For further details, see "Financial information — Discussion of Certain Key Balance Sheet Items."

Net Liabilities

Our net liabilities increased by 41.4% from RMB1,373.7 million as of December 31, 2024 to RMB1,942.5 million as of December 31, 2025, primarily due to (i) loss and total comprehensive income for the period of RMB384.3 million and (ii) recognition of redemption liabilities of RMB415.7 million, partially offset by capital contribution by investors of RMB221.1 million.

Our net liabilities increased by 20.1% from RMB1,143.6 million as of December 31, 2023 to RMB1,373.7 million as of December 31, 2024, primarily due to (i) loss and total comprehensive income for the year of RMB200.2 million and (ii) recognition of redemption liabilities of RMB120.0 million, partially offset by capital contribution by investors of RMB80.0 million.

Pursuant to the agreement entered into by the Shareholders of our Company dated September 22, 2025, in anticipation of the **[REDACTED]**, certain Special Rights (including redemption rights) have been terminated prior to the first submission of the Company's listing application to the Stock Exchange (the "**First Filing**"), and other Special Rights will terminate upon **[REDACTED]**. In both cases, however, those of the Special Rights that have been terminated prior to the First Filing (and, in the case of the investors in the Series **[REDACTED]** Investments, those Special Rights that have been terminated with effect from the date of the Shareholders' Agreement) shall be restored upon the earliest of (i) the withdrawal of the listing application to the Stock Exchange by our Company, (ii) the listing application being returned or rejected by the Stock Exchange, or (iii) the Company failing to complete the Listing within 18 months after the First Filing. Our redemption liabilities related to the shares with Special Rights held by **[REDACTED]** Investors will be reclassified to equity thereafter and our position of net liabilities will turn into net assets upon **[REDACTED]**, which will turn our net current liabilities position to net current assets position. For more details, see Note 24 of the Accountants' Report set forth in Appendix I to this document.

Summary of Consolidated Statements of Cash Flows

The following table sets forth selected cash flow statement information for the years indicated:

	Year ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Net cash used in operating activities	(94,414)	(79,457)	(185,006)
Net cash used in investing activities	(6,843)	(7,042)	(3,900)
Net cash generated from financing activities	93,774	141,998	300,997
Net (decrease)/increase in cash and cash equivalents	(7,483)	55,499	112,091
Cash and cash equivalents at the beginning of the years	83,315	75,832	131,331
Cash and cash equivalents at the end of the years	75,832	131,331	243,422

Net Cash Used in Operating Activities

For the year ended December 31, 2025, we had net cash used in operating activities of RMB185.0 million, which was primarily attributable to our loss before taxation of RMB384.3 million, adjusted for certain non-cash and non-operating items, primarily including changes in the carrying amount of the redemption liabilities of RMB249.4 million. The amount was further adjusted by changes in working capital, primarily including an increase in trade and bills payables of RMB53.9 million, partially offset by an increase in trade and bills receivables of RMB112.5 million.

For the year ended December 31, 2024, our net cash used in operating activities was RMB79.5 million, which was primarily attributable to our loss before taxation of RMB200.2 million, as adjusted by certain non-cash and non-operating items, primarily consisting of (i) changes in the carrying amount of the redemption liabilities of RMB108.8 million and equity-settled share-based payment expenses of RMB10.2 million. The amount was further adjusted by changes in working capital. The changes in working capital were primarily including (i) an increase in trade and bills payables of RMB60.2 million, partially offset by an increase in trade and bills receivables of RMB104.2 million.

For the year ended December 31, 2023, our net cash used in operating activities was RMB94.4 million, which was primarily attributable to our loss before taxation of RMB260.0 million, as adjusted by certain non-cash and non-operating items, primarily consisting of (i) changes in the carrying amount of the redemption liabilities of RMB118.5 million and equity-settled share-based payment expenses of RMB10.1 million. The amount was further adjusted by changes in working capital. The changes in working capital were primarily attributable to (i) an increase in trade and bills payables of RMB28.1 million, and (ii) an increase in contract liabilities of RMB38.2 million, partially offset by an increase in inventories of RMB27.2 million.

For further details, see "Financial Information–Liquidity and Capital Resources — Cash Flows."

Our cash burn rate refers to the average monthly (i) net cash used in operating activities, (ii) purchases of property, plant and equipment, (iii) payments for intangible assets, (iv) principal payments of lease liabilities, and (v) interest paid for lease liabilities. Our historical cash burn rate was RMB9.0 million, RMB7.8 million and RMB16.4 million for each of the years ended December 31, 2023, 2024 and 2025, respectively, mainly representing our investment in R&D activities and business operations. During the Track Record Period, we recorded expenditure in purchase of property and equipment primarily due to our procurement and lease of computing hardware and offices, for the operation activities and R&D activities in line with our business expansion.

We had cash and cash equivalents, and available bank facilities of RMB427.3 million in aggregate as of December 31, 2025. We estimate that we will receive **[REDACTED]** of **[REDACTED]** (**[REDACTED]**) after deducting the **[REDACTED]** commissions and other estimated **[REDACTED]** expenses payable by us in connection with the **[REDACTED]**, assuming no **[REDACTED]** is exercised and assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the indicative **[REDACTED]** in this document.

Assuming that the average cash burn rate going forward will be RMB16.4 million, similar to the cash burn rate level for the year ended December 31, 2025 based on the underlying assumptions that (i) the number of our employees will not increase significantly, particularly in the R&D department; (ii) we do not expect substantial capital investment; and (iii) we do not expect significant acquisitions of fixed assets, we estimate that our cash and cash equivalents, and available bank facilities as of December 31, 2025 will be able to maintain our financial viability for **[REDACTED]** months or, if we take into account 10% of the estimated **[REDACTED]** from the **[REDACTED]** (namely, the portion allocated for our working capital and other general corporate purposes), **[REDACTED]** months or, if we also take into account the estimated **[REDACTED]** from the **[REDACTED]**, **[REDACTED]** months. We will continue to monitor our cash flows from operations closely and maintain our financial viability through a variety of means, including, among others, banking facilities and external financings.

We recorded a net loss of RMB384.3 million in 2025, primarily due to (i) changes in the carrying amount of redemption liabilities mainly related to the Shares of our **[REDACTED]** Investors, (ii) ongoing R&D investment in our industrial embodied AI robotic solutions, (iii) increased selling and marketing expenses resulting from our successful business expansion into overseas markets such as Japan and (iv) the incurrence of **[REDACTED]**.

Key Financial Ratios

The following table sets forth our key financial ratios as of the dates or for the dates indicated:

	Year ended/As of December 31,		
	2023	**2024**	**2025**
Gross profit margin	26.1%	35.2%	36.5%
Current ratio[1]	0.2	0.2	0.3
Quick ratio[2]	0.1	0.2	0.2

Notes:

(1) Current ratio equals total current assets divided by total current liabilities as of the date indicated. Total current liabilities included redemption liabilities, which will be reclassified to equity upon the **[REDACTED]**.

(2) Quick ratio is calculated by dividing current assets less inventories and contract costs by current liabilities as of the date indicated. Total current liabilities included redemption liabilities, which will be reclassified to equity upon the **[REDACTED]**.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the **[REDACTED]** and the exercise of the **[REDACTED]** on the basis that, among other things, we satisfy the requirements under Rule 18C.03 of the Listing Rules as a Commercial Company with reference to our expected market capitalization at the time of Listing, which, based on the **[REDACTED]**, exceeds HK$4 billion.

[REDACTED] STATISTICS

	Based on the [REDACTED] of HK$[REDACTED] per H Share	**Based on the [REDACTED] of HK$[REDACTED] per H Share**
Market capitalization of our Shares[1]	HK$**[REDACTED]**	HK$**[REDACTED]**
Unaudited [REDACTED] adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share[2]	HK$**[REDACTED]**	HK$**[REDACTED]**

Notes:

(1) The calculation of market capitalization is based on the assumption that **[REDACTED]** Shares will be in issue immediately after completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised).

(2) The unaudited **[REDACTED]** adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share as of December 31, 2025 is calculated after making the adjustments referred to in "Appendix II — Unaudited **[REDACTED]** Financial Information" to this Document. For more details, please refer to the section headed "Appendix II — Unaudited **[REDACTED]** Financial Information" to this Document.

FUTURE PLANS AND USE OF [REDACTED]

Assuming that the **[REDACTED]** is not exercised, after deducting the **[REDACTED]** commissions and other estimated **[REDACTED]** expenses payable by us in connection with the **[REDACTED]**, and assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the mid-point of the indicative **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]**), we estimate that we will receive **[REDACTED]** of approximately HK$**[REDACTED]** from the **[REDACTED]**. We intend to use the **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts set forth below:

- Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used to continuously advance our embodied AI technologies and enhance related research and development capabilities to reinforce our technological strength;
- Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used for the construction and upgrade of our multifunctional center, which is intended to provide functions such as R&D, operations, assembly and product testing;
- Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used to boost our brand presence internationally and enhancing market engagement;
- Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used to selectively pursue strategic alliances, investment and acquisition opportunities in the ecosystem of the domestic and international industrial embodied AI robotic industry; and
- Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used for working capital and other general corporate purposes.

DIVIDEND POLICY

No dividend was paid or declared by our Company during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. According to applicable PRC laws and the Company's Articles of Association, the Company is legally prohibited from declaring and paying dividends in presence of accumulated losses. Any profit distribution must strictly adhere to the statutory sequence as follows: first, offsetting all accumulated losses from prior years; second, setting aside 10% of the after-tax profits to the Company's statutory reserve. A company may choose not to do so if its aggregate statutory reserve reaches 50% or more of its registered capital. After these aforementioned appropriations may any remaining profits be distributed to shareholders. Additionally, upon completion of the statutory allocation sequence, the shareholders' meeting may resolve to allocate a discretionary reserve. If such a reserve is established, the remaining profit could only be distributed to shareholders after all the above allocations — including both the statutory allocation sequence and the shareholders' meeting resolution — have been completed. A company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to reserve funds as mentioned above. As advised by our PRC Legal Advisor, we cannot pay dividends if we are in an accumulated loss position. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

[REDACTED]

[REDACTED] represent professional fees, **[REDACTED]** and other fees incurred in connection with the **[REDACTED]**. **[REDACTED]** to be borne by us are estimated to be approximately RMB**[REDACTED]** (HK$**[REDACTED]**), comprising: (i) **[REDACTED]** fees of RMB**[REDACTED]** (HK$**[REDACTED]**); and (ii) non-**[REDACTED]**-related expenses of RMB**[REDACTED]** (HK$**[REDACTED]**), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB**[REDACTED]** (HK$**[REDACTED]**); and (b) other fees and expenses of RMB**[REDACTED]** (HK$**[REDACTED]**), assuming the **[REDACTED]** is not exercised and based on the **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the **[REDACTED]**), approximately RMB**[REDACTED]** (HK$**[REDACTED]**) of which was charged or is expected to be charged to our consolidated statements of profit or loss, and approximately RMB**[REDACTED]** (HK$**[REDACTED]**) of which is expected to be deducted from equity upon the completion of the **[REDACTED]**. The **[REDACTED]** are expected to represent approximately **[REDACTED]**% of the gross **[REDACTED]** of the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the indicative **[REDACTED]**) and that the **[REDACTED]** is not exercised. The **[REDACTED]** above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position since December 31, 2025 (being the date on which the latest audited consolidated financial information of our Group was prepared) and there is no event since December 31, 2025 which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report in Appendix I to this document.

We do not expect any material increase in expenses, including R&D expenses, and selling and distribution expenses and, or any material increase in inventory write-off, since December 31, 2025 and up to June 30, 2027.

CSRC FILING

We submitted a filing to the CSRC for application of listing of the H Shares on the Stock Exchange and the **[REDACTED]** on [•]. The CSRC [confirmed] our completion of filing on [•].

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

"Accountants' Report"	the accountants' report of our Company for the Track Record Period, the text of which is set out in Appendix I to this document
"Acting in Concert Agreement"	an agreement dated September 22, 2025 pursuant to which Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Xu Jin, Mr. Zhao Wanqiu, Mr. Zheng Hao, Ms. Mei Wanqing and Xi'an Youai confirmed and agreed that, since February 24, 2020, they have acted and will continue to act in concert when exercising their shareholder rights as Shareholders of the Company or their voting power as a member of the Board (as the case may be) until December 31, 2027
"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, as amended, which shall become effective from the Listing Date and a summary of which is set out in Appendix V to this document
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"Business Day"	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"close associate(s)"	has the meaning ascribed to it 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

"Company," "our Company" or "the Company"	Hefei Youibot Robotics Co., Ltd. (合肥優艾智合機器人股份有限公司), a limited liability company established in the PRC on May 16, 2017 and was further converted into a joint stock company on September 10, 2025
"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
"Conversion of Unlisted Shares into H Shares"	the conversion of **[REDACTED]** Unlisted Shares (immediately following the Share Subdivision) in aggregate held by existing Shareholders into H Shares upon the completion of the **[REDACTED]**. Such Conversion of Unlisted Shares into H Shares [has been] filed with the CSRC on [•] and an application for H Shares to be listed on the Stock Exchange [has been] made to the listing Committee
"CSDC"	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"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
"Dr. Bian"	Dr. Bian Xu (邊旭), founder, an executive Director, the chief technology officer of our Company and a member of the Single Largest Group of Shareholders
"Employee Incentive Scheme"	the employee incentive scheme of our Company adopted in June 2021, as amended and replaced in September 2025
"Employee Shareholding Platforms"	collectively, Xi'an Youai, Youai Zhongyi, Youai Zhongwei, Youai Zhongshi, Youai Zhongzhen and Youai Hezhi
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent professional market research and consulting company
"Frost & Sullivan Report"	the report with respect to this **[REDACTED]** issued by Frost & Sullivan

[REDACTED]

"Governmental Authority"	any governmental, regulatory, or administrative commission, board, body, authority, or agency, or any stock exchange, self-regulatory organization, or other non-governmental regulatory authority, or any court, judicial body, tribunal, or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign, or supranational
"Group", "our Group", "the Group", "we", "us" or "our"	the Company and its subsidiaries from time to time, their predecessors (as the case may be), and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"Guide"	the "Guide for New Listing Applicants" published by the Stock Exchange in November 2023 which took effect on January 1, 2024, as amended, supplemented or otherwise modified from time to time.
"H Share(s)"	Shares of our Company for which an application has been made for listing and permission to trade on the Stock Exchange

[REDACTED]

"Hefei Youibot"	Hefei Youai Intelligent Manufacturing Equipment Co., Ltd. (合肥優艾智能製造裝備有限公司), a company established under the laws of the PRC on June 26, 2024 and a wholly owned subsidiary of our Company
"HK$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HKSCC"	Hong Kong Securities Clearing Company Limited

[REDACTED]

"HKSCC Nominees"	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC

"HKSCC Operational Procedures"	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force
"HKSCC Participant(s)"	a participant admitted participating in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong Listing Rules" or "Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)

[REDACTED]

"Huzhou Youibot"	Huzhou Youai Zhihe Robot Technology Co., Ltd. (湖州優艾智合機器人科技有限公司), a company established under the laws of the PRC on April 17, 2023 and a wholly owned subsidiary of our Company
"IFRS"	IFRS Accounting Standards, as issued by the International Accounting Standards Board
"Independent Third Party(ies)"	any entity or person who is not a connected person of our Company within the meaning ascribed to it under the Listing Rules

[REDACTED]

[REDACTED]

"Latest Practicable Date"	March 21, 2026, being the latest practicable date for ascertaining certain information in this document before its publication
"Laws"	all laws, statutes, legislation, ordinances, rules, regulations, guidelines, opinions, notices, circulars, directives, requests, orders, judgments, decrees, or rulings of any Governmental Authority (including the Stock Exchange and the SFC) of all relevant jurisdictions
"Listing	the listing of the H Shares on the Main Board
"Listing Committee"	the Listing Committee of the Hong Kong Stock Exchange
"Listing Date"	the date, expected to be on or about **[REDACTED]**, on which the H Shares are to be listed and on which dealings in the H Shares are to be first permitted to take place on the Stock Exchange
"MOF"	Ministry of Finance of the PRC (中華人民共和國財政部)
"Mr. Mei"	Mr. Mei Xuesong (梅雪松), founder and a member of the Single Largest Group of Shareholders
"Mr. Zhang"	Mr. Zhang Zhaohui (張朝輝), founder, an executive Director, the chief executive officer, the chairman of the Board and a member of the Single Largest Group of Shareholders
"Nomination Committee"	the nomination committee of the Board

[REDACTED]

[REDACTED]

"Pathfinder SII(s)"	has the meaning ascribed to it in Chapter 2.5 of the Guide, and unless the context otherwise requires, refers to the **[REDACTED]** Investor(s) the details of which are set out in "History, Development and Corporate Structure — Information about Our **[REDACTED]** Investors — Our Pathfinder SIIs" in this document
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC" or "China"	the People's Republic of 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 the PRC
"PRC Government Body"	has the meaning ascribed to it under the Listing Rules
"PRC Legal Advisor"	Global Law Office, our legal advisor on PRC laws
"**[REDACTED]** Investment(s)"	the **[REDACTED]** investment(s) in our Company, the details of which are set out in the section headed "History, Development and Corporate Structure — **[REDACTED]** Investments" in this document
"**[REDACTED]** Investor(s)"	the investor(s) from whom our Company obtained several rounds of investments, the details of which are set out in the section headed "History, Development and Corporate Structure — Information about Our **[REDACTED]** Investors" in this document

[REDACTED]

"Principal Subsidiaries"	our subsidiaries as identified in "History, Development and Corporate Structure — Principal Subsidiaries"
"Regulation S"	Regulation S under the U.S. Securities Act
"RMB or Renminbi"	Renminbi, the lawful currency of 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)
"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)
"SASAC"	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (中華人民共和國國務院國有資產監督管理委員會)
"SAT"	the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
"SFC"	Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, HKSCC and China Securities Depository and Clearing Corporation Limited for mutual market access between Hong Kong and Shanghai
"Share(s)"	Ordinary share(s) in the share capital of our Company, with a nominal value of RMB[0.10] each upon the completion of the Share Subdivision, and with a nominal value of RMB1.00 each before the completion of the Share Subdivision, comprising our H Shares
"Share Subdivision"	the Share Subdivision immediately prior to the **[REDACTED]**, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into ten Shares with par value of RMB[0.10] each
"Shenzhen-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shenzhen Stock Exchange, HKSCC and China Securities Depository and Clearing Corporation Limited for mutual market access between Hong Kong and Shenzhen
"Shenzhen Youai Zhijia"	Shenzhen Youai Zhijia Robot Technology Co., Ltd. (深圳優艾智嘉機器人科技有限公司), a company established under the laws of the PRC on May 20, 2019 and a non-wholly owned subsidiary of our Company
"Shenzhen Youibot"	Youibot Robotics Co., Ltd. (深圳優艾智合機器人科技有限公司), a company established under the laws of the PRC on March 5, 2018 and a wholly owned subsidiary of our Company

"Single Largest Group of Shareholders"	the group of Mr. Zhang Zhaohui (張朝輝), Mr. Mei Xuesong (梅雪松), Dr. Bian Xu (邊旭) and Xi'an Youai, each as a member of the Single Largest Group of Shareholders

[REDACTED]

"Sole Sponsor"	the sole sponsor of **[REDACTED]** as named in "Directors and Parties Involved in the **[REDACTED]**"

[REDACTED]

"Sophisticated Independent Investor(s)"	has the meaning ascribed to it under Chapter 18C.05 of the Listing Rules and in Chapter 2.5 of the Guide, and unless the context otherwise requires, refers to the **[REDACTED]** Investor(s) the details of which are set out in "History, Development and Corporate Structure — Information about Our **[REDACTED]** Investors" in this document
"Specialist Technology"	the science and/or technology applied to products and/or services in eligible sectors within the relevant Specialist Technology Industries
"Specialist Technology Company"	has the meaning ascribed to it under Chapter 18C of the Listing Rules
"Specialist Technology Industry"	has the meaning ascribed to it under Chapter 18C of the Listing Rules
"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 in section 15 of the Companies Ordinance
"substantial shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Suzhou Youibot"	Suzhou Youai Zhichuang Robot Technology Co., Ltd. (蘇州優艾智創機器人科技有限公司), a company established under the laws of the PRC on June 22, 2022 and a wholly owned subsidiary of our Company
"Track Record Period"	three years ended December 31, 2023, 2024 and 2025

"U.S.", "US" or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdictions
"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) issued by the Company, with a nominal value of RMB[0.10] each upon completion of the Share Subdivision, which were subscribed for or credited as paid in Renminbi and held by domestic Shareholders
"VAT"	value-added tax

[REDACTED]

"Xi'an Youai"	Xi'an Youai Zhonghe Technology Partnership Enterprise (Limited Partnership) (西安優艾眾合科技合夥企業(有限合夥)), a limited partnership established in the PRC on November 20, 2018, one of our Employee Shareholding Platforms, a founder shareholding platform and a member of our Single Largest Group of Shareholders
"Youai Hezhi"	Xi'an Youai Hezhi Technology Partnership (Limited Partnership) (西安優艾合智科技合夥企業(有限合夥)), a limited partnership established in the PRC on August 28, 2025, one of our Employee Shareholding Platforms
"Youai Zhongshi"	Xi'an Youai Zhongshi Technology Partnership (Limited Partnership) (西安優艾眾實科技合夥企業(有限合夥)), a limited partnership established in the PRC on August 28, 2025, one of our Employee Shareholding Platforms
"Youai Zhongwei"	Xi'an Youai Zhongwei Technology Partnership (Limited Partnership) (西安優艾眾為科技合夥企業(有限合夥)), a limited partnership established in the PRC on September 1, 2025, one of our Employee Shareholding Platforms
"Youai Zhongyi"	Xi'an Youai Zhongyi Technology Partnership (Limited Partnership) (西安優艾眾壹科技合夥企業(有限合夥)), a limited partnership established in the PRC on August 28, 2025, one of our Employee Shareholding Platforms

"Youai Zhongzhen"	Xi'an Youai Zhongzhen Technology Partnership (Limited Partnership) (西安優艾眾真科技合夥企業(有限合夥)), a limited partnership established in the PRC on August 29, 2025, one of our Employee Shareholding Platforms
"%"	per cent

This glossary contains explanations of certain technical terms used in this document in connection with our Company and its business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

"3C"	computer, communication and consumer electronics
"AI"	artificial intelligence
"bay"	a modular in a semiconductor fab designed to support efficient, scalable and clean semiconductor processing operations
"CAGR"	compound annual growth rate
"CBB"	common building block, a standardized modular system that deconstructs robots into configurable building blocks, enabling efficient assembly of multi-form mobile manipulation robots
"CE"	Conformite Europeenne, a regulatory standard that verifies certain products are safe for sale and use in the European economic area
"controllers"	systems connected to the robot in order to control the movements of the robots
"cybernetic method"	a way of controlling and improving systems by constantly monitoring their actions and using feedback to make adjustments
"Embodied AI"	artificial intelligence systems that can interact with and learn from their environments using a suite of technologies that include sensors, motors, machine learning and natural language processing
"evolutionary algorithms"	a type of artificial intelligence. Evolutionary algorithms are motivated by optimization processes that we observe in nature, such as natural selection, species migration, bird swarms, human culture, and ant colonies
"few-shot transfer"	the ability of a model to adapt to new tasks using only a small number of examples, by leveraging prior knowledge and generalization skills, it enables rapid learning and application in novel situations
"flexible manufacturing"	a method of production that prioritizes adaptability. It's a recognition of change as an inevitable part of manufacturing operations, both big and small
"heterogeneous robot"	a system composed of robots with different types, functions, and structures, which requires unified and coordinated control
"IMU"	inertial measurement units

"industrial grade"	of or pertaining to a chemical or product that is designed to withstand more extreme conditions than a consumer product; used in commercial and industrial applications
"intrabay"	the automatic handling and circulation of materials between different production equipment within a bay
"interbay"	material transfer between different bays, connecting different production areas across the entire factory
"LiDAR"	light detection and ranging, a remote sensing device and technology that measures distances by illuminating the target with laser light and analyzing the reflected light
"mass production"	a large-scale production phase that adopts automated intelligent manufacturing and engineering facilities to ensure product consistency, reduce labor costs, enhance utilization, and achieve cost-efficiency
"MCU"	a microcontroller unit
"meta-task"	the intelligent planning ability to combine and schedule basic tasks in order to accomplish complex, high-level instructions
"multi-modal"	the capability of AI to understand and process multiple forms of information simultaneously
"multi-sensor information fusion"	the combining of data from multiple sensors
"point clouds"	the outputs of the scanning process, which contain a large number of points that together represent the site scanned
"R&D"	research and development
"RAG"	retrieval-augmented generation, a technique in artificial intelligence that combines information retrieval and text generation to improve the quality, accuracy, and relevance of generated responses
"RCC"	a centralized computing system or software module that manages, coordinates, and supervises the operations of multiple robots within an automated environment
"reinforcement learning"	a branch of machine learning where an agent learns to make decisions by interacting with an environment to maximize cumulative rewards. Unlike supervised learning, reinforcement learning does not rely on labeled data but instead learns through trial and error, guided by a reward signal
"SEMI"	Semiconductor Equipment and Materials International, is a global industry association dedicated to advancing the interests of the semiconductor and display manufacturing supply chains

GLOSSARY OF TECHNICAL TERMS

"SEMI SECS/GEM"	semiconductor equipment communication standards that enable automated control and data acquisition between equipment and the host computer
"SLAM"	simultaneous localization and mapping, a computational technology used by robots to build a map of an environment while simultaneously determining their location for navigation and spatial awareness
"Sub Fab"	the critical equipment support layer situated directly beneath the cleanroom in a wafer fabrication plant
"Visual SLAM"	visual simultaneous localization and mapping
"VLA"	Vision-Language-Action model, an AI model that can directly convert visual information and language instructions into control actions for robots
"VLM"	Vision-Language model, a type of AI model that integrates Computer Vision and Natural Language Processing technologies to interpret visual content and process/generate textual information through cross-model reasoning

FORWARD-LOOKING STATEMENTS

We have included in this document forward-looking statements. Statements that are not historical facts, including but not limited to statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This document contains forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words "aim," "anticipate," "believe," "could," "expect," "going forward," "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would," "vision," "aspire," "target," "schedules," and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. 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 risk factors as described in this document, some of which are beyond our control and may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing us which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operations and business prospects;
- our ability to maintain relationships with, and the actions and developments affecting, our major customers and suppliers;
- future developments, trends and conditions in the industries and markets in which we operate or plan to operate;
- general economic, political and business conditions in the markets in which we operate;
- changes to the regulatory environment in the industries and markets in which we operate;
- our ability to maintain the market leading positions;
- the actions and developments of our competitors;
- our ability to effectively contain costs and optimize pricing;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- our ability to retain senior management and key personnel and recruit qualified staff;
- our business strategies and plans to achieve these strategies, including our service and expansion plans;
- our ability to defend our intellectual rights and protect confidentiality;
- the effectiveness of our quality control systems;
- change or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, commodity prices and overall market trends; including those pertaining to the PRC and the industry and markets in which we operate; and
- capital market developments.

By their nature, certain disclosures relating to these and other risks are only estimates and should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Specifically but without limitation, sales could decrease, costs could increase, capital costs could increase, capital investment could be delayed and anticipated improvements in performance might not be fully realized.

FORWARD-LOOKING STATEMENTS

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. As a result of these and other 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 information. All forward-looking statements in this document are qualified by reference to the cautionary statements in this section as well as the risks and uncertainties discussed in "Risk Factors."

In this document, statements of or references to our intentions or those of our Directors were made as of the date of this document. Any such information may change in light of future developments.

You should carefully consider all of the information in this Document, including the risks and uncertainties described below, before making an investment in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, results of operations, financial conditions and prospects. In any such case, the market price of our H Shares could decline, and you may lose all or part of your investment.

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 the section headed "Forward-Looking Statements" in this Document.

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks related to our research and development, (ii) risks related to our commercialization, (iii) risks related to our operations, (iv) risks related to our financial condition and need for additional capital, (v) risks related to doing business in the jurisdictions we operate, and (vi) risks related to the **[REDACTED]**.

Additional risks and uncertainties that are presently not known to us or not expressed or implied below or that we currently deem immaterial could also harm our business, results of operations, financial condition and prospects. You should consider our business and prospects in light of the challenges we face, including those discussed in this section.

RISKS RELATED TO OUR RESEARCH AND DEVELOPMENT

The industrial embodied AI robotic industry is characterized by constant change. If we fail to meet evolving customer needs or the pace of industry innovation by improving our existing solutions and developing new solutions in a timely and cost-effective manner, our competitive position would be impacted and our business, results of operations and financial condition may be materially adversely affected.

We primarily compete in the industrial embodied AI robotic industry, which is characterized by constant changes, including rapid technological evolution, frequent introductions of new solutions, continual shifts in customer demands and periodic emergence of new industry standards and practices. Thus, our future success will depend on our ability to research and develop high quality industrial embodied AI robotic solutions that incorporate the latest technological advancements to satisfy evolving customer demands and regulatory and safety requirements in a timely manner and cost-effective manner. We may encounter unforeseen design or engineering challenges in our research and development process. To maintain our market position, we must:

- design innovative functions and improve the existing functions of our industrial embodied AI robotic solutions that differentiate us from those of our competitors;
- continuously improve the reliability of our proprietary software and underlying models and algorithms;
- follow and respond effectively to technological advancements and new solution launches; and
- quickly and cost-effectively adjust to evolving customer demands, market conditions and industry trends.

If we fail to enhance existing solutions or launch new ones that gain market acceptance in response to rapid industry changes, our business, results of operations and financial condition could be could be adversely affected.

We have been and intend to continue investing heavily in our R&D and such investments may not generate the results we expect to achieve.

We have been investing substantially in our R&D efforts to drive innovation and sustain our competitive edge in the rapidly-evolving industrial embodied AI robotic industry. In 2023, 2024 and 2025, our research and development expenses amounted to RMB67.4 million, RMB62.4 million and RMB83.0 million, respectively. The industrial mobile manipulation robots we operate in is subject to rapid technological changes and developments. We need to invest significant resources, including financial resources, in R&D to make technological advances in order to stay competitive in the market. As a result, our R&D capabilities will remain important to our business operations. However, R&D activities are inherently uncertain, and we might encounter practical difficulties in developing, conceptualizing and commercializing our R&D results. Our significant expenditure on R&D may not generate corresponding benefits, which may adversely affect our business, results of operations and financial condition.

If we fail to recruit, retain and motivate key employees, especially our senior management and R&D team, we could lose the innovation, collaboration and focus that contribute to our business.

We believe our strong research and development capabilities are a core competitive strength. Our future success depends on the continued contributions of senior management and R&D team, many of whom are difficult to replace. If there are changes in our senior management team, the normal course of our business might be disrupted. The loss of the services of any of our senior management could harm our business.

In addition, our R&D team, especially core R&D members, have significant industry experience and their knowledge and expertise would be difficult to replace. However, competition for qualified talent is intense. We compete with many other companies for engineers and R&D professionals with meaningful experience in designing and developing industrial embodied AI robotic solutions, and we may not be successful in attracting and retaining the professionals we need. If one or more of our core R&D members were unable or unwilling to continue contributing their services to us, we may not be able to replace them in a timely manner, or at all. If we are not able to effectively hire, train and retain employees, our ability to achieve our strategic objectives may be adversely impacted and our business, financial condition and results of operations may be harmed.

RISKS RELATED TO OUR COMMERCIALIZATION

The development of our industry and market demand for our solutions may fall short of expectations, which could materially and adversely affect our business, financial condition and results of operations.

We operate in the industrial embodied AI robotic industry, which is at an early stage of development. Our business growth depends heavily on the continued expansion of the industry and the increasing adoption of industrial embodied AI robotic solutions across diverse industrial sectors. However, given the nascent and dynamic nature of the market, it is inherently difficult to predict the pace and scale of development, customer acceptance, and the overall size of our addressable market. Our industry forecasts and internal estimates are based on publicly available sources, third-party reports, and our own assumptions regarding factors such as technology penetration, customer readiness, and macroeconomic trends. These projections involve significant uncertainty and may be affected by variables beyond our control, such as slower-than-expected adoption of automation technologies, delayed transformation by industrial customers, and fluctuations in government incentives or regulatory support. If our underlying assumptions prove inaccurate or the market evolves differently than anticipated, our business opportunities could be significantly narrower than projected.

In addition, the commercialization cycle for industrial embodied AI robotic solutions often involves extensive customer education and customization. Any delay in market development or lower-than-expected customer demand could limit our revenue growth and profitability, and materially and adversely affect our business, financial condition and results of operations.

If we fail to maintain existing customers and attract new customers, or fail to do so in a cost-effective manner, our business may be adversely affected.

Our success depends, in part, on our ability to attract new customers and retain our existing customers in a cost-effective way. We spend on advertising, promotion and other marketing activities to acquire new customers, and we expect our sales and marketing expenses to increase in the future in absolute amount as we continue to implement strategies to increase awareness of our brand and our industrial embodied AI robotic solutions.

While we seek to structure our marketing activities in the manner that we believe is most likely to encourage customers to purchase our industrial embodied AI robotic solutions, we may fail to identify opportunities that satisfy our anticipated return on sales and marketing expenses as we scale our investments or to fully understand or estimate the conditions and factors that drive customer behavior. If any of our marketing activities prove less successful than anticipated in retaining existing customers or attracting new customers, we may not be able to recover such expenses and our sales results may fail to meet our expectations, either of which could have an adverse effect on our business, financial condition and results of operations.

RISKS RELATED TO OUR OPERATIONS

We may not be able to fully maintain quality control over our solutions. Any undetected defects or serious errors contained in our solutions could result in accidents, reduce market adoption, damage our brand image, subject us to product recalls or expose us to product liability and other claims that could materially and adversely affect our business.

Despite our efforts to implement stringent quality assurance protocols throughout our R&D and production process, we cannot assure you that our solutions will be free from defects, malfunctions, software bugs or security vulnerabilities. The development of industrial embodied AI robotic solutions, particularly those involving complex control systems, navigation models and embedded software and algorithms, can present technical challenges. Some defects or errors may not be identified until after the solutions have been delivered and used in real-world environments. Defects in our solutions may compromise safety, disrupt critical operations, or lead to unintended consequences for our customers, many of whom rely on our solutions for key automation tasks within their production lines. Any such issues may require costly recalls, repairs or replacements, delay customer adoption, or trigger warranty claims. In more severe cases, we may be subject to product liability lawsuits or contractual claims seeking compensation for operational disruptions or losses suffered by our customers.

Furthermore, product defects, whether actual or perceived, could significantly harm our brand image and undermine customer trust, especially as we scale our presence across different markets and industries. Even isolated incidents may receive heightened scrutiny or negative publicity, particularly in sectors where safety, reliability and stability are paramount. If we are unable to detect and address such issues promptly, or if our remedies fail to meet customer expectations, we may suffer a loss of reputation, reduced customer retention and diminished competitive positioning, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

We cannot guarantee that our growth strategies will be successfully implemented or bring about outcomes as we expected.

We continue to execute a number of strategies to expand our business. See "Business — Our Strategies" and "Future Plans and Use of **[REDACTED]**." However, expanding our business involves risks and challenges. These business initiatives are new and evolving, some of which may prove unsuccessful. It may also take a longer time than expected for us to develop the technologies and build market acceptance of our products, and we may not have sufficient experience in executing these new business initiatives effectively. We cannot assure you that any of these new business initiatives will achieve our expected market acceptance and generate the desired outcome. If our efforts fail to enhance our monetization abilities, we may not be able to maintain or increase our revenues or recover any associated costs, and our business, financial condition and results of operations may be materially and adversely affected.

We have a limited track record in commercialization of our business, which makes it difficult to forecast our future results of operations, and our historical growth may not be indicative of our future performance.

We have a limited track record in launching, sales and marketing and commercialization of our industrial embodied AI robotic solutions. Our ability to successfully commercialize our business may involve inherent risks, longer timelines and higher costs as the consumer market for industrial embodied AI robotic solutions is still at its early stage of development. Any failure to achieve sustained market acceptance, meet evolving customer needs, or maintain product quality could result in reputational harm, lower sales, and a material and adverse effect on our business, financial condition and results of operations.

Additionally, our ability to accurately forecast future results is subject to uncertainties. Although our business has grown substantially during the Track Record Period, historical results may not be a meaningful basis for evaluation. We may face unforeseen expenses or delays and cannot assure similar growth rates to the past. Our revenue growth could slow or decline due to factors such as slowing demand, intensified competition, technological changes, a declining total addressable market, or our failure to capitalize on growth opportunities. If our assumptions regarding these risks and our future growth prove incorrect, our operation could be adversely affected.

We are susceptible to supply shortages and increased costs of components, which may materially and adversely affect our business, financial condition and results of operations.

Our ability to meet production targets and customer demand depends on the timely and sufficient supply of components from suppliers. We source the majority of our components from domestic suppliers, with a localization rate exceeding 90%. During the Track Record Period, purchase from our largest supplier accounted for 13.1%, 7.8% and 8.2% of our total purchases in 2023, 2024 and 2025, respectively, while our five largest suppliers collectively accounted for 33.2%, 23.2% and 19.4% of our total purchases in the same years. The stability of operations and business strategies of our suppliers are beyond our control, and we cannot assure you that we will be able to secure a stable relationship with such suppliers. Finding and qualifying alternative or additional suppliers and vendors is often a lengthy process and can lead to production delays, interruptions to our services, or additional costs, and such alternatives are sometimes not available at all.

We face risks which could have an adverse effect on our ability to meet customer demand, scale our supply chain and/or negatively impact our business operations and/or financial results, including: (i) any accidents and natural disasters faced by our suppliers at their facilities, (ii) bankruptcy or challenges of financial solvency faced by our suppliers, (iii) a failure by our suppliers to procure raw materials or to provide or allocate adequate, or any, manufacturing or test capacity for our hardware, (iv) a failure by our suppliers to develop, obtain or successfully implement technologies, (v) a lack of direct control over delivery schedules or quantity and quality of our processing hardware and (vi) delays in hardware and materials shipments, shortages, a decrease in hardware quality and/or higher expenses in the event our partners prioritize our competitors' orders over our orders or otherwise.

Furthermore, we face risks of supply shortage caused by force majeure events. As demand for industrial embodied AI robotic solutions increases, shortages in components may drive up procurement costs. If we fail to mitigate these supply chain risks or secure sufficient quantities of components in a timely and cost-effective manner, our business, financial condition, results of operations and growth prospects could be materially and adversely affected.

We are exposed to risks when we expand our business overseas.

In 2023, 2024 and 2025, revenue from markets outside of Chinese mainland was RMB5.9 million, RMB14.8 million and RMB21.4 million, respectively, accounting for 5.5%, 5.8% and 6.3% of our total revenue in the same years, respectively. As international markets are expected to be a significant contributor to our long-term growth, we intend to continue expanding our global footprint. However, international expansion entails a number of inherent challenges and risks, including: (i) challenges in providing solutions, services and support, in recruiting personnel in non-domestic markets, and in managing sales channels and distribution networks effectively, (ii) revenue fluctuation from period to period in the future due to unfavorable market conditions, intensified competition, unattractive solutions and services, downward pressure on our selling price and any other inherent risks associated with our international business operations, (iii) challenges in commercializing our solutions in new markets where we have limited experience with the local market dynamics and no existing or developed sales, distribution and marketing infrastructure, (iv) challenges in tailoring our strategies to the unique needs of different geographic regions as we have limited understanding of local customer preferences and purchasing behaviors, (v) fluctuations in the price and availability of key components and raw materials required for our products and solutions, or shortages of such materials, which could increase our procurement costs or cause delays in production and delivery, (vi) difficulties in dealing with regulatory regimes, regulatory bodies and government policies with which we may be unfamiliar, in order to obtain permits, licenses and approvals necessary to manufacture or import, market and sell solutions in or to various jurisdictions, (vii) potentially reduced protection for our intellectual property rights and potential breach of third-party intellectual rights, (viii) differences in accounting treatment in different jurisdictions, potential adverse tax implications and foreign exchange losses, (ix) inability to effectively enforce contractual or legal rights and (x) changes in laws, regulations and policies as well as political, economic and market instability or civil unrest in the relevant jurisdictions.

If we are unable to effectively avoid or mitigate these risks, our ability to expand in non-domestic markets will be impaired, or our international business may not be able to achieve or sustain profitability, which could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Our business growth might be affected by our channel partner network.

Our channel partners play an important role in expanding our geographic footprints and driving sales of our solutions. In 2023, 2024 and 2025, channel partner sales accounted for 53.7%, 40.3% and 36.3% of our revenue in relation to the sales of our solutions, respectively. For further information on our channel partners, see "Business — Sales and Marketing — Our Sales Network."

A channel partnership model is inherently risky. We have limited control over the business operation of our channel partners and we cannot assure you that channel partners will operate their business in compliance with our channel partnership agreements, sales policies and the relevant laws and regulations. There is no assurance that our channel partners will be able to maintain a stable sales level. In the event of any material interruption to our relationship with channel partners, or upon termination of our relationship for whatever reasons, there is no assurance that we may be able to replace a distributor with comparable sales capability in a timely and cost-effective manner, or at all. There can be no assurance as to the financial interest of our channel partners and that they will not give higher priority to our competitors' solutions, thereby reducing their efforts to sell our solutions. As independent companies, channel partners make their own business decisions that may not always align with our interests. To enhance the marketability of our brands and the sales performance of our solutions, we generally allow our channel partners to use our brand names in the sales and promotion of our solutions. Nevertheless, the actual actions of our channel partners may be beyond our control and any wrongdoings (such as corruption, bribery or other illegal acts or actions generally considered detrimental to our brand value) committed by them while selling or promoting solutions, or otherwise using our brand names, will subject us to material reputation risks.

In addition, our business and our future growth are, in part, dependent on the ability of our channel partners to maintain and expand their distribution coverage. We may not be able to effectively maintain our business relationship with channel partners, or manage our distribution network, which could adversely affect our brand, results of operations and financial condition.

If we are unable to protect or promote our brand and reputation, our business may be materially adversely affected. Negative publicity or rumors about us, our solutions, our management, directors, employees, shareholders, customers, business partners or their affiliates or our industry in general may adversely affect our reputation and business.

We must maintain and enhance our brand identity while increasing market awareness of the reputation of our business and solutions. The successful promotion of our brand will depend on our efforts to achieve widespread acceptance of our solutions, attract and retain customers, maintain our current market position, and successfully differentiate our offerings from those of competitors. These efforts require substantial and increasing expenditures, and we cannot guarantee that these investments will yield sufficient revenue to offset the costs.

In addition, adverse publicity, with or without merit, may tarnish our reputation. Our brand value also depends on providing safe solutions that meet industry standards. Any damage to our reputation could reduce demand for our solutions, require significant resources to rebuild our brand, negatively affect our financial results, or reduce the **[REDACTED]** of our H Shares. A failure to enhance and protect our reputation could adversely affect our operation.

Confidentiality agreements and non-compete covenants with employees and other third parties may not adequately prevent the disclosure of trade secrets and other proprietary information.

We have devoted substantial resources to the development of our technology and know-how. Although we enter into employment agreements with confidentiality, non-compete covenants and intellectual property ownership clauses with our employees, we cannot assure you that these agreements will not be breached, that we will have adequate remedies for any breach in time or at all, or that our proprietary technology, know-how or other intellectual property will not otherwise become known to third parties. Similarly, if we recruit employees who breached confidentiality, non-compete covenants with their prior employers, we may become subject to claims that such employees have improperly used or disclosed trade secrets or other proprietary information in violation of their confidentiality, non-compete covenants in a way that benefits us. In addition, others may independently discover trade secrets and proprietary information, limiting our ability to assert any proprietary rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive position.

Any failure to offer high-quality maintenance and support services for our customers may harm our relationships with them and, consequently, our business.

Our ability to retain existing customers and attract new ones depends significantly on the quality of our after-sales services. During the Track Record Period, our customer base grew from 169 customers as of December 31, 2023 to 184 customers as of December 31, 2024 and further to 205 customers as of December 31, 2025. If we are unable to acquire new customers or retain our existing customers, we could experience a material decline in our revenue and market share. As our customer base and geographic presence expand, we must scale our support network. However, we may not be able to recruit sufficient qualified personnel, which could result in an inability to respond quickly to customer support demands or to modify our services to remain competitive.

During the Track Record Period, our employee benefit expenses related to our sales personnels amounted to RMB28.9 million, RMB32.2 million and RMB37.7 million. Increased demand for support and maintenance will raise our costs, particularly as we expand into regions with higher labor costs or more stringent regulations, which may harm our results of operations. While our customer repurchase rate exceeded 70% in 2025, there is no assurance that we will be able to maintain such repurchase rates in the future. Since our ability to attract new customers is highly dependent on our business reputation and positive customer recommendations, any failure to maintain high-quality support services, or the perception that we do not, would harm our business.

Our business is subject to a variety of local and overseas laws, rules, policies and other obligations regarding cybersecurity, privacy and data protection.

During our business operation, we may obtain the business contact information from customers, channel partners, or suppliers, or process other business information that does not contain personal information, to the extent necessary for facilitating our transactions with them and in accordance with the relevant laws and regulations on data privacy and security in China. See "Business — Data Security and Privacy." As we expand our global presence, we are subject to local and overseas laws relating to cybersecurity and data privacy. In many cases, these laws apply not only to third-party transactions, but also may affect transfers of personal information among us and our overseas subsidiaries. For instance, our operations in the United States are governed by a range of federal and state laws and regulations on data protection, privacy, and information security. See "Regulatory Overview — Regulations Relating to Cybersecurity, Privacy and Data Security." 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, which could adversely affect our business, results of operations and financial condition.

Failure to comply with these regulations could expose us to significant penalties, legal liability, and reputation damage.

We may be subject to the risks associated with export controls, economic sanctions and investment restrictions, and our business, financial condition and results of operations may be materially and adversely affected.

Our business operations and financial performance are subject to various international trade policies, trade protection measures, export controls and economic or trade sanctions. In particular, the U.S. government imposed economic and trade sanctions directly or indirectly affecting China-based companies, notably through the Export Administration Regulations (the "**EAR**"), administered by the Bureau of Industry and Security of the U.S. Department of Commerce (the "**BIS**"). These regulations impose extraterritorial restrictions and may affect non-U.S. entities if such activities involves a U.S.-nexus. The U.S. has also through executive orders, passing of legislations or other governmental means, implemented economic sanctions targeting specific countries, sectors, entities or individuals. Such laws and regulations are subject to frequent changes, and their interpretation and enforcement involve substantial uncertainties, which may be heightened by national security concerns or driven by political and/or other factors that are beyond our control.

The aforementioned trade restrictions could impact our ability to supply customers of affected countries, territories and entities and could restrict our ability to obtain components and technologies we incorporate in or use to develop our products and solutions. While our current business activities should not give rise to material risks under applicable international sanctions and export controls, we cannot assure you that regulators will not take the position that our past, current or future activities globally constitute sanctionable activities or business. In addition, because sanctions programs evolve over time, new requirements or restrictions could come into effect which may increase scrutiny on our business or result in our business activities being deemed to violate sanctions. Non-compliance with or violations of such international trade policies, trade protection measures, export controls and economic or trade sanctions could subject us to whistleblower complaints, adverse media coverage, investigations and severe administrative, civil and criminal sanctions, collateral consequences, remedial measures and legal expenses, all of which could materially and adversely affect our business, reputation, financial condition and results of operations.

The current U.S. administration has also frequently imposed tariffs pursuant to various legal authorities. Particularly targeting Chinese-origin goods, the U.S. has since February 2025 imposed various tariffs, mainly under (i) section 301 of the Trade Act of 1974 of the U.S. (generally 7.5% to 25% across product lists covering electronics and machinery); (ii) section 232 of the Trade Expansion Act of 1962 of the U.S.; and (iii) the International Emergency Economic Powers Act ("**IEEPA**") tariffs (10% fentanyl-related tariffs and 10% baseline tariffs on all products from China). Since the U.S. Supreme Court struck down all tariffs imposed under the IEEPA tariffs on February 20, 2026, the current administration has announced a 15% cross-the-board tariffs instead.

We may also be affected by laws governing foreign investment. In particular, we believe we are a "covered foreign person" under the U.S. Outbound Investment Security Program (the "**OISP**", established by Executive Order 14105), because our Group engages in the development of artificial intelligence systems intended to be used for the control of robotic systems, which is a covered activity under the OISP, although there is no assurance that the U.S. Department of the Treasury will take the same view. Given the nature of our activities, we believe that the purchase of shares through the **[REDACTED]** would not be a prohibited transaction under the OISP, but that U.S. persons would be required to notify the U.S. Department of Treasury of their participation in the **[REDACTED]**. Under U.S. Department of the Treasury guidance published in December 2025, a U.S. person's acquisition of an equity interest pursuant to a subscription agreement or similar arrangement (including a standby underwriting agreement) qualifies as an excepted transaction if, at the time of acquisition, the equity interest constitutes a "publicly traded security" under the OISP, regardless of when the agreement was entered into, and assuming the U.S. person would not also be afforded rights beyond "standard minority shareholder protections." Neither the OISP nor the Treasury guidance defines the exact time of acquisition. We believe that a conservative approach would assume acquisition occurs at settlement, when the investor receives the shares. If settlement of H shares purchased by U.S. persons occurs after 9:00 a.m. on the Listing Date, those shares would qualify as publicly traded securities. However, if settlement occurs before 9:00 a.m. on the Listing Date — when the H shares are not yet publicly traded (as is the case for **[REDACTED]**) — it remains uncertain whether the publicly traded securities exception applies. While the provisions of the OISP itself have no implications on our Group's business operations and financial performance, and the OISP also has no impact on the **[REDACTED]** Investments made by U.S. persons in us made before the OISP's effective date (i.e., January 2, 2025), including those by SIG China, SOSV IV and SOSV Select, the OISP may nonetheless increase compliance burdens on U.S. investors and negatively impact our ability to raise capital in the future. The OISP may be subject to future changes due to recent regulatory developments such as the enactment of the Comprehensive Outbound Investment National Security Act of 2025 ("**COINS Act**"), and we cannot predict how the OISP will be enforced, nor can we guarantee that there will not be a change in interpretation to broaden its application, or an enactment of similar laws or regulations that impinge upon our business activities in the future. In such a case, the **[REDACTED]**, the future prevailing market price and the liquidity of our H shares may be adversely affected. It could also be detrimental to our business, financial condition and prospects.

If we fail to obtain and maintain the requisite licenses and approvals required in any jurisdiction where we operate, our business, financial conditions and results of operations may be materially and adversely affected.

The industrial embodied AI robotic industry and the industry sectors in which we provide our industrial embodied AI robotic solutions are subject to the regulatory oversight of a number of governmental authorities, including but not limited to the Market Supervision Administration and China Customs. We are required to obtain and maintain the requisite licenses and approvals required in China and in other jurisdictions where we operate. See "Business — Licenses, Approvals and Permits." Compliance with the relevant regulations may require substantial expense and non-compliance may expose us to penalties. There is no assurance that we can successfully update or renew the licenses, permits, certificates and approvals required for our business in a timely manner or at all, or that these licenses, permits, certificates and approvals are sufficient to conduct all of our present or future business. There are uncertainties regarding the interpretation and implementation of existing and future laws and regulations governing our business activities. If we fail to complete, obtain or maintain any of the required licenses, permits, certificates and approvals or make the necessary filings, we may be subject to various penalties, such as imposition of fines and the discontinuation or restriction of our operations. Any such penalties may affect our business operations and materially and adversely affect our business, financial condition and results of operations.

We may not be able to protect our intellectual property rights globally, and our ability to compete could be harmed if our intellectual property rights are infringed by third parties.

Our success depends in a large part on our ability to protect our proprietary technologies as well as our solutions from competition by obtaining, maintaining and enforcing our intellectual property rights. We have been protecting the proprietary technologies that we consider commercially important by, among others, filing patent applications in China and other jurisdictions. As of the Latest Practicable Date, we had 241 registered patents and filed 130 patent applications which were pending approval domestically and internationally . See "Business — Intellectual Property."

The patent application process may be expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner, if at all. In addition, we may fail to identify patentable aspects of our research and development outputs before it is too late to obtain patent protection. As a result, we may not be able to prevent competitors from developing and commercializing competitive solutions in all such fields. Patents may be invalidated, and patent applications may be denied for several reasons, including known or unknown deficiencies in the patent application or the lack of novelty in the underlying invention or technology. Even if our patent applications are successfully granted, the scope of protection may be limited and may not effectively prevent competitors from developing similar or alternative technologies or solutions without infringing our rights. As a result, granted patents may not offer meaningful protection or competitive advantage. Our patents may also be challenged in courts or by patent offices in other jurisdictions, and the grant of a patent does not guarantee its validity, scope, enforceability or rightful inventorship.

Further, the life of a patent and the protection it affords are limited. We may face competition for any approved solutions even if we successfully obtain patent protection once the patent life expires for such solutions. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and competitive position.

We may infringe intellectual property rights of third parties, which can lead to time-consuming and costly intellectual property infringement claims, and we may have to redesign or discontinue selling relevant solutions.

Competitors with large patent portfolios may claim our solutions infringe their patents. We cannot assure you that our solutions will not infringe third-party intellectual property rights. We face risks from infringement claims arising from our operations or solutions. Licensed technologies we rely on may also be subject to infringement claims.

Companies in our industry may use intellectual property litigation for competitive advantage. Infringement analysis involves complex and uncertain issues. We face risks that employees may use proprietary information from previous employers, or that patents they file could be claimed by former employers, resulting in disputes or loss of rights. Competitors may also have non-public patent applications or unsearched trademark rights. Our efforts to avoid infringing third-party rights may not be successful. Any claims of patent or other intellectual property infringement, regardless of their merit, could: (i) be expensive and time-consuming to defend; (ii) cause us to pay substantial damages to third parties; (iii) forbid us from making or selling solutions that incorporate the challenged intellectual property; (iv) require us to redesign, reengineer or rebrand our solutions; (v) cause us to enter into royalty or licensing agreements in order to obtain the right to use a third-party intellectual property, which may not be available on terms acceptable to us or at all; (vi) divert the attention of our management; or (vii) result in customers terminating, deferring or limiting their purchase of the affected solutions until resolution of the litigation.

If we fail to successfully defend against such claims, we may be prohibited from using certain intellectual property, be subject to substantial damages or fines, or be ordered to cease certain operations. This could adversely affect our operation and tarnish our reputation.

In addition to patented technology, we rely on our unpatented proprietary technology, trade secrets, processes and know-how as well as our copyrights.

We rely on unpatented proprietary information, such as trade secrets and know-how, which we protect through confidentiality agreements with our employees, consultants, and other third parties. These agreements may be breached, fail to prevent disclosure or misappropriation, or offer an inadequate remedy. We have limited control over trade secrets used by our partners, and our proprietary information could become known or be independently developed by competitors. Disputes may also arise over rights to inventions if our personnel use intellectual property owned by others. Enforcing our rights could require costly and time-consuming litigation, and a failure to protect our proprietary information could adversely affect our competitive position, especially as laws in certain markets may offer little protection for trade secrets. While we selectively register copyrights for software, the absence of internationally harmonized laws makes consistent protection difficult. We also use physical and electronic security measures, but cannot assure they will not be breached. There is a risk that third parties may improperly obtain our proprietary information, and we may be unable to detect this or take timely steps to enforce our rights.

Any interruption in our operation process may have an adverse impact on our business.

Our operation process covers from R&D, production, storage, logistics, marketing and sales to after-sales services. Any interruption or failure in the operation process, which involves use of raw materials, parts and components supplied by third-party vendors, could result in product quality or safety problems and other regulatory or environmental risks that may have an adverse impact on our business. Our operation process may be disrupted by fire, flood, earthquake, power outage, telecommunications failure, security breach, and other incidents that are beyond our control. Any interruption in the operation may render us unable to fulfill the orders placed with us in a timely manner and/or design and supply robotic solutions to the customer's satisfaction or at all. In addition, the use of the more advanced, complex and costly technologies and equipment may further increase our exposure to operational risks and the difficulty in timely repair or replacement. In addition, our ability to manufacture and supply solutions and our ability to meet our delivery obligations to our customers would be significantly disrupted and our relationships with our customers could be damaged. Any interruption in the operation throughout our entire operation process for an extended period could cause us to suffer financial loss and reputational harm, which may adversely affect our business, results of operations and financial condition.

Our technology infrastructure may experience unexpected system failure, interruption, inadequacy, security breaches or cyber-attacks.

We have two industry-specific software systems: YOUI TMS and YOUI INS. Users must be continuously connected to our MAIC model using YOUI TMS and YOUI INS software systems in order to control and monitor our robots. All of our software systems are designed for continuous 24/7 operation. Therefore, the stability and reliability of our underlying technology infrastructure are critical to our customers' operations. Our technology infrastructure may encounter disruptions or other outages caused by problems or defects in our own technologies and systems, such as malfunctions in software or network overload. Our technology infrastructure may be vulnerable to damage or interruption caused by telecommunication failures, power loss, human error, cyber-attacks or other accidents. Despite any precautionary measures we may take, the occurrence of unanticipated problems that affect our technology infrastructure could result in interruptions in the availability of our solutions and services. There is no assurance that we can respond to such interruptions in a timely manner, or at all. Such interruptions may affect the ability of customers to use cloud-based features of our solutions and services, which would damage our reputation, reduce our future revenues, harm our future profits, subject us to regulatory scrutiny and lead our customers and end-users to seek alternative solutions and services.

Furthermore, our technology infrastructure is also vulnerable to damages from fires, floods, earthquakes and other natural disasters, power loss and telecommunication failures. Any network interruption or inadequacy that causes interruptions to our operations, or failure to maintain the network and server or solve such problems in a timely manner, could reduce our customer and user satisfaction, which in turn could adversely affect our reputation, business and financial condition.

Failure to detect or prevent fraudulent or illegal activities or other misconduct by our employees, suppliers, customers or other third parties may materially and adversely affect our business.

We are exposed to fraudulent or illegal activities or other misconduct by our employees, suppliers, customers, channel partners or other third parties, that could subject us to liabilities, fines and other penalties imposed by government authorities. We cannot assure you that we will be able to prevent fraud or illegal activity by such persons or that similar incidents will not occur in the future. Any illegal, fraudulent, corrupt or collusive activity by our employees, suppliers, customers or other third parties, including, but not limited to, those in violation of anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws, could also subject us to negative publicity that could severely damage our brand and reputation and subject us to significant financial and other liabilities to third parties and fines and other penalties imposed by government authorities. Accordingly, our failure to detect and prevent fraudulent or illegal activities or other misconduct by our employees, suppliers, customers or other third parties could materially and adversely affect our business.

We may be subject to late payment fines or other penalties for our failure to fully contribute to social insurance and housing provident funds for some of our employees, and for engagement of third-party human resource agencies.

As required by PRC laws and regulations, a company that enters into an employment contract with an employee shall be the one to make social insurance and housing provident fund contributions in full for such employee. During the Track Record Period, we had not made social insurance and housing provident fund contributions for some of our employees in full, and certain of our subsidiaries engaged third-party human resource agencies to pay social insurance and housing provident funds for certain of our employees. The shortfall of social insurance and housing provident fund contributions amounted to RMB3.9 million, RMB4.2 million and RMB4.9 million in 2023, 2024 and 2025, respectively. As of the Latest Practicable Date, we did not receive any fines or penalties with respect to these incidents or any request from the competent government authority to settle the outstanding amount of social insurance payments and housing provident fund contributions. However, there can be no assurance that the competent government authorities will not require us to settle the outstanding amount within the specified time limit or impose late payment penalties on us, which may adversely affect our business, financial position and results of operations. If the third-party human resource agency fails to pay the social insurance or housing provident funds for and on behalf of our employees as required under applicable PRC laws and regulations, we may be ordered to rectify such failure by paying full contributions to social insurance and housing provident funds for our employees.

On July 31, 2025, the Supreme People's Court of the PRC has issued the Interpretation II by the Supreme People's Court of the PRC on Legal Issues in the Trial of Labor Dispute Cases* (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)) (the "Interpretation II"), which takes effect from September 1, 2025. Pursuant to the Interpretation II, any arrangement not to participate in social insurance, either by unilateral undertaking or mutual agreement, is invalid. Further, the Interpretation II specifies that if the employee terminates the labor contract on the grounds that the employer has failed to make social insurance contributions as required by law, and claims economic compensation from the employer, the People's Court of the PRC shall uphold the claim. During the Track Record Period and as of the Latest Practicable Date, (i) there is neither any written agreement with any employee nor any verbal undertaking provided by an employee, waiving our obligation to pay social insurance contributions and (ii) we did not receive any employee disputes regarding social security and housing provident fund matters, nor any arbitration or litigation documents in connection with relevant labor disputes. If required by competent authorities or employees, we have committed to rectifying any non-compliance in social insurance contributions. As advised by our PRC Legal Advisor, the Interpretation II does not expand our penalty exposure, which would not have a material adverse impact on our business operation. However, if the relevant PRC authorities hold a different view with us and determine that we are not in compliance with the Interpretation II, our results of operation, financial conditions, business and prospects may be adversely affected.

We may face penalties for the non-registration of our lease agreements in China.

As of the Latest Practicable Date, two of the properties we and our major subsidiaries leased for production facilities and office space in the PRC had not conducted filing registration with the relevant PRC government authorities. As advised by our PRC Legal Adviser, failure to complete the lease registration will not affect the validity of the lease agreements according to PRC law, but we may have a maximum penalty of RMB10,000 imposed on us for each non-registered lease if we fail to complete the registration of any of our future lease agreements after we are requested to do so by the competent PRC government authorities. See "Business — Properties."

We cannot assure you that our lessor will cooperate with us to register such leases due to factors beyond our control or our use of the relevant properties will not be further challenged in the future. Any of these may have an adverse effect on our results of operation, financial conditions, business and prospects.

We, our directors, management, employees and shareholders and their affiliates may be subject to lawsuits, contract disputes, employment-related controversies, and other legal and administrative proceedings or fines, which could have a material adverse effect on our business, results of operations, financial condition and reputation.

We may be involved in commercial or contractual disputes, legal and administrative proceedings, and claims arising out of the ordinary course of our business. We cannot assure you that we will not be involved in various disputes in the future, which may expose us to additional risks and losses. In addition, existing or future disputes, proceedings and claims may be costly to defend or resolve. We may have to pay legal costs associated with such disputes, including fees relating to appraisal, auction, execution and legal advisory services. Litigation and other disputes may lead to inquiries, investigations and proceedings by regulatory authorities and other governmental agencies. Any claims, disputes, inquiries, investigations and proceedings may result in damage to our reputation, additional operating costs and diversion of resources and management's attention from our core business. The disruption of our business due to judgment, arbitration and legal proceedings against us or adverse adjudications in proceedings against our Directors, senior management or key employees may materially and adversely affect our reputation, business, financial conditions and results of operations.

Strategic alliances may have a material and adverse effect on our business, financial condition and results of operations.

We may in the future enter into strategic alliances with various third parties, such as key component manufacturers, robot design companies and developing companies. Strategic alliances with third parties could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the counterparty, and an increase in expenses incurred in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have little ability to control or monitor their actions. To the extent strategic third parties suffer negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our reputation by virtue of our association with such third parties. In addition, we may acquire additional assets, technologies or businesses that are complementary to our existing businesses.

We face exposure to foreign currency risks.

We are exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. We recorded net foreign exchange gain of RMB113.0 thousand in 2023, and we recorded net foreign exchange loss of RMB66.0 thousand and RMB256.0 thousand in 2024 and 2025, respectively.

Our overseas businesses are generally settled in local currencies. Significant fluctuations in exchange rates between the RMB and other currencies may result in changes in operating income, impact gross profit levels, and lead to exchange gains or losses between the recognition of sales and the receipt of foreign currency.

We are exposed to the credit risks relating to our trade and bills receivables.

We are subject to the credit risks of our customers. Our profitability and cash flow are dependent on our receipt of timely payments from our customers. During the Track Record Period, our contractual credit term with customers generally ranged from 30 to 120 days. However, there can be no assurance that the collection of amounts due from our customers will be timely. This might result in slow turnover of our trade and bills receivables and restrict our working capital resources. For the same years, the turnover days for our trade and bills receivables were 165.9 days,139.7 days and 208.9 days, and our expected credit loss allowance on trade receivables amounted to RMB4.5 million, RMB12.3 million and RMB23.5 million as of December 31,2023, 2024 and 2025, respectively. We seek to maintain stable and long-term relationships with our customers and, as part of this strategy, we offer extended credit terms to certain customers. These customers primarily comprise those with a repurchase history or customers that demonstrated strong creditworthiness, such as listed companies, state-owned enterprises, leading companies in their respective industries and strategic customers with whom we intended to deepen our cooperation. For such customers, the average extended credit terms (including the original contractual credit terms), weighted by the respective trade receivables balances, ranged from approximately 150 days to 270 days as of December 31, 2023, 2024 and 2025. Our trade receivables turnover days are also affected by the payment cycles of certain customers, whose payments to us are in turn dependent on the timing of payments from their own end-customers. The timing of such payments typically depends on project milestones, including completion of system integration, on-site deployment and/or end-customer acceptance of the relevant project. In addition, certain customers' payment schedules are influenced by their internal budget approval and settlement procedures, which may be extended or delayed due to factors beyond our control. During the Track Record Period to the Latest Practicable Date, we did not have any litigation or material dispute with these customers. If any of our customers faces unexpected situations, such as financial difficulties or deterioration in credit worthiness, there may be challenges in collecting full or partial payments from them and enforcing judgment debts against them could be difficult. These unforeseen circumstances may also render our judgments or estimations on expected credit loss allowance on trade receivables inaccurate, potentially resulting in higher losses than currently estimated. If we fail to receive payments from our customers on a timely basis, our cash flows and financial condition could be materially and adversely affected.

We may be subject to inventory obsolescence risk.

Our inventories were RMB130.9 million, RMB99.9 million and RMB49.9 million as of December 31, 2023, 2024 and 2025, respectively. For the same years, our inventory turnover days were 532.0 days, 251.4 days and 125.1 days, respectively. Our risk of inventory obsolescence may rise alongside the growth of our inventory levels with our continuous business expansion. We are unable to assure that our raw materials, work in progress and finished goods inventory levels will always remain appropriate. We determine inventory quantities based on internal projections of customer demand. If actual demand fall short of our projections, we may face risks associated with excess inventory, which may lead to higher storage costs and an increased likelihood of obsolete stock or write-offs. Conversely, if we underestimate demand, we might not sustain sufficient inventory levels, resulting in lost sales opportunities and a potential decline in market share to our rivals. Consequently, our business prospects, financial condition and operating results could experience significant adverse impacts.

We face risks related to natural disasters, health epidemics and other outbreaks of contagious diseases.

Our business could be adversely affected by natural disasters such as floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of a widespread health epidemic or any severe epidemic disease such as SARS, Ebola, Zika or the COVID-19, acts of war, terrorism or other force majeure events beyond our control. These events may disrupt our research and development, manufacturing and commercialization activities and business operations, all of which could adversely affect our business, results of operations, financial condition and prospects. In particular, these natural disasters, outbreaks of contagious diseases and other adverse public health developments could severely disrupt our business operations by damaging our technology infrastructure or information technology system or impacting the productivity of our workforce, which may adversely affect our financial condition and results of operations.

We may not have sufficient insurance coverage to cover our business risks.

We have obtained insurance to cover certain potential risks and liabilities, such as property insurance and employers' insurance. See "Business — Insurance." However, insurance companies in the PRC and other jurisdictions in which we operate may offer limited business insurance products. As a result, we may not be able to acquire any insurance for all types of risks we face in our operations in the PRC and overseas, and our coverage may not be adequate to compensate for all losses that may occur, particularly with respect to loss of business or operations. This potentially insufficient coverage could expose us to potential claims and losses. Any business disruption, litigation, regulatory action, outbreak of epidemic disease, adverse weather conditions or natural disasters could also expose us to substantial costs and diversion of resources. There can be no assurance that our insurance coverage will be sufficient to cover us for any loss or that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensation amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

Higher labor costs and inflation may adversely affect our business, results of operations, financial condition and prospects.

Rising inflation may be reflected in the prices of raw materials from our suppliers. Factors such as changes in minimum wage laws, labor market dynamics, or increased competition for skilled labor in the industry may lead to higher labor expenses. Such increases could exert upward pressure on the fees that we paid to our employees or other third-party service providers. Our ability to manage and mitigate the impact of rising labor costs through operational efficiencies, process improvements, or technological innovations will also significantly influence our competitiveness and financial performance. However, there is no guarantee that we will succeed in effectively managing the impact of rising labor costs. During the Track Record Period, our deployment costs amounted to RMB14.2 million, RMB21.5 million and RMB23.1 million in 2023, 2024 and 2025, respectively. If we are unable to manage these cost increases effectively and in a timely manner, our profitability, market share, and long-term growth prospects could be adversely affected. Moreover, higher cost for labor and raw materials might necessitate adjustments in service pricing, potentially making our solutions less competitive in the market. Attempts to pass on increased labor costs to customers through higher service fees could result in reduced demand or market share loss.

To address any ESG risks, we may incur additional costs, which may materially and adversely affect our financial performance.

To identify, manage, and mitigate ESG risks, we may incur additional costs and expenses which could impact our financial performance. Given the nature of our business, we do not produce any material generation of emissions and wastes and no heavy pollution. Nonetheless, we monitor environmental and climate-related risks that may impact on our business, strategy and financial performance and evaluate the magnitude of the resulting impact over the short-, medium- and long-term horizons. We monitor a wide range of indicators such as power consumption, emission of greenhouse gas, water consumption and waste generation to manage our environmental and climate-related risks arising from our operations and are committed to providing adequate support to our employees to nurture a friendly and inspirational corporate culture. This commitment may entail incurring substantial additional costs and would potentially impact our profitability. See "Business — Environmental, Social and Governance." In addition, the increasing ESG-related regulatory requirements, including various ESG disclosure mandates in the jurisdictions where we operate, may lead to rising compliance costs and cost of sales may rise. Failure to adapt to new regulations or meet evolving industry expectations and standards could result in consumers choosing solutions from other companies, which may materially and adversely affect our results of operations and financial conditions.

RISKS RELATED TO OUR FINANCIAL CONDITION AND NEED FOR ADDITIONAL CAPITAL

We have incurred net loss and operating cash outflows during the Track Record Period, and may not be able to achieve or subsequently maintain profitability in the future.

In 2023, 2024 and 2025, we incurred adjusted net loss under non-IFRS measure of RMB131.4 million, RMB81.2 million and RMB106.0 million, respectively. In addition, we recorded net cash outflows from operating activities of RMB94.4 million, RMB79.5 million and RMB185.0 million in 2023, 2024 and 2025, respectively. We may continue to incur net loss in the future, as we are in the stage of expanding our business and operations in the rapidly growing industrial embodied AI robotic industry and are continuously investing in R&D. We believe that our future revenue growth will depend on, among other factors, our ability to develop new technologies, enhance customer experience, establish effective commercialization strategies, compete effectively and successfully develop new solutions. We also expect our costs and expenses to increase in future periods as we continue to expand our business and operations and invest in R&D. In addition, we expect to incur substantial costs and expenses as a result of being a public company. If we are unable to generate adequate revenues and manage our expenses, we may continue to incur significant losses in the future and may not be able to achieve or subsequently maintain profitability. Our prior losses and expected future losses have had, and will continue to have, an adverse effect on business, financial position and results of operations.

We recorded net current liabilities and net liabilities during the Track Record Period. There is no assurance that we will record net current assets or net assets in the future.

As of December 31, 2023, 2024 and 2025, we recorded net current liabilities of RMB1,161.2 million, RMB1,392.6 million and RMB1,950.1 million, respectively, and net liabilities of RMB1,143.6 million, RMB1,373.7 million and RMB1,942.5 million, respectively. Our net current liability position and net liability position during the Track Record Period were primarily due to the changes in carrying amount of redemption liabilities. There can be no assurance that we will be able to record net current assets and net assets in the future. If we continue to record net current liabilities or net liabilities, we may face liquidity risks and may not be able to repay short term indebtedness. In addition, having significant net current liabilities or net liabilities could constrain our operational flexibility and adversely affect our planned expansion plans and our business operations. Any of these events may have a material adverse impact on our business, financial condition and results of operations.

Our cash conversion cycle is long and our cash flow may fluctuate due to customers' payment practice.

During the Track Record Period, we experienced prolonged cash conversion cycle. Our overall cash conversion cycle was 421.2 days, 161.9 days and 63.0 days for the years ended December 31, 2023, 2024 and 2025. The cash conversion cycle is calculated by adding inventory turnover days and trade and bills receivables turnover days, then subtracting trade and bills payables turnover days. In 2023, 2024 and 2025, respectively. The prolonged cash conversion cycle was primarily due to the relatively prolonged inventory turnover days and trade receivables turnover days. The significant decrease in our cash conversion cycle from 421.2 days for the year ended December 31, 2023 to 63.0 days for the year ended December 31, 2025 was primarily attributable to (i) an increase in turnover days of our trade and bills payables as we established relationships with our suppliers and enhanced bargaining power resulting from greater procurement in line with our business expansion and (ii) a decrease in our inventory turnover days driven by our enhanced inventory management efficiency. As our cash conversion cycle is relatively long and the exact timing of customer payments can be uncertain, if we accept a large number of significant orders at the same time and our suppliers demand immediate payment from us, we may not receive sufficient and timely cash inflows from other sales to cover the shortfall. If there is a material timing mismatch between when we receive payments from customers and when we must pay suppliers, and we fail to manage resulting cash flow fluctuations, our cash flow position, our business, results of operations and financial condition could be materially and adversely affected.

To manage our cash conversion cycle, we intend to (i) continue to strengthen our inventory management to reduce inventory turnover days, (ii) enhance our receivables collection efforts by closely monitoring the aging of trade receivables and proactively following up with customers on outstanding payments, (iii) negotiate more favorable payment terms with our suppliers to better align our payment obligations with our cash inflows and (iv) maintain adequate working capital reserves and banking facilities to address potential short-term cash flow mismatches. However, there can be no assurance that such measures will be effective or sufficient to fully mitigate the risks associated with our cash conversion cycle.

We have granted, and may continue to grant awards under our share incentive scheme, which may lead to higher share-based compensation expenses, impact our financial condition and operating results and dilute the shareholding of our existing shareholders.

We adopted share incentive plans including share-based compensation for the benefit of our Directors, Supervisors and employees to incentivize and reward the eligible persons who have contributed directly to our overall business performance and sustainable development. In 2023, 2024 and 2025, we incurred equity-settled shared-based payment expenses of RMB10.1 million, RMB10.2 million and RMB11.5 million, respectively. We believe the provision of share-based compensation to be highly important for attracting and retaining key personnel and employees. However, such share-based compensation expenses may potentially dilute the shareholding of our existing shareholders. We may continue to issue share-based compensation awards to employees in the future. Consequently, our share-based compensation expenses may rise, which could adversely impact our financial condition and operating results. We may reevaluate the vesting schedules, lock-up periods or other significant terms that apply to grants under the share incentive scheme from time to time. If we make such adjustments, we may see a considerable change in our share-based compensation expenses in the reporting periods following this **[REDACTED]**.

Our business strategies require a significant amount of capital. If we fail to obtain sufficient financing to support our business development, or may not be able to obtain financing on favorable terms, our business operation, financial condition, and prospects may be materially and adversely affected.

Our business and future strategy are capital-intensive and require substantial investments in, among other things, R&D, increasing the production capability and promotion and marketing of our industrial embodied AI robotic solutions. Our future capital requirements may be uncertain and actual capital requirements may be different from those we currently anticipate. We may seek equity or debt financing to finance a portion of our capital expenditures. If we fail to obtain sufficient capital in a timely manner or on favorable terms, or at all, our business, financial condition, and prospects may be adversely affected.

In addition, the issuance of additional equity or equity-linked securities could dilute our shareholders and decrease the dividend per share. The incurrence of indebtedness would result in an increase in debt service obligations and could result in operating and financing covenants that would restrict our operations or our ability to pay dividends to our shareholders.

Our business development benefited from favorable regulatory environment and supportive policies for the industrial embodied AI robotic industry and government grants. Any future reductions or withdrawal of governmental support or grants could materially and adversely affect our business, financial condition and results of operations.

Our growth and business development have benefited, and are expected to continue to benefit, from supportive government policies that promote the advancement of the industrial embodied AI robotic industry.

In 2023, 2024 and 2025, we recorded government grants of RMB10.3 million, RMB11.0 million and RMB5.2 million in consolidated statements of profit or loss, respectively. Any decision by governmental authorities to reduce, cancel, or require repayment of these grants, or any failure to obtain future grants, could adversely affect our business, financial condition, and results of operations.

RISKS RELATED TO DOING BUSINESS IN THE JURISDICTIONS WE OPERATE

Failure to fully adapt to development of the economic, political and social conditions, as well as government policies, laws and regulations, and industry practice guidelines in China could materially and adversely affect our business, financial condition, results of operations and prospects.

The majority of our business assets are located in Chinese mainland and the majority of our sales and revenue is currently derived from Chinese mainland. Accordingly, our business, financial condition, results of operations and prospects are subject to the economic, political and legal conditions in China. Please see "Regulatory Overview" for details. Laws, regulations and policies related to our industries will continue to evolve. If we cannot fully comply with these laws, regulations and policies, our business, financial condition, results of operations and prospects may be adversely affected.

Development in the legal system of certain geographic markets in which we operate could affect our operation.

Legal systems of the geographic markets where we operate vary significantly from jurisdiction to jurisdiction. Some jurisdictions have a civil law system based on written statutes and others are based on common law. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value.

The legal systems of some geographic markets where we operate are consistently evolving. Laws and regulations that were recently enacted may not sufficiently cover all aspects of economic activities in such markets. In particular, the interpretation and enforcement of these laws and regulations are subject to future implementations. Since local administrative and court authorities are authorized to interpret and implement statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings in many of the geographic markets where we operate. Local courts may have discretion to reject enforcement of foreign awards or arbitration awards. These unpredictable circumstances may affect our judgment on the relevance of legal requirements changes and our ability to enforce our contractual rights or claims.

It is possible that a number of laws and regulations may be adopted or construed to be applicable to us in the geographic markets where we operate and elsewhere that could affect our businesses and operations. Scrutiny and regulations of the industries in which we operate may further increase, and we may be required to devote additional legal and other resources to addressing these regulations. Changes in current laws or regulations or the imposition of new laws and regulations in our geographic markets may slow the growth of our industries and affect our business, financial condition and results of operations.

Changes of Regulations on currency exchange may affect our foreign exchange transactions, including our ability to pay dividends and other obligations, and may affect the value of your investment.

The conversion of Renminbi is subject to applicable laws and regulations in China. Under the current PRC foreign exchange system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the SAFE. However, we are required to present documentary evidence of such transactions and conduct such transactions at banks that have the licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account conducted by us, however, normally need to be approved by or be registered by the SAFE or its designated banks.

Under existing foreign exchange regulations, following the completion of the **[REDACTED]**, we will be able to pay dividends in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. However, any change in these foreign exchange policies or any insufficiency of foreign exchange may affect our ability to obtain sufficient foreign exchange for dividend payments to shareholders or to satisfy any other foreign exchange requirements, or to capitalize our capital expenditure plans, and even our business, financial conditions and results of operations, may be affected.

Non-PRC Holders of our H Shares may be subject to PRC income tax obligations.

Under the EIT Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between the PRC and a non-PRC investor's 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 non-PRC resident enterprises, which do not have an establishment or place of business in the PRC, or which have an establishment or place of business in the PRC if the relevant income is not effectively connected with such establishment or place of business. Any gains realized on the transfer of shares by such investors are subject to a 10% PRC income tax rate if such gains are regarded as income from sources within the PRC unless a treaty or similar arrangement provides otherwise.

Under the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》) and its implementation rules, dividends from sources within the PRC paid to foreign individual investors who are not PRC residents 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 a 20% PRC income tax rate, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws. Pursuant to the Circular on Questions Concerning the Collection of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) (Guo Shui Han [2011] No. 348) (國稅函[2011]348號) dated June 28, 2011, issued by the SAT, dividends paid to non-PRC resident individual holders of H Shares are generally subject to individual income tax of the PRC at the withholding tax rate of 10%, depending on whether there is any applicable tax treaty between the PRC and the jurisdiction in which the non-PRC resident individual holder of H Shares resides as well as the tax arrangement between the PRC and Hong Kong. Non-PRC resident individual holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20% withholding tax on dividends received from us. However, pursuant to the Circular Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) issued by the MOF of the PRC and the SAT on March 30, 1998, gains of individuals derived from the transfer of listed shares of enterprises may be exempt from individual income tax. In addition, on December 31, 2009, the MOF, the SAT and the CSRC jointly issued the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (Cai Shui [2009] No. 167) which states that individuals' income from the transfer of listed shares on certain domestic exchanges shall continue to be exempted from individual income tax, except for the relevant shares which are subject to sales restrictions as defined in the Supplementary Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of the Listed Shares Subject to Sales Limitations (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) (Cai Shui [2010] No. 70). As of the Latest Practicable Date, the aforesaid provision has not expressly provided that individual income tax shall be collected from non-PRC resident individuals on the sale of shares of PRC resident enterprises listed on overseas stock exchanges.

If the PRC income tax is imposed on gains realized from the transfer of our H Shares or on dividends paid to our non-PRC resident investors, the value of your investment in our H Shares may be affected. Furthermore, our Shareholders whose jurisdictions of residence have tax treaties or arrangements with the PRC may not qualify for benefits under such tax treaties or arrangements.

We may be subject to the approval or other requirements of the China Securities Regulatory Commission or other PRC governmental authorities in connection with future security activities.

We may, from time to time, undertake capital raising activities, including offerings of equity or debt securities in the PRC or overseas markets. In connection with such activities, we may become subject to approval, filing, registration or other regulatory requirements imposed by the CSRC or other relevant PRC governmental authorities, particularly the regulatory frameworks governing offshore listings and securities offerings by PRC-related entities. Any failure or delay in obtaining the necessary approvals or completing the required filings could materially and adversely affect our ability to access capital markets in a timely manner or on commercially favorable terms, which may in turn impact our funding strategy, expansion plans and overall financial condition.

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

We are a company incorporated under the PRC laws and a majority of our assets and subsidiaries are located in China. The majority of our Directors and senior management reside within China. The assets of these Directors and senior management also may be located within China. As a result, it may be complex for investors to effect service of process upon or to enforce judgments outside of Chinese mainland against us and most of our Directors and senior management outside China. A judgment of a court of another jurisdiction may be reciprocally recognized or enforced in Chinese mainland only if the jurisdiction has a treaty with Chinese mainland or if the jurisdiction has been otherwise deemed by the courts of Chinese mainland to satisfy the requirements for reciprocal recognition, subject to the satisfaction of other requirements. However, Chinese mainland is not a party to treaties providing for the reciprocal enforcement of judgments of courts with certain foreign countries such as the United States. On July 3, 2008, the Supreme People's Court promulgated the Arrangement between the Mainland and the HKSAR on Reciprocal Recognition and Enforcement of the Decisions of Civil and Commercial Cases under Consensual Jurisdiction (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the "2008 Arrangement"). Under the 2008 Arrangement, where any designated court of Chinese mainland or Hong Kong court has made an enforceable final judgment requiring payment of money in a civil and commercial case pursuant to a choice of court agreement, the party concerned may apply to the relevant court of Chinese mainland or Hong Kong court for recognition and enforcement of the judgment. The 2008 Arrangement took effect on August 1, 2008. On January 25, 2024, the Supreme People's Court promulgated 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 (關於內地與香港特 別行政區法院相互認可和執行民商事案件判決的安排) (the "2024 Arrangement"), which became effective on January 29, 2024. The 2024 Arrangement regulates, among others, the scope and particulars of judgments, the procedures and methods of the application for recognition or enforcement, the review of the jurisdiction of the court that issued the original judgment, the circumstances where the recognition and enforcement of a judgment shall be refused, and the approaches towards remedies for the reciprocal recognition and enforcement of judgments in civil and commercial matters between the courts in Chinese mainland and those in Hong Kong. However, the 2008 Arrangement will remain applicable to a "choice of court agreement in writing" within the meaning of 2008 Arrangement which is made before the effective date of 2024 Arrangement.

Any failure to comply with relevant regulations regarding the registration requirements for employee share incentive plans may subject our share incentive plan participants or us to fines and other legal or administrative sanctions.

In February 2012, SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company (《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》), replacing earlier rules promulgated in 2007. Pursuant to these rules, PRC citizens and non-PRC citizens who reside in China for a continuous period of not less than one year and participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent and complete certain other procedures. In addition, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We, our executive officers and other employees who are PRC citizens or who reside in China for a continuous period of not less than one year and who have been granted options of H shares will be subject to these regulations when we become an H-share listed company upon the completion of the **[REDACTED]**. Failure to complete SAFE registrations may subject them to fines and legal sanctions. In light of the above, we cannot assure you that the H shares incentive plans we implement in the future will comply with relevant arrangement under PRC law. In addition, the STA has issued certain circulars concerning employee share options and restricted shares. Under these circulars, our employees working in China who exercise share options or are granted restricted shares will be subject to PRC individual income tax. We have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes of those employees who exercise their share options. If our employees fail to pay or we fail to withhold their income taxes according to relevant laws and regulations, we may face sanctions imposed by the tax authorities.

RISKS RELATED TO THE [REDACTED]

There has been no prior public market for our H Shares, an active trading market for our H Shares may not develop following the [REDACTED] and the liquidity and market price of our H Shares may be volatile.

Prior to the **[REDACTED]**, there was no public market for our H Shares. We cannot assure you that a public market for our H Shares with adequate liquidity and trading volume will develop and be sustained following the completion of the **[REDACTED]**. The **[REDACTED]** for our H Shares was the result of negotiations between us, the **[REDACTED]** and the **[REDACTED]** on behalf of the **[REDACTED]**, and the **[REDACTED]** may differ significantly from the market price for our H Shares following 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 could be materially and adversely affected. The price and trading volume of our H Shares may be highly volatile. In addition, the Stock Exchange and other securities markets have, from time to time, experienced significant price and volume volatility that is not related to the operating performance of any particular company.

The liquidity, trading volume and market price of our H Shares following the [REDACTED] may be volatile, which could result in substantial losses to investors.

The price and trading volume of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the political uncertainties in Hong Kong and the general market conditions of the securities in Hong Kong and elsewhere in the world. In particular, the business and performance and the market price of the shares of other companies engaging in similar business may affect the price and trading volume of our H Shares. In addition to market and industry factors, the price and trading volume of our H Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, investments, expenditures, regulatory developments, relationships with our suppliers and customers, movements or activities of key personnel, or actions taken by competitors. Moreover, shares of other companies listed on the Stock Exchange with significant operations and assets in China 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 performance but related to the overall political and economic conditions in Hong Kong, China or elsewhere in the world.

You will incur immediate and significant dilution if the [REDACTED] of our H Shares is substantially higher than the net tangible book value per H Share, and may experience further dilution if we issue additional Shares in the future.

The **[REDACTED]** of the Shares is higher than the net tangible book value per Share immediately prior to the **[REDACTED]**. Therefore, purchases of the Shares in the **[REDACTED]** will 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 issue additional shares in the future to raise additional capital.

Future sales or perceived sales or conversion of substantial amounts of our securities in the public market, such as conversion of our Domestic Shares into H Shares, could have a material and adverse effect on the prevailing market price of our H Shares and our ability to raise additional capital in the future, or may result in dilution of your shareholdings.

Future sales, or perceived sales, of substantial amounts of our securities or other securities relating to our H Shares, including part of any future offerings, could also materially and adversely affect the prevailing market price of our H Shares and our ability to raise capital in the future at a time and at a price which we deem appropriate.

Although our existing shareholders are subject to restrictions on their sales of H Shares within 12 months from the Listing Date as described in "History, Development and Corporate Structure," future sales of a significant number of our H Shares by existing shareholders in the public market after the **[REDACTED]**, or the perception that these sales could occur, could cause the market price of our H Shares to decline and could materially impair our future ability to raise capital through **[REDACTED]** of our H Shares. We cannot assure you that our existing shareholders will not dispose of H Shares held by them or that we will not issue H Shares upon the expiration of restrictions set out above.

We cannot assure you when, whether and in what form or size we will pay dividends in the future.

Our ability to pay dividends will depend on whether we are able to generate sufficient earnings. Distribution of dividends shall be decided by our Board of Directors at their discretion and will be subject to the approval of the general meeting. A decision to declare or to pay dividends and the amount thereof depends on various factors. As a result, there can be no assurance whether, when and in what form we will pay dividends in the future. Subject to any of the above constraints, we may not be able to pay dividends in accordance with our dividend policy. See "Financial Information — Dividend."

Certain facts, forecasts and other statistics in the Document were obtained from government publications, which may not be reliable in terms of accuracy, competence or reliance.

Certain facts, forecasts and other statistics contained in this Document relating to China, the PRC economy and the industry in which we operate have been derived from various official government publications. We cannot assure you of the accuracy or completeness of information obtained from these sources. We have not independently verified any of the data, forecasts and other statistics from such sources, nor have we ascertained that the underlying economic assumptions relied upon in those sources. The information from various government publications contained in this Document may not be accurate and should not be given undue reliance as a basis for making your investment in our H Shares.

Forward-looking information in this Document is subject to risks and uncertainties.

This Document contains forward-looking statements and information relating to us and our operations and prospects that are based on our current beliefs and assumptions as well as information currently available to us. When used in this Document, the words "anticipate," "believe," "estimate," "expect," "plans," "prospects," "going forward," "intend" and similar expressions, as they relate to us or our business, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to risks, uncertainties and various assumptions, including the risk factors described in this Document. Should one or more of these risks or uncertainties materialize, or if any of the underlying assumptions prove incorrect, actual results may diverge significantly from the forward-looking statements in this Document. Whether actual results will conform with our expectations and predictions is subject to a number of risks and uncertainties, many of which are beyond our control, and reflect future business decisions that are subject to change. In light of these and other uncertainties, the inclusion of forward-looking statements in this Document should not be regarded as representations that our plans or objectives will be achieved, and investors should not place undue reliance on such forward-looking statements. All forward-looking statements contained in this Document are qualified by reference to the cautionary statements set out in this section.

You should read the entire Document carefully and we strongly caution you not to place any reliance on any information contained in press articles and other media regarding us and the [REDACTED].

Prior to the publication of this Document, there has been and there may also be, subsequent to the date of this Document but prior to the completion of the **[REDACTED]**, press and media coverage regarding us, our business, our industries and the **[REDACTED]**, which contained, among other things, certain financial information, projections, valuations and other forward-looking information about us and the **[REDACTED]**. We have not authorized the disclosure of any such information in the press or media and do not accept responsibility for the accuracy or completeness of such press articles or other media coverage. We make no representation as to the appropriateness, accuracy, completeness or reliability of any of such projections, valuations or other forward-looking information about us. To the extent such statements are inconsistent with, or conflict with, the information contained in this Document, we disclaim responsibility for them. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this Document only and should not rely on any other information.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

In preparation for **[REDACTED]**, our Group has sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong and, in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong.

All of our executive Directors currently reside in the PRC and in the future will not be ordinarily resident in Hong Kong. Since most of our Group's core business operations are based, managed and conducted outside of Hong Kong, our Group does not have, and in the foreseeable future will not have, a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for[, and the Stock Exchange has granted us,] a waiver from compliance with Rules 8.12 and 19A.15 of the Listing Rules subject to, among others, the following conditions:

(a) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives (the "Authorized Representatives"), Mr. Zhang and Ms. Leung Hoi Yan (梁愷欣) ("Ms. Leung"). The Authorized Representatives will act as our Company's principal channel of communication with the Stock Exchange. The Authorized Representatives will be readily contactable by phone and email to promptly deal with enquiries from the Stock Exchange. Ms. Leung is a permanent resident of and ordinarily resides in Hong Kong. Mr. Zhang, being ordinarily resident of the PRC, possesses valid travel documents and is able to renew such travel documents when it expires in order to visit Hong Kong. Accordingly, the Authorized Representatives will also be available to meet with the relevant members of the Stock Exchange on reasonable notice;

(b) each of our Authorized Representatives has means to contact all our Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters. Our Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time, when required. Each of our Directors has provided his/her respective mobile phone numbers, office phone numbers, fax numbers and/or email addresses (where available) to our Authorized Representatives. In the event that a Director expects to travel, he/she will endeavor to provide the phone number of the place of his/her accommodation to our Authorized Representatives or maintain an open line of communication via his/her mobile phone. Each of our Directors and Authorized Representatives has provided his/her mobile phone numbers, office phone numbers, fax numbers and/or email addresses (where available) to the Stock Exchange;

(c) pursuant to Rule 3A.19 of the Listing Rules, we have appointed Rainbow Capital (HK) Limited as our Compliance Advisor, which shall have access at all times to our Authorized Representatives, Directors, senior management and other officers of our Company, and will act as an additional channel of communication between the Stock Exchange and us upon **[REDACTED]**; and

(d) meetings between the Stock Exchange and our Directors could be arranged through our Authorized Representatives or the Compliance Advisor, or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange of any changes of our Authorized Representatives, the Directors and/or the Compliance Advisor as soon as practicable in accordance with this Listing Rules.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that 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).

Note 2 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following factors in assessing the "relevant experience" of the individual:

(a) length of employment with the issuer and other issuers and the roles he/she played;

(b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the 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.

Pursuant to Chapter 3.10 under the Guide published by the Stock Exchange, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

(a) whether the issuer has principal business activities primarily outside Hong Kong;

(b) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification nor Relevant Experience (both as defined under paragraph 11 of Chapter 3.10 under the Guide) as a company secretary; and

(c) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 13 of Chapter 3.10 under the Guide, such waiver, if granted, will be for a fixed period of time (the "Waiver Period") and on the following conditions:

(a) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(b) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company has appointed Mr. Wang Changqiu (王長秋) ("Mr. Wang") as one of our joint company secretaries. Mr. Wang has extensive experience in handling Board secretarial affairs and corporate management matters but presently 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, we have appointed Ms. Leung, who is an associate member of both the Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom and meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary to provide assistance to Mr. Wang for an initial Waiver Period of three years from the Listing Date to enable Mr. Wang 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. For details of their biographies, see "Directors and Senior Management — Joint Company Secretaries."

Given Ms. Leung's professional qualification and experience, she will be able to explain to both Mr. Wang and us the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Ms. Leung will also assist Mr. Wang in organizing Board meetings and Shareholders' meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Mr. Wang is expected to work closely with Ms. Leung and will maintain regular contact with Ms. Leung. In addition, Mr. Wang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to enhance his knowledge of the Listing Rules during the three-year Waiver Period from the Listing Date. He will also be assisted by the Compliance Advisor and our legal advisors as to the Hong Kong laws on matters in relation to our ongoing compliance with the Listing Rules and the applicable laws and regulations.

Since Mr. Wang does not possess the qualifications required of a company secretary under Rules 3.28 and 8.17 of the Listing Rules, based on the above reasons, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Mr. Wang may be appointed as a joint company secretary of our Company. The waiver is valid for an initial period of three years from the Listing Date on the conditions that (a) Mr. Wang must be assisted by Ms. Leung who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules throughout the Waiver Period; and (b) the waiver will be revoked immediately if and when Ms. Leung ceases to provide assistance to Mr. Wang as a joint company secretary or if there are material breaches of the Listing Rules by our Company.

Before the expiration of the initial three-year Waiver Period, the qualifications of Mr. Wang will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will liaise with the Stock Exchange before the expiration of the three-year period to enable it to assess whether Mr. Wang, having benefited from the assistance of Ms. Leung for the preceding three years, will have acquired the skills necessary to carry out the duties of a company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

Name	Address	Nationality
Executive Directors		
Mr. Zhang Zhaohui (張朝輝)	Room 110, Building 21 Zhonghangyuan, Zhonghang Road Futian District, Shenzhen Guangdong Province, PRC	Chinese
Dr. Bian Xu (邊旭)	Room 1423, 2 South, Building No.2 E Times, Heng Road, Pinghu Subdistrict Longgang District, Shenzhen Guangdong Province, PRC	Chinese
Mr. Zheng Hao (鄭昊)	Room 2318, Block A City Main Stadium Apartments Futian District, Shenzhen Guangdong Province, PRC	Chinese
Ms. Mei Wanqing (梅婉箐)	Room 613 and 614, 6th Floor HKUST Shenzhen Research Institute Building No. 9 Yuexing 1st Road Nanshan District, Shenzhen Guangdong Province, PRC	Chinese
Independent non-executive Directors		
Mr. Wang Xin (王欣)	Room 1904, 19th Floor Building 3, Courtyard No. 107 Chaoyang North Road Chaoyang District Beijing, PRC	Chinese
Dr. Yu Zhenzhong (于振中)	Room 1704, Building 16 Shuimu Garden, No. 4792 Susong Road Economic Development District, Hefei Anhui Province, PRC	Chinese
Ms. Chiu Mun Wai (招敏慧)	Flat E, 26th Floor L' Hiver (Tower 4), Les Saisons 28 Tai On Street, Sai Wan Ho Hong Kong	Chinese

For further information regarding our Directors, see "Directors and Senior Management" in this document.

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor, [REDACTED]	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
Legal advisers to our Company	*As to Hong Kong and U.S. laws:* **Linklaters** 11/F, Alexandra House Chater Road Central Hong Kong *As to PRC laws:* **Global Law Office** 27/F, Tower B China Resources Land Building No. 9668 Shennan Avenue Nanshan District Shenzhen PRC
Legal advisers to the Sole Sponsor and the [REDACTED]	*As to Hong Kong and U.S. laws:* **Paul Hastings (Hong Kong) LLP** 22/F, Bank of China Tower 1 Garden Road Central Hong Kong *As to PRC laws:* **Jingtian & Gongcheng** 34/F, Tower 3 China Central Place 77 Jianguo Road Chaoyang District Beijing PRC
Reporting Accountants and Independent Auditor	**KPMG** *Certified Public Accountants* *Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance* 8th Floor, Prince's Building 10 Chater Road Central Hong Kong

Industry consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square 1717 West Nanjing Road Jing'an District Shanghai PRC

[REDACTED]

CORPORATE INFORMATION

Headquarters and registered office in the PRC	Building 3 Northwest corner of Xianghe Road and Guanji Road intersection Feidong Economic Development Zone Feidong County, Hefei Anhui Province, PRC
Principal place of business in Hong Kong	46/F Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong
Company's website	**youibot.com** *(information on this website does not form part of this document)*
Joint Company Secretaries	Mr. Wang Changqiu (王長秋) Room 12A, Unit B, No. 12, Zhaoshanglanyuan West side of Dahe Road, Guanlan Street Bao'an District, Shenzhen Guangdong Province, PRC Ms. Leung Hoi Yan (梁愷欣) *Associate member of The Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom* 46/F, Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong
Authorized representatives	Mr. Zhang Zhaohui (張朝輝) Room 110, Building 21 Zhonghangyuan, Zhonghan Road Futian District, Shenzhen Guangdong Province, PRC Ms. Leung Hoi Yan (梁愷欣) 46/F, Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong
Audit Committee	Ms. Chiu Mun Wai (招敏慧) *(Chairperson)* Dr. Yu Zhenzhong (于振中) Mr. Wang Xin (王欣)
Remuneration Committee	Mr. Wang Xin (王欣) *(Chairperson)* Mr. Zhang Zhaohui (張朝輝) Dr. Yu Zhenzhong (于振中)
Nomination Committee	Mr. Zhang Zhaohui (張朝輝) *(Chairperson)* Ms. Chiu Mun Wai (招敏慧) Dr. Yu Zhenzhong (于振中)

CORPORATE INFORMATION

Compliance advisor	**Rainbow Capital (HK) Limited** Office No. 710, 7/F, Wing On House 71 Des Voeux Road Central Central, Hong Kong

[REDACTED]

Principal bank	**Industrial Bank Co., Ltd.** No. S2, Commercial Building, Binfengguandi South of Nanhuan Road, West of Yanhe West Road Dianbu Town, Feidong County Hefei City, Anhui Province PRC

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 Frost & Sullivan ("F&S"). We engaged F&S to prepare an independent industry report in connection with the **[REDACTED]** *(the "Frost & Sullivan Report"). The information from official government sources has not been independently verified by us, the Sole Sponsor,* **[REDACTED]**, *any of the* **[REDACTED]**, *any of their respective directors and advisors, or any other persons or parties involved in the* **[REDACTED]**, *and no representation is given as to its accuracy.*

Overview of Global and China's Embodied AI Robotic Solutions Market

Introduction of Embodied AI Robots

Embodied AI robots refer to robotic entities with physical bodies that are integrated with artificial intelligence (AI), allowing them to perceive, learn, and dynamically interact with their physical environment in a manner similar to humans. This integration enables the robots to exhibit intelligent and adaptive behaviors. Embodied AI robots emphasize the interaction between AI and the physical world. The robotic body allows the AI to perceive its surroundings through various senses (such as vision, tactility, sound, and force), understand problems, make decisions, and take actions. The main types of embodied AI robot products include mobile manipulation robots, autonomous mobile robots (AMRs), collaborative robots (cobots), and exoskeleton robots.

The core features of embodied AI robots include: (a) Physical Embodiment, which is the most significant difference between embodied AI and conventional AI applications. Embodied AI possesses a physical form; (b) Environmental Interaction: The robot uses its body to perceive and interact with the real world. It can actively explore, perceive, and manipulate its environment, and learn from these interactions; (c) Perception-Action Loop: Embodied AI emphasizes the importance of the perception-action loop. The robot perceives and transforms outside information into a cognitive understanding, and then makes decisions and takes action based on that understanding. The result of the action then influences subsequent perception, forming a continuous loop that constantly refines its intelligence; and (d) Autonomous Learning and Adaptability: Base on perception-action loop, an embodied AI robot can improve its intelligence and adapt its actions. Advanced embodied AI robots can even make autonomous decisions and execute tasks in complex and ever-changing environments.

Traditional robots are designed to perform precise, repetitive, pre-programed tasks in closed, structured environments. In contrast, an embodied AI robot is an intelligent agent that integrates an AI-based decision-making system with a robotic body, enabling it to autonomously perceive, understand, learn, make decisions, and act in open, dynamic environments. The emergence of embodied AI signifies a shift in the role of robots — from being mere production tools to becoming more versatile and adaptive intelligent productivity assistants. This will allow them to be integrated into a wider range of applications. The core differences between embodied AI robots and traditional robots are as follows:

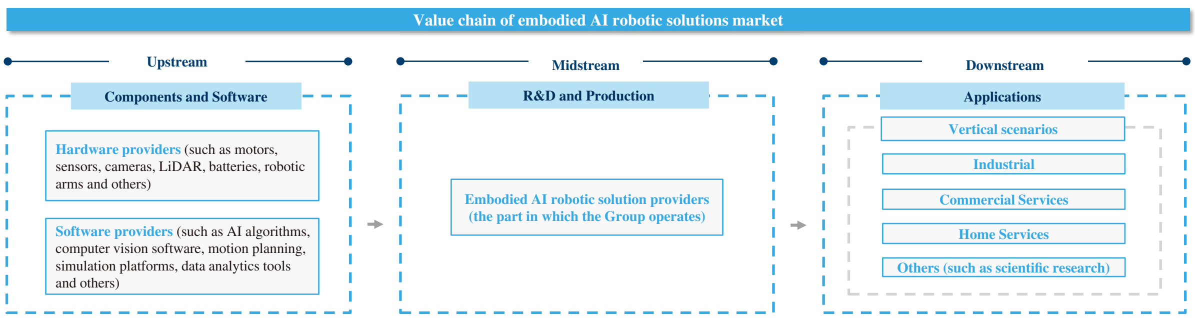
	Embodied AI Robots	Traditional Robots
Interaction with the Physical World	• Actively and dynamically interacts with the environment, using its body as a medium to acquire information and learn	• Perception capabilities are typically limited following predefined paths or relying on external guidance

	Embodied AI Robots	Traditional Robots
Programming and Deployment	• Can learn and be deployed through natural language instructions or a small number of demonstrations	• Deployment and programming require complex programming or coding by robotics engineers, which is time-consuming and complicated
Learning Mechanism	• Adopts a data-driven learning paradigm, integrating various AI technologies to optimize behavioral strategies through large datasets	• Primarily relies on control algorithms and interpreted code, with a relatively simple or limited learning mechanism, and performance is mainly optimized by adjusting parameters
Autonomous Decision-Making and Adaptability	• Possesses autonomous learning, inference, and decision-making capabilities	• Executes precise, predefined instructions; lacks the flexibility and adaptability to handle unforeseen changes
Generalization and Task Versatility	• Aims for general intelligence, capable of learning and performing various tasks, and can transfer knowledge between different tasks and environments	• Usually specialized tools designed for specific tasks and scenarios, lacking the ability to generalize across different tasks or scenarios
Examples of Product Types	• Mobile manipulation robots (including bipedal humanoid robots), autonomous mobile robots (AMRs), collaborative robots (cobots)	• Cartesian industrial robots, SCARA industrial robots

Sources : Frost & Sullivan

Value Chain of Embodied AI Robots

The upstream segment includes hardware providers and software providers. Hardware providers supply the physical components that form the foundation of robotic systems. This includes motors, sensors, cameras, LiDAR, batteries, robotic arms and others. Software providers focus on the intelligence and control systems that drive embodied AI robots. This includes AI algorithms, motion planning, simulation platforms, data analytics tools and others that allow robots to perceive their surroundings, make decisions, and execute tasks autonomously or collaboratively. The midstream segment centers on research, development and production to transform core technologies into complete embodied AI robotic solutions. The downstream segment involves the deployment and application of solutions across various industries, where robots are used to improve operational efficiency, automation, or productivity.



Market Size of Embodied AI Robotic Solutions

The global robotic solution market increased from RMB273.9 billion in 2020 to RMB472.6 billion in 2024 with a CAGR of 14.6%, and is expected to reach RMB1,080.4 billion in 2030. China's robotic solution market increased from RMB87.0 billion in 2020 to RMB170.8 billion in 2024 with a CAGR of 18.4%, and is expected to reach RMB462.3 billion in 2030.

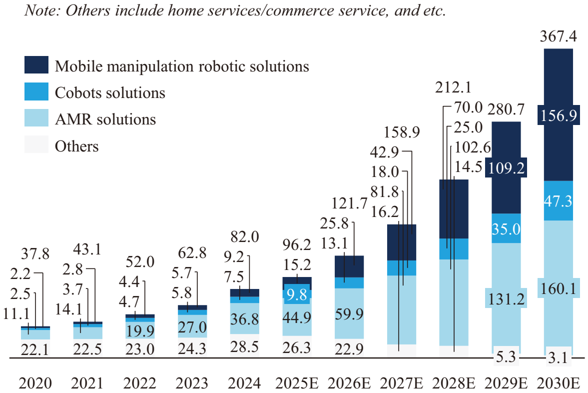
The global market size for embodied AI robotic solutions reached RMB82.0 billion in 2024 and is projected to grow further to RMB367.4 billion by 2030, with a CAGR of 30.7% from 2025 to 2030. The market size for embodied AI robotic solutions in China reached RMB28.7 billion in 2024 and is expected to further grow to RMB142.6 billion by 2030, with a CAGR of 32.7% from 2025 to 2030. In the global robotic solution market, the proportion of embodied AI robotic solution market in terms of revenue was 17.4% in 2024, and is expected to reach 34.0% in 2030. And that proportion in China's robotic solution market was 16.8% in 2024, and is expected to reach 30.8% in 2030.

Market Size of Embodied AI Robotic Solutions Globally and in China, in terms of revenue (RMB Billion)

Market Size of Embodied AI Robotic Solutions Globally, in terms of revenue
RMB billion, 2020-2030E

CAGR	2020-2024	2025E-2030E
Total	21.3%	30.7%
Mobile manipulation robotics solutions	43.4%	59.5%
Cobots solutions	31.6%	37.0%
AMR solutions	34.9%	29.0%
Others	6.6%	-34.8%

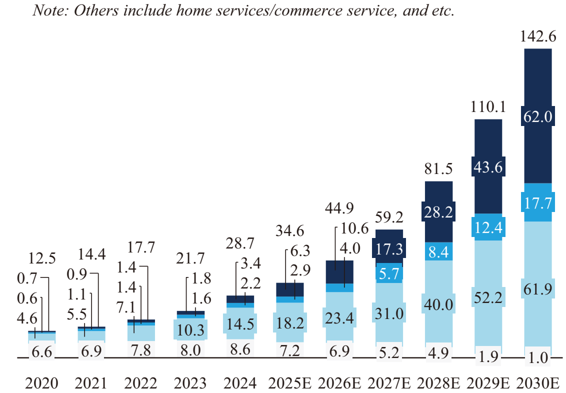
Note: Others include home services/commerce service, and etc.



Market Size of Embodied AI Robotic Solutions in China, in terms of revenue
RMB billion, 2020-2030E

CAGR	2020-2024	2025E-2030E
Total	23.1%	32.7%
Mobile manipulation robotics solutions	48.5%	58.0%
Cobots solutions	38.4%	43.6%
AMR solutions	33.2%	27.7%
Others	6.8%	-32.5%

Note: Others include home services/commerce service, and etc.



Sources: International Federal Robotics, Expert interviews, Frost & Sullivan

Overview of Global and China's Mobile Manipulation Robotic Solutions Market

Introduction of Mobile Manipulation Robots

Mobile manipulation robots are a type of embodied AI robot that combines both manipulation and mobility capabilities. They can perceive environmental changes in real-time and use efficient learning algorithms to optimize their behavior, enabling dynamic interaction with the physical environment. This allows them to exhibit a high degree of intelligence and adaptability, efficiently completing complex and varied tasks.

The core differences between mobile manipulation robots and single-function robots, such as Cobots and AMRs, are as follows:

Comparison between major types of embodied AI robots

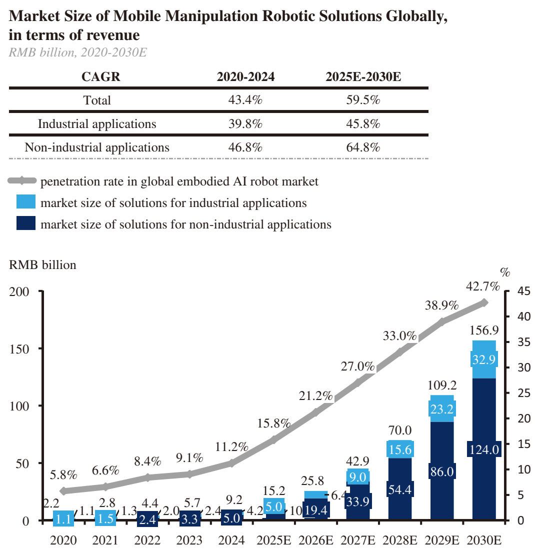
	Mobile Manipulation Robot	**Collaborative Robot (Cobot)**	**Autonomous Mobile Robot (AMR)**
Definition	A robot system that combine both manipulation and mobility capabilities for an intelligent mobile solution that can solve complex tasks in a variety of environments, and major types include wheeled mobile manipulation robots and bipedal mobile manipulation robots (as known as bipedal humanoids)	An industrial robot designed to safely operate alongside humans in a shared workspace, enabling direct human-robot collaboration	A self-navigating robot capable of moving and performing tasks in an environment without direct human intervention, using sensors and software to understand and navigate its surroundings
Core function	Multi-functioned: Performs complex tasks requiring both movement and object handling	Single-functioned: assists humans with specific manipulation or production tasks	Single-functioned: performs autonomous navigation and material transport across facilities
Mobility	Yes	No	Yes
Manipulation Capability	Yes	Yes	No
Typical role	Handling, picking, transporting, and interacting with objects across locations	Assembly, machine tending, packaging, and precision handling	Logistics, warehouse transport, and internal material movement

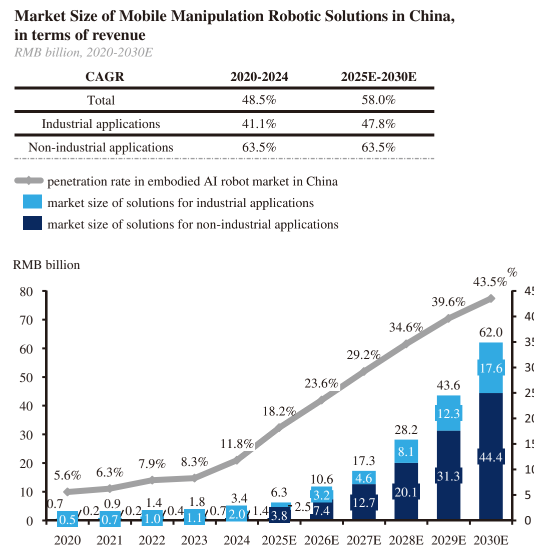
Sources: Frost & Sullivan

Market Size of Mobile Manipulation Robotic Solutions

The global market size for mobile manipulation robotic solutions increased from RMB2.2 billion in 2020 to RMB9.2 billion in 2024, with a CAGR of 43.4% from 2020 to 2024, and is projected to further grow to RMB156.9 billion by 2030, with a CAGR of 59.5% from 2025 to 2030. The market size for mobile manipulation robotic solutions in China reached RMB3.4 billion in 2024 and is projected to further grow to RMB62.0 billion by 2030, with a CAGR of 58.0% from 2025 to 2030.

Market Size of Mobile Manipulation Robotic Solutions in China, in terms of revenue (RMB Billion)





Sources: International Federal Robotics, Expert interviews, Frost & Sullivan

Application Scenarios of Mobile Manipulation Robots

Mobile manipulation robots are primarily applied in industrial, commercial service, and domestic service sectors. These robots effectively address the pain points faced in these scenarios or meet the core needs for intelligent services.

Application Scenarios	Core Needs & Pain Points	Core Value of Mobile Manipulation Robots
Industrial	• The industrial sector faces labor shortages, and labor costs continue to rise • Traditional, highly repetitive and high-intensity tasks are prone to human fatigue, leading to decreased efficiency and increased error rates • Specific industrial environments (e.g., high pressure, radiation, high temperature, toxicity) pose significant safety threats • Traditional fixed automation equipment struggles to quickly adapt to the flexible production demands of high-mix, small-batch manufacturing • The industrial sector seeks greater automation and intelligence in production processes.	• Continuously replaces human labor for repetitive tasks • Achieves precise operations 24/7 through high-precision positioning and multiple-axis coordinated motion control, significantly improving production efficiency and product quality • With environmental perception and autonomous navigation, they handle inspections, material transport, and maintenance in hazardous conditions, reducing human risk. • Multi-modal navigation and route planning enable fast layout changes and flexible small-batch, multi-product production.

Application Scenarios	Core Needs & Pain Points	Core Value of Mobile Manipulation Robots
		• Mobile manipulation robots integrate with industrial equipment and software, providing real-time data feedback to optimize factory operations, enhance production efficiency, and ensure consistent product quality.
Commercial Services (such as warehousing and logistics, accommodation and catering, healthcare, public services)	• Labor costs are continuously increasing, and personnel turnover is high • Human services are affected by factors like experience, making it difficult to guarantee standardized and highly efficient service	• By leveraging autonomous navigation, obstacle avoidance, and item grasping and delivery functions, they can complete repetitive, labor-intensive tasks • Through precise task execution, data recording and analysis, and autonomous learning and optimization, they ensure that every service is highly efficient, accurate, and standardized
Home Services	• Household chores are repetitive and time-consuming • It is difficult for caregivers to constantly monitor and accompany the elderly and other individuals who need care	• Mobile manipulation robots possess multi-functional modules, interactive capabilities, and intelligent planning skills, allowing them to autonomously complete daily household tasks • With mobile manipulation and interactive features, they provide safety monitoring, companionship, and life assistance functions for the elderly and other individuals in need of care
Others（such as scientific research）	• A large number of repetitive experimental operations in scientific research are labor-intensive and time-consuming • There are potential risks in handling biological experiments, radioactive materials, and other hazardous substances, and manual operation poses high risks	• Using high-precision robotic arms, vision recognition, and automated liquid handling, they automate repetitive lab tasks, shortening cycles and improving data quality. • Equipped with enclosed operation, remote control, and spill prevention designs, they can handle toxic, harmful, radioactive, or biohazardous substances in an isolated environment

Sources：Frost & Sullivan

Competitive Landscape of Mobile Manipulation Robotic Solutions Market

The competitive landscape of the global and China's mobile manipulation robotic solutions markets is relatively fragmented. Most companies are still in the early stages of technology research and development and commercialization, and their revenue scale remains low. In 2024, only a few leading players achieved large-scale product sales and revenues exceeding RMB100 million. These leading companies have established a strong competitive edge in terms of technological capabilities, product portfolio, and commercialization.

In terms of the revenue in 2024, The Company is the fourth-largest player in the global mobile manipulation robotic solutions market, holding a 2.8% market share. Additionally, The Company is the largest player in China's mobile manipulation robotic solutions market, with a 7.1% market share.

Top Five Mobile Manipulation Robotic Solution Providers Globally, in terms of revenue (2024)

Ranking	Player	Revenue	Market Share
		(RMB Million)	
1	Company A	501	5.4%
2	Company B	337	3.7%
3	Company C	286	3.1%
4	The Company	255	2.8%
5	Company D	180	2.0%

Sources : Desk Research, Expert Interview Frost & Sullivan

— Company A is a private company founded in 1992 and headquartered in the United States. It mainly provides mobile and mobile manipulation robotic solutions for applications such as inspection and automation in industries including manufacturing, commercial services and public services.

— Company B is a private company founded in 2015 and headquartered in the United States. It focused on providing humanoid robots for logistics and warehousing scenarios.

— Company C is a private company founded in 2022 and headquartered in the United States. It is an artificial intelligence robotics company, focused on developing autonomous humanoid robots.

— Company D is a private company founded in 2016 and headquartered in the Chinese mainland. It is a robotics company specializing in the independent research, development, production, and sales of robotic-related products for consumer and industrial markets.

Top Five Mobile Manipulation Robotic Solution Providers in China, in terms of revenue (2024)

Ranking	Player	Revenue	Market Share
		(RMB Million)	
1	The Company	240	7.1%
2	Company D	130	3.8%
3	Company E	120	3.5%
4	Company F	100	2.9%
5	Company G	50	1.5%

Sources : Desk Research, Expert Interview, Frost & Sullivan

— Company E is a public company listed on the Shanghai Stock Exchange and it is founded in 2012 and headquartered in the Chinese mainland. It mainly provides intelligent robotic solutions for industrial, transportation, commercial and medical sectors.

— Company F is a private company founded in 2023 and headquartered in the Chinese mainland. It specializes in providing intelligent robotic solutions to industries such as manufacturing, logistics, and healthcare to enhance operational efficiency and productivity.

— Company G is a public company listed on the Hong Kong Stock Exchange and it is founded in 2015 and headquartered in the Chinese mainland. It dedicates to the research, development, and innovative application of intelligent robots.

Overview of Global and China's Industrial Mobile Manipulation Robotic Solutions Market

Introduction of Industrial Mobile Manipulation Robots

Industrial mobile manipulation robots are a type of mobile manipulation robot specifically designed and deployed for industrial production environments. They are intended to increase the level of automation, efficiency, and safety in factory production settings, and are a critical component for the future of smart factories and the intelligent upgrade of industrial scenes. The applications of industrial mobile manipulation robots are extensive, including but not limited to material handling, assembly, loading and unloading, quality inspection, and inspection and maintenance.

Compared to mobile manipulation robots for other applications, industrial mobile manipulation robots typically have the following characteristics: (a) High reliability: The reliability directly impacts the continuity, efficiency, and safety of industrial production and operations. Compared to other scenarios, the industrial sector has a higher demand for the reliability of mobile manipulation robots under long-term, high-intensity work; (b) High precision: Industrial mobile manipulation robots can perform repetitive tasks with extremely high precision to ensure product quality and production consistency; (c) High efficiency: Through high-speed motion control, parallel multi-tasking, intelligent task management, and path optimization, they can achieve 24/7 uninterrupted, high-efficiency operations, thereby boosting factory production efficiency; (d) Integration and interoperability: Industrial mobile manipulation robots need to seamlessly integrate into existing industrial automation systems and production lines, enabling data exchange and collaborative work with other equipment and various industrial software systems; and (e) Programmability and flexibility: Industrial mobile manipulation robots typically feature programming interfaces and software platforms that allow for rapid programming and redeployment based on changes in production demands, adapting to different tasks and production processes.

Market Size of Industrial Mobile Manipulation Robotic Solutions

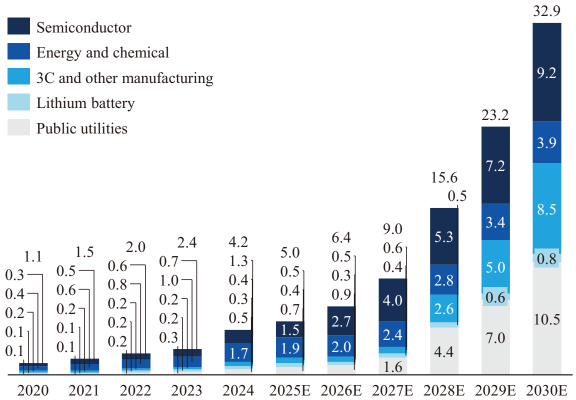
The global market size of industrial mobile manipulation robotic solution market increased from RMB1.1 billion in 2020 to RMB4.2 billion in 2024, with a CAGR of 39.8%, and is expected to continue to increase to RMB32.9 billion in 2030, with a CAGR of 45.8% from 2025 to 2030, which indicates an acceleration in commercialization as adoption broadens across downstream industries. Meanwhile, the market size of industrial mobile manipulation robotic solution market in China increased from RMB0.5 billion in 2020 to RMB2.0 billion in 2024, with a CAGR of 41.1%, and is expected to continue to increase to RMB17.6 billion in 2030, with a CAGR of 47.8% from 2025 to 2030. The growth of the global and China's industrial mobile manipulation robotic solutions markets is driven by a combination of increasing labor shortages, strong demands for digital and AI transformation across various industrial sectors, and continuous advancements in AI technologies, especially embodied AI technologies, which collectively accelerate the adoption of mobile manipulation robotic solutions.

Among end-user industries, the semiconductor, energy and chemical, 3C and other manufacturing, and public utility sectors are expected to be the major contributors to market growth, primarily driven by their continued industry expansion, increasingly stringent requirements for automation and intelligent operations, and stronger demand for mobile manipulation robotic solutions capable of performing tasks in complex, labor-intensive and safety-critical industrial environments. For example, for the semiconductor sector, the global semiconductor market is expected to increase from USD630.5 billion in 2024 to USD1,174.6 billion in 2030, while China's semiconductor market is expected to increase from USD211.8 billion in 2024 to USD415.9 billion in 2030. The high growth of mobile manipulation robotic solutions in the semiconductor industry is driven by the following factors: (i) the increasing capital expenditure and the expanded production capacity of wafer manufacturing, fabrication or assembly and testing plant in the semiconductor industry; (ii) the rising automation demands due to the increasing complexity of material workflows, increasing loss of labor and initiatives promoting intelligent manufacturing and automation; (iii) the transition of industrial mobile manipulation robot solution projects from pilot deployments to large-scale replication; and (iv) the continued enhancements in performance and reliability of industrial mobile manipulation robots.

Market Size of Industrial Mobile Manipulation Robots Globally, in terms of revenue, by end-users

RMB billion, 2020-2030E

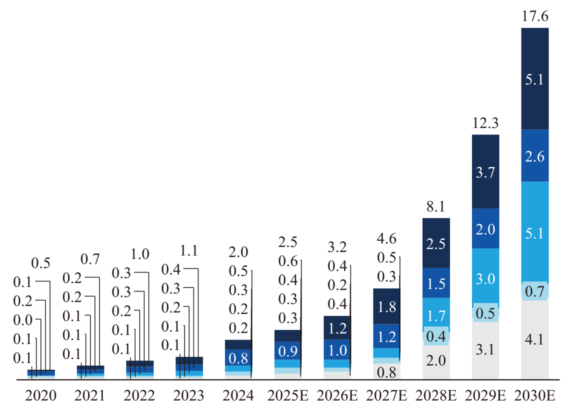
CAGR	2020-2024	2025E-2030E
Total	39.8%	45.8%
Semiconductor	44.3%	43.7%
Energy and chemical	43.6%	15.5%
3C and other manufacturing	18.9%	76.2%
Lithium battery	31.6%	14.9%
Public utilities	49.5%	71.9%



Market Size of Industrial Mobile Manipulation Robots in China, in terms of revenue, by end-users

RMB billion, 2020-2030E

CAGR	2020-2024	2025E-2030E
Total	41.1%	47.8%
Semiconductor	49.5%	53.4%
Energy and chemical	41.4%	23.6%
3C and other manufacturing	196.1%	66.6%
Lithium battery	18.9%	18.5%
Public utilities	18.9%	68.7%

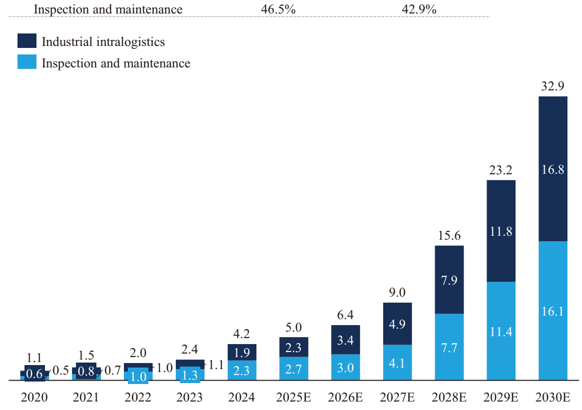


The global market revenue for industrial mobile manipulation robots is projected to grow with industrial intralogistic robots and inspection and maintenance robots reaching RMB16.8 billion and RMB16.1 billion, respectively. A similar trend is expected to happen in China with industrial intralogistic robots maintain a stronger growth rate, reaching RMB9.9 billion in 2030 with a CAGR of 52.5% from 2025 to 2030.

Market Size of Industrial Mobile Manipulation Robots Globally, in terms of revenue, by applications

RMB billion, 2020-2030E

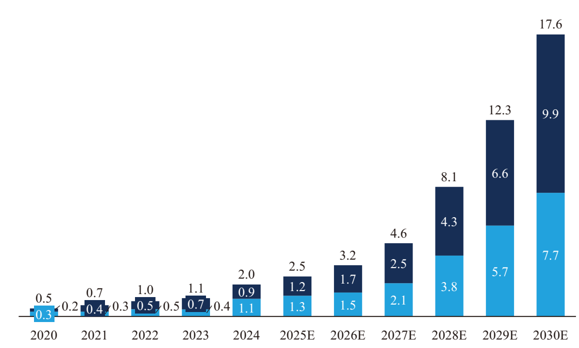
CAGR	2020-2024	2025E-2030E
Total	39.8%	45.8%
Industrial intralogistics	33.4%	48.8%
Inspection and maintenance	46.5%	42.9%



Market Size of Industrial Mobile Manipulation Robots in China, in terms of revenue, by applications

RMB billion, 2020-2030E

CAGR	2020-2024	2025E-2030E
Total	41.1%	47.8%
Industrial intralogistics	45.6%	52.5%
Inspection and maintenance	37.9%	42.8%



Industry Verticals of Industrial Mobile Manipulation Robots

Industry verticals	Core needs	Core value of industrial mobile manipulation robots
Semiconductor	• **Precision Material Handling:** High-value, fragile materials require handling with very low vibration; vibration must be less than 0.3g during the transport process • **High Cleanliness Requirements:** Semiconductor manufacturing typically takes place in cleanrooms, with cleanliness standards often reaching ISO Class 3 • **24/7 Uninterrupted Operation:** Production line automation is highly advanced, and downtime costs are extremely high	• **High-Precision Operation:** Integrates multi-modal data from LiDAR, vision, and force control to achieve millimeter-level positioning and millimeter-level operation, ensuring accuracy. The robot's vibration control at less than 0.3g can reduce potential losses from wafer breakage • **Ultra-High Cleanliness:** Robot operations can guarantee ultra-high cleanliness, reducing potential contamination • **Stable and Reliable Automated Transport:** Enables automated loading, unloading, and transfer of carriers, ensuring production continuity
3C Manufacturing	• **Short Product Cycles:** Production cycles are short, and products are updated rapidly, requiring quick shifts in production lines • **Complex Material Flow:** There is a large variety of components and a high frequency of material handling, requiring accurate delivery to specific locations	• **Flexibility & Easy Programming:** The modules are highly flexible and easy to program, enabling rapid adaptation to new product lines and supporting flexible, high-mix, small-batch production • **Intelligent Material Handling:** Integrated with MES/WMS systems, it achieves precise and timely material delivery to designated workstations
Energy, Chemical and Public Utilities	• **Hazardous Environments:** production environments may contain flammable, explosive, or toxic chemical substances, posing a high risk to human safety • **Frequent & Inefficient Inspection:** Manual inspection is time-consuming and labor-intensive, making it difficult to achieve 24/7 coverage and high frequency	• **Improved Safety:** Robots can perform tasks in dangerous and hazardous environments, ensuring personnel safety • **Efficient & Safe Inspection:** Performs 24/7 continuous, visual, and traceable inspections, improving fault detection and timeliness. It also monitors on-site hazardous conditions to prevent major accidents
Lithium Battery	• **Large-Scale Production:** The large-scale production of power batteries requires high levels of automation • **Complex Processes:** The production processes are complex with many interconnected steps, requiring high efficiency in material flow • **Multi-Station Operation:** Manual operations at multiple stations and complex logistics require highly efficient management	• **Full-Process Automation:** Automates the entire process from raw material loading to final product warehousing and material flow • **Improved Efficiency & Quality:** Reduces manual intervention and fatigue, increases production line efficiency and output

Industry verticals	Core needs	Core value of industrial mobile manipulation robots
Automotive	• **Standardized Production:** Large-scale production requires high levels of automation • **Complex Assembly & Coordination:** The production line is long, with complex processes and a high degree of collaborative work required	• **High-Efficiency Logistics & JIT:** Enables autonomous navigation and JIT (Just-In-Time) material delivery within the factory, supporting highly automated production and reducing waiting and inventory • **Flexible Assembly & Human-Robot Collaboration:** Assists with complex and fine operations on the final assembly line, enabling flexible assembly and human-robot collaboration
Other Scenarios (e.g., Smart Mining, Smart Oilfields, Biomedicine)	• **Large-scale Manufacturing & Complex Needs:** There is a need for both standardized batch operations and flexible production that can handle frequent changes • **High Demand for Continuity:** Production processes are continuous over long periods, and the cost of downtime is extremely high • **Strict Reliability Requirements:** Product quality and operational safety directly impact economic benefits • **Instability from Human Factors:** Differences in operator skill, fatigue, and high turnover rates affect production continuity and consistency	• **Improved Production Continuity:** Enables all-weather, continuous operation, reducing downtime and quality fluctuations • **Accelerated Flexible Production:** Enables rapid line changeovers and process adjustments • **Improved Overall Benefits:** Increases production line utilization and product consistency, and accelerates the response to market demand

Sources：Frost & Sullivan

Key Drivers for Industrial Mobile Manipulation Robot Market

- **Labor Structure Transformation:** With an aging population and declining birth rates, the industrial sector is experiencing a downward trend in average annual employment. Concurrently, the new generation of workers is shifting its preferences away from traditional industrial jobs, which collectively exacerbates the structural shortage in the labor market. Meanwhile, continuously rising labor costs are prompting labor-intensive industrial enterprises to seek ways to optimize production efficiency and control operational expenses, accelerating their transition to automation. Consequently, industrial mobile manipulation robots have become one of the core solutions to fill this labor gap.
- **Growing Demand for Enhanced Intelligence and Efficiency in Advanced Manufacturing:** The industrial sector typically have a stronger willingness and ability to invest in and purchase automation and intelligent equipment. Therefore, they are at the forefront of adopting mobile manipulation robots to enhance intelligent manufacturing and operational efficiency. Mobile manipulation robots can flexibly adapt to the complex scenarios of advanced manufacturing, collaborate efficiently with humans, and complete repetitive or precise tasks, thereby driving the intelligent upgrade of industrial productivity.
- **Increasing Demand for Flexible Production:** The core of flexible production lies in its agility and adaptability, requiring production lines, equipment, personnel, and management systems to quickly adapt and reconfigure in response to market fluctuations and changing customer needs.

Adopting mobile manipulation robots, supports "cellular" manufacturing, and allows for more flexible production line layouts. This significantly lowers the infrastructure modification costs and production losses caused by production line adjustments.

- **Advancements in Hardware and Software Technology:** Hardware technology advancements, represented by mobile platforms and robotic arms, have significantly enhanced the mobility and manipulation capabilities of mobile manipulation robots. Concurrently, the deep integration of large models and multi-modal perception technologies is enabling robots in industrial settings to gradually evolve into "generalized intelligent agents" with autonomous decision-making and cross-scenario adaptability. This not only provides a solid technological foundation for the implementation of embodied AI in industry but also, at a fundamental level, broadens the application boundaries in complex scenarios.

- **Establishment of Industry Best Practices Driving Broader Adoption:** Leading manufacturers, by serving key clients in specific industrial segments, have accumulated a wealth of successful cases and experiences. This has given them a deep understanding of the unique pain points, process flows, and technical challenges in these fields, leading to the creation of proven, mature solutions and industry best practices. These best practices provide clear guidance for other companies, thereby driving their penetration into existing and new industrial scenarios.

- **Maturity of Core Component Technology and Mass Production Driving Down Robot Manufacturing Costs:** With the maturity of technologies related to the core components of industrial mobile manipulation robots, these components have achieved large-scale commercial production, which in turn has pushed their manufacturing costs down. Simultaneously, for increased localization rate in the core component sector has also contributed to a decline in average component prices. The decrease in the average manufacturing cost of robots allows for a broader range of applications.

Key Trends for Industrial Mobile Manipulation Robot Market

- **AI Evolution Propelling Robots to More Intelligent, Adaptive, and Versatile Embodied AI Agents:** The advancement of multi-modal perception technology enables industrial mobile manipulation robots to achieve a more precise understanding of the environment, improved recognition and grasping of complex targets, high robustness, and support for sophisticated human-robot collaboration. VLA （Vision Language Action) technology empowers directly map perceived visual information and received language instructions to specific actions. VLA models focus on learning the general connections between vision, language, and action, endowing robots with enhanced task generalization and transferability, transforming them from single, repetitive task execution devices into intelligent agents capable of understanding and performing a variety of complex and varied tasks.

- **Continuous Increase in Penetration of Industrial Mobile Manipulation Robots in More Application Scenarios:** With the continuous decline in the selling price of industrial mobile manipulation robots and an improvement in their cost-effectiveness wider range of small and medium-sized enterprises will also be able to purchase them, leading to a diversification of application scenarios. Furthermore, as the intelligence capabilities of industrial mobile manipulation robots improve and manufacturers accumulate experience in serving specific vertical industries, the difficulty of deploying and applying these robots in more industrial scenarios is reduced, allowing an increasing number of industrial settings to begin deploying and using mobile manipulation robots.

- **Robots with Wheeled Mobile Platforms will First Dominate Market Growth:** When deciding whether to implement robotic products. In this context, industrial customers typically first select and introduce the product type that best suits their current production and operational needs, budget requirements, and ROI/payback period expectations. On one hand, industrial settings demand higher efficiency, stability, and battery life from robots, and current industrial mobile manipulation robots based on wheeled platforms perform better in these metrics. On the other hand, the ground in the main application scenarios is relatively flat, and a wheeled mobile platform can meet the robot's mobility needs within the environment.

- **Manufacturers with Deep Industry Know-How Hold a Greater Competitive Advantage:** Industrial scenarios are characterized by high complexity and diversity and emphasize the practical business value of automation solutions. Industrial embodied AI robot manufacturers with deep industry know-how can typically better understand the actual needs of a given scenario and continuously optimize their solutions based on feedback from scene data, thus providing a more advantageous business value.

- **Explore the Specific Application Scenarios and Feasibility of Humanoid Robots in the Industrial Sector:** Humanoid robots are generally considered to have higher adaptability, flexibility, and scalability. The industrial sector is also seen as one of the important downstream application scenarios once humanoid robot technology and products mature. Therefore, industrial mobile manipulation robot manufacturers are also making the R&D of humanoid robot technology and products, as well as their commercial application in industrial settings. Simultaneously, downstream customers in the industrial sector are continuously and dynamically evaluating the advantages of humanoid robots in key metrics such as functionality, affordability, ROI, safety, usability and durability. In the future, once humanoid robot technology and products mature and their performance and cost can meet the requirements of industrial settings, the implementation of humanoid robots in industrial scenarios will become a key factor in driving the continuous growth of the industrial mobile manipulation robot market.

Competitive Landscape of Industrial Mobile Manipulation Robotic Solutions Market

The competitive landscape of the global and China's industrial mobile manipulation robot markets is relatively fragmented. In terms of the revenue in 2024, The Company is the largest market player in the global industrial mobile manipulation robot market, with a market share of 6.1%. Meanwhile, The Company is also the largest market player in China's industrial mobile manipulation robot market, with a market share of 12.0% in the same year.

Top Five Industrial Mobile Manipulation Robot Players Globally, in terms of revenue (2024)

Ranking	Player	Revenue	Market Share
		(RMB Million)	
1	The Company	255	6.1%
2	Company H	130	3.1%
3	Company E	120	2.9%
4	Company B	86	2.0%
5	Company G	50	1.2%

Sources: Desk Research, Expert Interview, Frost & Sullivan

— Company H is a private company founded in 2015 and headquartered in the Taiwan, China. It specializes in autonomous robotics, IoT, and Industry 4.0 solutions for intelligent automation in industrial environments.

Top Five Industrial Mobile Manipulation Robot Players in China, in terms of revenue (2024)

Ranking	Player	Revenue	Market Share
		(RMB Million)	
1	The Company	240	12.0%
2	Company E	120	6.0%
3	Company I	50	2.5%
4	Company G	40	2.0%
5	Company H	30	1.5%

Sources: Desk Research, Expert Interview, Frost & Sullivan

— Company I is a private company founded in 2016 and headquartered in the Chinese mainland. It focuses on providing robotic solutions for human-robot collaboration and interaction scenarios.

Comparative Analysis between Comparable Products of Leading Players

Robots for industrial intralogistics

	OW series of the Company	Most comparable products	
		Comparable product A	**Comparable product B**
Key performance parameters			
— Accuracy of SLAM	±5mm	>±50mm	±10mm
— Maximum travel speeds	1.5m/s	<1.5m/s	1.5m/s
— Drive modes	Omnidirectional/ differential	Omnidirectional	Omnidirectional/ differential
— Visual positioning	2.5D/3D	2.5D	2.5D/3D
Major end industries	Semiconductor	Semiconductor	3C manufacturing
Year of first application in foundry	2021	After 2021	Not available
Year of first application in OSAT	2020	2018	Not available
Self-developed software	✓	✓	✓
Product features	Covering the whole process of semiconductor production, including raw material manufacturing, wafer fabrication, and assembly and testing processes	Mainly covering assembly and testing processes of semiconductor production	Mainly covering material loading and unloading in 3C manufacturing
Cost control capability	Strong cost control capability due to the increasing adoption of domestic and self-developed components	—	—

Robots for inspection and maintenance

		Most comparable products
	ARIS-MS series of the Company	**Comparable product C**
Key performance parameters		
— Accuracy of SLAM	±10mm	±50mm
— Maximum travel speeds	1.5m/s	<1.5m/s
— Drive modes	Four-wheel drive	Tracked drive
Year of first deployment	Mid 2024	After 2024
Self-developed software	✓	✓
Product features	Strong magnetic field-resistant; autonomously navigate through narrow passages; and industry-leading temperature monitoring coverage	Capable of running in typical strong magnetic environments; comparatively limited maneuverability due to tracked drive system, larger size and greater weight
Cost control capability	Strong cost control capability due to the increasing adoption of domestic and self-developed components	—

Note: The product comparison herein is based on publicly available information, company disclosures, expert interviews and other third-party sources available as of the date hereof. Owing to differences in disclosure practices, technical definitions, testing conditions, configurations and application scenarios, certain information and actual product performance may vary in different projects.

Entry Barriers of Industrial Mobile Manipulation Robot Market

- **Leading R&D and Innovation Capabilities:** Leading players have continuous investment in cutting-edge R&D, including breakthroughs in perception, cognitive decision-making, and motion control algorithms, ensuring that products demonstrate intelligence that surpasses current market levels. Manufacturers lacking leading R&D and innovation capabilities will struggle to offer competitive products, gain pricing power, and achieve sustainable growth. Furthermore, market players who were early investors in R&D for mobile manipulation robots often have a first-mover advantage, building significant technological barriers through long-term, sustained R&D and innovation. New entrants are often followers in the technology field and require substantial capital and time to achieve comparable technological milestones.

- **Product Standardization and Modularity:** Standardized components and modular design allow manufacturers to flexibly combine functions or quickly upgrade specific parts according to customer needs, enhancing the adaptability and scalability of the robot products. For manufacturers, this also enables a faster response to market changes and technological developments, accelerating product iteration. Manufacturers lacking product standardization and modularity often need to develop highly customized products and solutions for each new client, which limits their commercial expansion speed and profit margin growth potential.

- **Capability to Implement Products and Solutions:** The commercial success of the mobile manipulation robot market is fundamentally about transforming products into actual productivity. Leading manufacturers must possess the ability to efficiently deliver and widely apply complex technical solutions, ensuring stable operation and continuous service optimization. Manufacturers that lack this capability will struggle to prove the practical value of their products in real industrial production scenarios.
- **Deep Know-How in Vertical Industries:** A deep understanding of a specific industry's operating model and customer pain points is crucial. Market participants need to deeply integrate mobile manipulation robot products into vertical application scenarios, providing customized functions and process optimization solutions to truly meet end-user needs and create significant business value.
- **Customer Resources and Brand Reputation:** Leading suppliers earn strong customer loyalty through reliable products and support services, securing long-term partnerships. With more than 12-month validation cycles and high switching costs, customers generally do not easily switch suppliers to ensure their production stability, which constitutes a significant entry barrier for new entrants.

Cost Analysis of Major Raw Materials

The industrial mobile manipulation robots are composed of hundreds of raw materials or components, each differing significantly in attributes, functions and prices. The major components of industrial mobile manipulation robots mainly include motion and transfer control components such as motor, gear reducer, and drive wheel module, robotic arms and sensors. Such major components collectively determine the robot's motion accuracy, load capacity, operational efficiency, and environmental perception capabilities, thereby directly shaping overall system performance and competitiveness. Among these, motion and transfer control components and robotic arms typically account for a substantial portion of the overall cost due to their critical role in enabling precise manipulation and stable mobility, while sensors such as LiDAR remain essential for navigation and obstacle detection in dynamic environments. The historical trend of these components has been characterized by gradual cost declines alongside continuous performance improvements. Ongoing domestic substitution, improved manufacturing processes, and increased standardization have contributed to a steady decline in average prices. Looking ahead, the unit prices of these major components are expected to continue trending downward, supported by economies of scale, supply chain localization, and further standardization across robotics platforms. The table set forth below demonstrate the historical price trends of the major components and the major factors which affect the prices of such components.

Category	Major types of raw materials or components	Price range (RMB per unit)			Key factor affecting the prices
		2023	2024	2025	
Motion and transfer control	Motor	300-8,000	280-7,600	250-7,000	- Differences in power rating, torque density, motion control precision, and component integration level
	Gear reducer	400-15,000	350-14,000	300-13,000	- Performance requirements such as torque capacity, transmission accuracy, backlash tolerance, and service life
	Drive wheel module	500-20,000	450-18,000	400-17,000	- Differences in load capacity, motor integration level, and steering functionality
Robotic arms	Robotic arms	50,000-150,000	40,000-120,000	30,000-100,00	- Differences in payload capacity, precision, types of core components, and degree of integration
Sensors	Single-line LiDAR	400-680	300-600	250-500	- Differences in measurement range, accuracy, angular resolution, scanning mechanism, and integration level

SOURCES OF INFORMATION

In connection with the **[REDACTED]**, we have engaged Frost & Sullivan to conduct a detailed analysis and prepare an industry report on the markets in which we operate. Services provided by Frost & Sullivan, which is an independent global consulting firm founded in 1961, include market assessments, competitive benchmarking, and strategic and market planning for a variety of industries. We have agreed to a total of RMB450,000 in fees and expenses for the preparation and use of the Frost & Sullivan Report. The payment of such an amount was not contingent upon our successful Listing or on the results of the Frost & Sullivan Report. Apart from the Frost & Sullivan Report, we have not commissioned any other industry report in connection with the **[REDACTED]**.

Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Where necessary, Frost & Sullivan contacts companies operating in the industry to gather and synthesize information in relation to the market, prices and other relevant information. The market projections in the Frost & Sullivan Report are mainly based on the assumption that the social, economic, and political environments in the PRC and globally will remain stable throughout the forecast period. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading. Frost & Sullivan has independently analyzed the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan's research may be affected by the accuracy of these assumptions and the choice of these primary and secondary sources.

Our Directors have confirmed that Frost & Sullivan has exercised reasonable care in selecting and identifying the sources of information used in this section (which are extracted from the Frost & Sullivan Report), compiling, extracting and reproducing the information, and ensuring no material omission of the information. Our Directors confirm that, after making reasonable enquiries, there is no material adverse change in the market information since the date of the Frost & Sullivan Report which may qualify, contradict or have an impact on the information in this section.

Regulations Relating to Foreign Investment

The Company Law of the People's Republic of China (《中華人民共和國公司法》) which was amended by the SCNPC on December 29, 2023 and became effective on July 1, 2024, sets forth the provisions of the incorporation, organizational structure and operation of companies, which shall also apply to foreign-invested companies incorporated in the PRC.

On January 1, 2020, the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (the "Foreign Investment Law") promulgated by the National People's Congress of the PRC came into effect repealing simultaneously the Law of the PRC on Sino-Foreign Equity Joint Ventures, the Law of the PRC on Wholly Foreign-Owned and Law of the PRC on Sino-Foreign Cooperative Joint Ventures. The Foreign Investment Law now serves as the basic law regulating foreign-invested enterprises wholly or partially invested by foreign investors, while the organization form, institutional framework and standard of conduct of foreign-invested enterprises shall be governed by Company Law and other relevant laws. The PRC government implements the administration system of pre-entry national treatment and the Negative List for foreign investment, abolishing the original approval and filing administration system for the establishment and change of foreign invested enterprises. Pre-entry national treatment ensures that foreign investors and their investments receive, at the entry stage, treatment no less favorable than that accorded to domestic investors and their investments. Negative List specifies sectors where special access measures apply; foreign investment outside the list is accorded national treatment. Restrictions on foreign-invested enterprises are primarily governed by the current Negative List, namely the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Revision) (《外商投資准入特別管理措施(負面清單)(2024年版)》) issued by the NDRC and the MOFCOM on September 6, 2024 and came into effect on November 1, 2024, which sets out special administrative measures regarding foreign investment access in a centralized manner. Foreign investors are prohibited from investing in sectors designated as "prohibited" and must satisfy the conditions stipulated for sectors designated as "restricted." Sectors not covered by the Negative List are subject to the principle of equal treatment for domestic and foreign investments. The Company confirms that none of the Company's business falls within the scope of the Negative List where foreign investment is restricted or prohibited.

While strengthening investment promotion and protection, the Foreign Investment Law further regulates foreign investment and establishes a foreign investment information reporting system that replaces the original foreign investment enterprises approval and filing system of the MOFCOM.

The foreign investment information reporting system is subject to the Foreign Investment Information Reporting Method (《外商投資信息報告辦法》) jointly developed by the MOFCOM and the SAMR, which came into effect on January 1, 2022. According to the Foreign Investment Information Reporting Method, the MOFCOM is responsible for coordinating and guiding the reporting of foreign investment information nationwide; and the competent commercial department of the local people's government at or above the county level, as well as the relevant agencies of the Pilot Free Trade Zone and the National Economic and Technological Development Zone, are responsible for the regional reporting. Foreign investors conducting direct or indirect investment in China shall submit investment information to through the Enterprise Registration System and the National Enterprise Credit Information Publicity System. Reporting includes initial, change, cancelation, and annual reports. Initial reports must be submitted via the Enterprise Registration System when establishing a foreign-invested enterprise (FIE), or acquiring a domestic non-FIE through equity merger. For changes to initially reported information that require enterprise registration or filing, FIEs shall submit change reports via the Enterprise Registration System when applying for such registration or filing. For changes not requiring registration or filing, change reports shall be submitted within 20 business days. For FIEs that are listed companies, changes in investors and shareholdings need only be reported if the cumulative change in foreign shareholding exceeds 5% or if foreign parties' shareholding or relative controlling status changes.

Besides, on December 19, 2020, the NDRC and the MOFCOM jointly promulgated the Measures on the Securities Review of Foreign Investment (《外商投資安全審查辦法》), effective on January 18, 2021, setting forth the security review mechanism on foreign investment, including the types of investments subject to review, the scopes of review and procedures to review.

Regulations Relating to Robot Industry

On December 21, 2021, the MIIT, the NDRC and other 13 departments. Jointly issued the 14th Five Year Plan for the Development of China's Robot Industry (《"十四五"機器人產業發展規劃》), which seeks to promote breakthroughs in core robot technologies and high-end products. The plan raised that, by 2025, China will become a global hub for robotics innovation, a cluster for high-end manufacturing, and a new frontier for integrated applications.

On January 18, 2023, the MIIT and other 16 departments jointly issued the Implementation Plan for "Robot+" Application Action (《"機器人+"應用行動實施方案》), which sets a target to double the robot density in manufacturing by 2025 compared to 2020, while significantly enhancing the depth and breadth of applications for service robots and special purpose robots across industries.

Regulations Relating to Product Quality

The Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) ("**Product Quality Law**") promulgated by the SCNPC on February 22, 1993 and latest amended on December 29, 2018 is the principal governing law related to the supervision and administration of product quality. According to Product Quality Law, manufacturers shall be liable for the quality of product and sellers shall ensure the quality of the products they sell. A manufacturer shall be liable for any physical injuries or damage to property (other than the defective product itself) caused by product defects, unless the manufacturer is able to prove that: (i) the product has not been put into circulation; (ii) the defects causing injuries and damage did not exist at the time of circulation; or (iii) the defect could not have been detected given the scientific and technological level at the time of circulation. A seller shall be liable for any physical injuries or damage to property of others caused by product defects. The seller shall also bear liability if the defect is attributable to its fault, or if it fails to identify the producer or supplier of the defective product. Where a defect in a product causes physical injuries to others or damages to the property of others, the victim may claim compensation from the producer of the product or from the seller of the product.

Pursuant to the PRC Civil Code (《中華人民共和國民法典》) promulgated by the NPC on May 28, 2020 and becoming effective on January 1, 2021, in the event of damages caused to others due to the defects in a product, the infringed party may seek compensation from the manufacturer or the seller of such product and shall have the right to request the manufacturer and the seller to bear tortious liabilities, such as cessation of infringement, removal of obstruction, elimination of danger, etc.

Regulations Relating to Importation and Exportation of Goods

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 which came into effect on July 1, 1994 and most recently amended on December 27, 2025 and the Administration Regulations of the People's Republic of China on the Import and Export of Goods (《中華人民共和國貨物進出口管理條例》) promulgated by the State Council on December 10, 2001, most recently amended on March 10, 2024, and came into effect on May 1, 2024, both stipulated that the import and export of goods and technologies to and from the PRC are free, unless otherwise in relevant laws or administrative regulations, and all entities engaging in the business of importation and exportation of goods shall comply with applicable laws and regulations. The Customs Law of the People's Republic of China (《中華人民共和國海關法》) promulgated on January 22, 1987, as most recently amended on April 29, 2021, stipulated that, among other things, the consignee or consignor of import or export goods or a customs agent shall file for record with relevant customs authority before going through any customs declaration procedures. Provisions on the

Administration of Recordation of Customs Declaration Entities of the PRC (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs of the PRC on November 19, 2021, and effective from January 1, 2022, further gives detailed requirements on the documents needed for the filing and the requirements on reporting certain changes of the filed information to the relevant customs authority.

Regulations Relating to Work Safety

The Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), promulgated by the SCNPC on June 29, 2002, and last amended on June 10, 2021, took effect on September 1, 2021. The Work Safety Law applies to all entities engaging in production and business activities within the PRC. Such entities shall, according to the Work Safety Law, strengthen work safety management, establish and improve the all-staff work safety responsibility system and internal rules for work safety, increase investment in funds, materials, technologies and staff for work safety, improve working conditions, advanced the development of a standardized and information-based work safety system, and institute a dual prevention mechanism for tiered safety risk management and control, as well as for the identification and rectification of potential hazards, to enhance risk prevention and resolution mechanisms and ensure work safety. Furthermore, entities shall arrange work safety production training for employees and provide them with personal protective equipment conforming to national or industrial standards. Violations of the Work Safety Law may result in administrative penalties such as fines, suspension of operation and revocation of license.

Regulations Relating to Cybersecurity, Privacy and Data Security

On July 1, 2015, the SCNPC promulgated the National Security Law of the People's Republic of China (《中華人民共和國國家安全法》), which became effective on the same day. It provides that the state shall build an internet and information security protection system and improve internet and information security protection capability to realize the controllable security of internet information key technologies, critical infrastructure and the information systems and data in important fields. In addition, a national security review and supervision system is required to be established to review, among other things, foreign investment, key technologies and services and product in relation to internet information technologies that affect are likely to affect the national security of PRC.

The Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) (the "**Cybersecurity Law**"), initially effective on June 1, 2017, was amended on October 28, 2025 and became effective on January 1, 2026. Under the Cybersecurity Law, network service providers are required to take measures to safeguard cybersecurity by complying with cybersecurity obligations, formulating cybersecurity emergency response plans, and providing technical assistance and support to public security and national security authorities. Failure to comply with such laws and regulations may subject the network service providers to administrative penalties including, without limitation, fines, suspension of business operation, shutdown of business websites, revocation of licenses as well as criminal liabilities. The Cybersecurity Law applies to the construction, operation, maintenance and use of the network as well as the supervision and administration of cybersecurity within the territory of China.

On June 10, 2021, the SCNPC promulgated the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》) (the "**Data Security Law**"), which took effect on September 1, 2021. The PRC Data Security Law stipulates the obligations in relation to data security and privacy for entities and individuals carrying out data processing activities. The Data Security Law also introduces a classified and graded data protection based on the importance of data to socio-economic development, and the damage to national security, public interests, or the legitimate rights and interests of individuals or organizations in the event that data are tampered with, destroyed, leaked, or illegally obtained or used. Violation of the Data Security Law may be subject to an order to cease illegal activities, warnings, fines, suspension of business, and revocation of business licenses and/or operating permits, and the persons in charge or other directly responsible persons may be imposed with fines.

On December 28, 2021, the CAC and certain other PRC governmental authorities jointly promulgated the revised Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**Measures**"),, which became effective on February 15, 2022 and superseded the prior version effective from June 1,2020. Under the Measures, any procurement of network products and services by a Critical Information Infrastructure Operator, or any data processing activity conducted by a Network Platform Operator, that affects or may affect national security, shall be subject to a cybersecurity review. In addition, any network platform operator possessing over one million users' individual information must apply for a cybersecurity review when seeking to list outside China. The competent governmental authorities may also initiate a cybersecurity review against the operators if the authorities believe that the network product or service or data processing activities of such operators affect or may affect national security.

In accordance with the Administrative Measures for Data Security in the Industrial and Information Technology Field (for Trial Implementation) (《工業和信息化領域數據安全管理辦法(試行)》) (the "MIIT Data Security Measures"), which was promulgated by the MIIT on December 8, 2022 and came into effect on January 1, 2023, data processing activities in the industrial and information technology sector and the regulation of the security thereof conducted within the territory of the PRC are subject to these measures. The MIIT Data Security Measures require industrial and telecommunication data processors to implement data classification and categorize, and to fulfill corresponding security obligations. These include adopting protection measures commensurate with data grades, establishing lifecycle-wide data management systems, and appointing data security personnel to oversee processing activities and assist industry authorities.

Regulations Relating to Intellectual Property

Patent

Patents in the PRC are principally protected under the Patent Law of the People's Republic of China (《中華人民共和國專利法》) and related rules and regulations. The Chinese patent system adopts a first-to-file principle. To be patentable, an invention or a utility model must meet three criteria: novelty, inventiveness and practicability. The duration of a patent right is either 10 years, 15 years or 20 years from the date of application, depending on the type of patent right.

Copyright

Copyrights in the PRC, including software copyrights, are principally protected under the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) and related rules and regulations. Under the Copyright Law, the term of protection for software copyrights is 50 years. The Regulations on the Protection of Rights to Information Network Communication (《信息網絡傳播權保護條例》), as last amended on 30 January 2013, provides specific rules on fair use, statutory license, and a safe harbor for use of copyrights and copyright management technology and specifies the liabilities of various entities for violations, including copyright holders, libraries and internet service providers.

The Computer Software Copyright Registration Measures (《計算機軟件著作權登記辦法》), promulgated by the National Copyright Administration on February 20, 2002, regulate registrations of software copyrights, exclusive licensing contracts for software copyrights and assignment agreements. The National Copyright Administration administers software copyright registration and the Copyright Protection Centre of China is designated as the software registration authority. The Copyright Protection Centre of China grants registration certificates to the computer software copyrights applicants which meet the relevant requirements.

Trademark

Registered trademarks are protected under the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and related rules and regulations. Trademarks are registered with the Trademark office of National Intellectual Property Administration under the SAMR, formerly the Trademark Office of the State Administration of Industry and Commerce. Where registration is sought for a trademark that is identical or similar to another trademark which has already been registered or given preliminary examination and approval for use in the same or similar category of commodities or services, the application for registration of this trademark may be rejected. Trademark registrations are effective for a renewable ten-year period, unless otherwise revoked.

Domain Name

Domain names are protected under the Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and effective as of November 1, 2017. Domain name registrations are handled through domain name service agencies established under the relevant regulations, and applicants become domain name holders upon successful registration.

Regulations Relating to Employment and Social Welfare

Pursuant to the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) ("**the Labour Law**") and the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) ("**the Labour Contract Law**"), employers must execute written labor contracts with full-time employees. All employers must comply with local minimum wage standards. Violations of the Labour Contract Law and the Labour Law may result in the imposition of fines and other administrative and criminal liability in the case of serious violations. Enterprises in China are required by PRC laws and regulations to participate in certain employee benefit plans, including social insurance funds, namely a pension plan, a medical insurance plan, an unemployment insurance plan, a work-related injury insurance plan and a maternity insurance plan, and a housing provident fund, and contribute to the plans or funds in amounts equal to certain percentages of salaries, including bonuses and allowances, of the employees as specified by the local government from time to time at locations where they operate their businesses or where they are located. According to the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) ("**the Social Insurance Law**") which was promulgated by the SCNPC on October 28, 2010 and became effective on July 1, 2011 and as amended on December 29, 2018, an employer that fails to make social insurance contributions may be ordered to pay the required contributions within a stipulated time limit and be subject to a daily 0.05% late fee since the payment is due. If the employer still fails to rectify the failure to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times of the amount overdue. In accordance with the Interim 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, and amended on March 24, 2019, social insurance premiums that should be paid by employees will be withheld and paid by the employer. An employer that fails to withhold and pay the social insurance premiums may be ordered to withhold and pay the required contributions within a prescribed time limit and be subject to a daily 0.2% late fee since the payment is due.

According to the Regulations on Management of Housing Fund (《住房公積金管理條例》) ("**the Regulations on Management of Housing Fund**") which was promulgated by the State Council on April 3, 1999 and became effective on April 3, 1999 and as lastly amended on March 24, 2019, an employer that fails to make housing fund contributions may be ordered to rectify the noncompliance and pay the required contributions within a stipulated time limit; otherwise, an application may be made to a local court for compulsory enforcement. Pursuant to the Interpretation II of the Supreme People' s Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) enacted by the Supreme People' Court on 31 July 2025 and implemented on 1 September 2025, any agreement or employee undertaking to waive social insurance contributions shall be deemed null and void by the people's court. In the event of an employer's failure to make legal social insurance contributions, the employee shall be entitled to rescind the labor contract and request economic compensation in accordance with the PRC Labor Contract Law.

Regulations relating to Leasing

Pursuant to the Law of the People's Republic of China on Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》) and Administrative Measures for Commodity Housing Tenancy (《商品房屋租賃管理辦法》), when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental and repair liabilities, and other rights and obligations of both parties. Both lessor and lessee are also required to register the lease with the real estate administration department. If the lessor and lessee fail to go through the registration procedures, both lessor and lessee may be subject to fines.

According to the Civil Code, the lessee may sublease the leased premises to a third party, subject to the consent of the lessor. Where the lessee subleases the premises, the lease contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the lease contract if the lessee subleases the premises without the consent of the lessor. In addition, if the lessor transfers the premises, the lease contract between the lessee and the lessor will still remain valid. Where the mortgaged property has been leased and the possession thereof has been transferred before the creation of mortgage, the original lease relations shall not be affected by the mortgage.

Regulations Relating to Taxation

Enterprise Income Tax

According to 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》) promulgated by the NPC in March 2007 and latest amended in December 2018, and the Implementation Rules of 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實施條例》) promulgated by the State Council in December 2007 and lastly amended in December 2024, other than a few exceptions, the income tax rate for both domestic enterprises and foreign-invested enterprises is 25%. Enterprises are classified as either "resident enterprises" or "non-resident enterprises". Besides enterprises established within the PRC, enterprises established outside China whose "de facto management bodies" are located in China are considered "resident enterprises" and subject to the uniform 25% enterprise income tax rate for their global income. A non-resident enterprise refers to an entity established under foreign law whose "de facto management bodies" are not within the PRC but which have an establishment or place of business in the PRC, or which do not have an establishment or place of business in the PRC but have income sourced within the PRC. An income tax rate of 10% will normally be applicable to dividends declared to non-PRC resident enterprise investors that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC.

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 Standing Committee of the National People's Congress on December 25, 2024 and took effect on January 1, 2026, entities or individuals engaged in the sales of goods, services, intangible assets, or immovable property within the PRC, or in the importation of goods, shall be identified as taxpayers of value-added tax, and shall pay value-added tax. According to the Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、稅務總局關於調整增值稅稅率的通知》) which was promulgated by the Ministry of Finance and SAT on April 4, 2018 and came into effect on May 1, 2018, the VAT rates of 17% and 11% applicable to the general VAT payers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively. According to the Announcement on Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》) jointly which was promulgated by the Ministry of Finance, SAT and General Administration of Customs on March 20, 2019 and became effective on April 1, 2019, for general VAT payers' sales activities or imports that are subject to VAT at an existing applicable rate of 16% or 10%, the applicable VAT rate is adjusted to 13% or 9% respectively.

Dividend Withholding Tax

Pursuant to the Enterprise Income Tax Law of the PRC and its implementation rules, if a non-resident enterprise has not set up an organization or establishment in the PRC, or has set up an organization or establishment but the income derived has no actual connection with such organization or establishment, it will be subject to a withholding tax on its PRC-sourced income at a rate of 10%. Pursuant to the Arrangement between Chinese mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), the withholding tax rate in respect to the payment of dividends by a PRC enterprise to a Hong Kong enterprise is reduced to 5% from a standard rate of 10% if the Hong Kong enterprise is the beneficial owner of the dividends and directly holds at least 25% of the PRC enterprise.

Pursuant to the Notice of the State Administration of Taxation on the Issues concerning the Application of the Dividend Clauses of Tax Agreements (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》), if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment. Furthermore, the Administrative Measures for Non-Resident Taxpayer to Enjoy Treatments under Tax Treaties (《非居民納稅人享受稅收協定待遇管理辦法》) (the "SAT Circular 60"), which became effective in November 2015, require that non-resident enterprises which satisfy the criteria for entitlement to tax treaty benefits may, at the time of tax declaration or withholding declaration through a withholding agent, enjoy the tax treaty benefits, and be subject to ongoing administration by the tax authorities. In the case where the non-resident enterprises do not apply to the withholding agent to claim the tax treaty benefits, or the materials and the information stated in the relevant reports and statements provided to the withholding agent do not satisfy the criteria for entitlement to tax treaty benefits, the withholding agent should withhold tax pursuant to the provisions of the PRC tax laws. The SAT issued the Announcement of State Taxation Administration on Promulgation of the Administrative Measures on Non-resident Taxpayers Enjoying Treaty Benefits (《國家稅務總局關於發布<非居民納稅人享受協定待遇管理辦法>的公告》) (the "SAT Circular 35") on October 14, 2019, which became effective on January 1, 2020. The SAT Circular 35 further simplified the procedures for enjoying treaty benefits and replaced the SAT Circular 60. According to the SAT Circular 35, no approvals from the tax authorities are required for a non-resident taxpayer to enjoy treaty benefits, where a non-resident taxpayer self-assesses and concludes that it satisfies the criteria for claiming treaty benefits, it may enjoy treaty benefits at the time of tax declaration or at the time of withholding through the withholding agent, but it shall gather and retain the relevant materials as required for future inspection, and accept follow-up administration by the tax authorities. There are also other conditions for enjoying the reduced withholding tax rate according to other relevant tax rules and regulations. According to the Circular of the State Administration of Taxation on Several Issues regarding the "Beneficial Owner" in Tax Treaties (《國家稅務總局關於稅收協定中"受益所有人"有關問題的公告》), which was issued on February 3, 2018 by the SAT, effective as of April 1, 2018, when determining the applicant's status of the "beneficial owner" regarding tax treatments in connection with dividends, interests or royalties in the tax treaties, several factors, including without limitation, whether the applicant is obligated to pay more than 50% of its income in twelve months to residents in third country or region, whether the business operated by the applicant constitutes the actual business activities, and whether the counterparty country or region to the tax treaties does not levy any tax or grant tax exemption on relevant incomes or levy tax at an extremely low rate, will be taken into account, and it will be analyzed according to the actual circumstances of the specific cases. This circular further provides that applicants who intend to prove his or her status of the "beneficial owner" shall submit the relevant documents to the relevant tax bureau according to the Administrative Measures for Non-Resident Taxpayers to Enjoy Treatments under Tax Treaties.

Regulations Relating to Overseas Offering and Listing

On February 17, 2023, with the approval of the State Council, the CSRC promulgated 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》) (the "Trial Measures") and relevant five guidelines, which came into force on March 31, 2023.

According to the Trial Measures, (i) PRC domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and submit relevant information to the CSRC; if a domestic company fails to complete the filing procedure or conceals any material fact or falsifies any major content in its filing documents, such domestic company may be subject to administrative penalties, such as order to rectify, warnings, fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines; (ii) domestic companies that seek to offer or list securities overseas directly means that PRC companies limited by shares offer or list securities in overseas securities markets; and (iii) any PRC company limited by shares are required to file with the CSRC within three business days after its application for overseas listing is submitted. Failure to complete the filing under the Trial Measures may subject a PRC domestic company to rectification ordered by the CSRC, warning, and fine of RMB1 million to RMB10 million.

Besides, PRC domestic companies seeking to Overseas Offering and Listing shall strictly comply with the laws, administrative regulations and relevant provisions of the PRC government on foreign investment, State-owned assets, industry regulation, overseas investment, etc., shall not disrupt domestic market order, and shall not harm national interests, public interest and the legitimate rights and interests of domestic investors. PRC domestic companies that conducts Overseas Offering and Listing shall (i) formulate its articles of association, improve its internal control system and standardize its corporate governance, financial affairs and accounting activities in accordance with the PRC Company Law, the PRC Accounting Law and other PRC laws, administrative regulations and applicable provisions; (ii) abide by the legal system of the PRC on confidentiality and take necessary measures to implement the confidentiality responsibility, shall not divulge any state secret or the work secrets of state authorities, and shall also comply with laws, administrative regulations and the relevant provisions of the PRC where involved in the overseas provision of personal information and important data. In addition, the Trial Measures also provides the circumstances where the Overseas Offering and Listing is explicitly prohibited, including: (i) such securities offering and listing is explicitly prohibited by specific PRC laws and regulations; (ii) that constitute threat to or endanger national security; (iii) the PRC domestic company, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the PRC domestic company is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the controlling shareholder(s) or by other shareholder(s) that controlled by the controlling shareholder(s) and/or the actual controller.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Companies (《關於加强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 "Provision on Confidentiality"), which came into force on March 31, 2023. According to the Provision on Confidentiality, where any PRC domestic company provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic companies providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuing to the relevant provisions of the State. The working papers formed within the territory of the PRC by the securities companies and securities service institutions that provide corresponding services for the overseas issuance and listing of domestic companies shall be kept within the territory of the PRC, and those that need to leave the PRC shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

Full Circulation of H Shares

"Full Circulation" represents listing and circulating on the Stock Exchange of the domestic unlisted shares of an H-share listed company, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders. On November 14, 2019, CSRC announced the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請"全流通"業務指引》), as amended on August 10, 2023, which allows certain qualified H-share listed companies and H-share companies to be listed for the application of full circulation to CSRC.

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies, shareholders of domestic unlisted shares may, through consultation, determine the amount and proportion of shares, for which an application will be filed for circulation, provided that the requirements stipulated by relevant laws, regulations and policies on state-owned asset administration, foreign investment and industry regulation are satisfied. The corresponding H-share listed company may be entrusted to file the said application for "Full Circulation". After completing the required filing with the CSRC, the H-share listed company shall submit a report on the relevant situation to the CSRC within 15 days after the transfer of registration with the China Securities Depository and Clearing Corporation Limited of the shares related to the application has been completed.

On December 31, 2019, China Securities Depository and Clearing Corporation Limited and Shenzhen Stock Exchange jointly announced the Measures for Implementation of H-share "Full Circulation" Business (《H股"全流通"業務實施細則》), which are applicable to cross-border transfer registration, depository and holding, details maintenance, transaction entrustment and instruction transmission, settlement, clearing participant management, nominee holder services and other related operations involved in H-Share Full Circulation Business.

On September 20, 2024, the CSDC issued the H-Share Full Circulation Business Guide for CSDC Shenzhen Branch (《中國證券登記結算有限責任公司深圳分公司H股"全流通"業務指南》), which are applicable to the H-Share Full Circulation Business which includes activities such as preparation, account arrangement, cross-border transfer registration and overseas centralized depository, initial records and records of changes of onshore shareholding details, corporate actions, clearing and settlement, and risk management measures. On the same day, China Securities Depository and Clearing (Hong Kong) Co., Ltd. amended the H-Share Full Circulation Business Guide of China Securities Depository and Clearing (Hong Kong) Limited (《中國證券登記結算(香港)有限公司H股"全流通"業務指南》), which apply to the share custody and depository, nominee services, settlement arrangements and risk management measures involved in the H-Share Full Circulation Business.

Regulations Relating to Foreign Exchange

The principal regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) which was promulgated by the State Council on January 29, 1996 and lastly amended on August 5, 2008. Pursuant to these regulations and other relevant rules and regulations on currency conversion, Renminbi is freely convertible for current account items (e.g., trade, service and dividend payments) but for capital account items (e.g., direct investment, loan or investment in securities outside China), without approval from the State Administration of Foreign Exchange, ("SAFE") or its local counterpart.

According to the Notice on Relevant Issue Concerning the Administration of Foreign Exchange for Overseas Listing (《關於境外上市外匯管理有關問題的通知》) issued by the SAFE on December 26, 2014, domestic companies shall register their overseas listing with the foreign exchange control bureau located at its registered address in 15 working days after completion of the listing and issuance. The funds raised from overseas listing may be repatriated to China or deposited overseas, provided that the intended use of the fund shall be consistent with the document and other public disclosure documents.

On February 13, 2015, SAFE promulgated the Notice on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (《關於進一步簡化和改進直接投資外匯管理政策的通知》), according to which, entities and individuals may apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of SAFE, may directly review and process applications. On March 30, 2015, SAFE promulgated the Circular on Reforming the Management Approach regarding the Settlement of Foreign Capital of Foreign-invested Enterprise (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "SAFE Circular 19"). According to the SAFE Circular 19, foreign-invested enterprises shall be subject to the Discretionary Foreign Exchange Settlement, which means that foreign-invested enterprises may settle foreign exchange capital at banks on a discretionary basis, based on actual operational needs, following capital verification by the local SAFE or bank recordation. Further payments in Renminbi from such settlements shall be subject to supporting documentation and bank review.

The SAFE Circular 19 also stipulates that the use of foreign-exchange capital and Renminbi proceeds shall be authentic and for self-use within the business scope of enterprises. Such funds shall not be used for: (i) purposes beyond the business scope of the enterprises or prohibited by relevant laws and regulations; (ii) securities investment unless otherwise permitted by the relevant laws and regulations; (iii) entrust loans in Renminbi (unless within the scope of business), repayment of interenterprise borrowings (including advances by the third-party) or repayment of Renminbi bank loans that have been sub-lent to third parties; or (iv) purchase of real estate not for self-use (except for the foreign-invested real estate enterprises).

The Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《關於進一步改進和調整直接投資外匯管理政策的通知》) (the "SAFE Circular 13") which became effective on June 1, 2015 and was amended on December 30, 2019, cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment and simplifies the procedure of foreign exchange-related registration. Pursuant to SAFE Circular 13, investors should register with banks for direct domestic investment and direct overseas investment.

Pursuant to the Circular of the State Administration of Foreign Exchange on Reforming and Standardizing the Management Policy of Capital Account Settlement (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) ("SAFE Circular No. 16") issued by the SAFE on June 9, 2016, and amended on December 4, 2023, any inconsistency with the previous circular (e.g., SAFE Circular No. 19) is resolved in favor of SAFE Circular No. 16. SAFE Circular No. 16 will standardize the settlement of foreign exchange for all domestic institutions. In addition, the use of foreign exchange earnings from capital items by domestic institutions shall be authentic and for self-use within the scope of business operation. SAFE Circular No. 16 reiterates that the foreign exchange income from capital items of domestic institutions and the RMB settlement proceeds may be used for current account expenditures within the scope of their own operations, as well as for capital account expenditure as permitted by laws and regulations. The use of RMB funds derived from foreign exchange earnings from capital items and their settlement by domestic institutions shall not be applied to the following: (i) any expenditure that falls outside the enterprises' business scope or is prohibited by applicable laws and regulations; (ii) unless otherwise explicitly provided, any direct or indirect investment in securities or other investment and wealth management, excluding wealth management products and structured deposits with risk ratings not higher than Level 2; (iii) any extension of loans to non-affiliated enterprises except for cases expressly permitted under the enterprises' business scope ; (iv) any acquisition of residential properties not for self-use (except for enterprises engaging in real estate development and real estate leasing).

On January 26, 2017, SAFE promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification (《關於進一步推進外匯管理改革完善真實合規性審核的通知》), which stipulates several capital control measures with respect to the outbound remittance of profit from domestic entities to offshore entities, including: (i) banks must verify board resolutions on profit distribution, the original version of tax filing records, and audited financial statements based on genuineness principle; and (ii) domestic entities must cover prior-year losses with current profits before remittance. Moreover, for outbound investment registration, domestic entities must make detailed explanations of capital sources and usage, along with board resolutions, contracts, and other supporting documents.

The Notice for Further Advancing the Facilitation of Cross-border Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》), which was promulgated by the SAFE on October 23, 2019 and amended in December 2023, among other things, allows all FIEs to use Renminbi converted from foreign currency denominated capital for equity investments in China, as long as the equity investment is genuine, does not violate applicable laws, and complies with the negative list on foreign investment.

According to the Circular of the State Administration for Foreign Exchange on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (《關於優化外匯管理支持涉外業務發展的通知》), promulgated by the SAFE on April 10, 2020, the reform of facilitating the payments of incomes under the capital accounts shall be promoted nationwide. On condition that fund usage is authentic and compliant and under the applicable rules for capital account proceeds utilization, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, for domestic payment, without submitting veracity documentation to the bank on a transaction-by-transaction basis.

According to the Circular of the People's Bank of China and SAFE on Issues Related to the Administration of Funds Related to Overseas Listings by Domestic Enterprises (Draft for Comment) (《關於境內企業境外上市資金管理有關問題的通知(徵求意見稿)》), promulgated by People's Bank of China and SAFE on May 23, 2025, funds raised from overseas listings of a domestic enterprise shall, in principle, be promptly repatriated. Funds retained overseas for purposes such as direct investment, securities investment, or lending require prior competent authority approval/filing before completion of the overseas insurance or over-allotment, and shall comply with cross-border fund rules. Renminbi-denominated issuance proceeds shall comply with the Circular of the People's Bank of China on Further Improving the Policy of Cross-border Renminbi Business to Promote Trade and Investment Facilitation (Yin Fa [2018] No. 3) (《中國人民銀行關於進一步完善人民幣跨境業務政策促進貿易投資便利化的通知》). Foreign currency proceeds repatriated shall be deposited into their capital account-settlement accounts for retention and use and may be settle into Renminbi at their own discretion. Funds repatriated in Renminbi may be deposited into either their capital account-settlement accounts or domestic Renminbi bank settlement accounts for retention and use. Use of all overseas listings proceeds shall be consistent with disclosures in the document, or corporate bond offering circular, shareholder circular, board or shareholder resolutions or other publicly disclosed documents.

OVERVIEW

We are an industrial embodied AI company. During the Track Record Period, we primarily generated revenue from the provision of industrial embodied AI robotic solutions domestically and internationally, covering industrial intralogistics scenarios and inspection and maintenance scenarios.

Our history can be traced back to May 2017, when our Company was founded by Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Xu and Mr. Zhao. Our founders first connected with each other during the academic collaboration at Xi'an Jiaotong University, and their shared interest in robotics helped them develop a lasting professional bond. Mr. Mei is an expert in robotics with extensive research experience in the field. For the background and the relevant industry experience of our other founders, see "Directors and Senior Management" in this document.

KEY MILESTONES

The following table sets forth the key milestones of our corporate and business development.

Year	Milestone events
2017	• Our core team was formed at Xi'an Jiaotong University in the PRC. Our Company was established.
	• With a focus on robotics research and development, we developed and refined the prototypes of our robot products.
2018	• The foundational technological structure of Fusion SLAM, developed by our Company, has been successfully delivered for commercial use.
2019	• We successfully delivered our first robot project in the electronics manufacturing industry at scale.
	• We successfully launched the first system-level robotic inspection project (機器人巡檢系統級項目) for a thermal power plant in China.
2020	• We initiated a strategic layout of intelligent intralogistics technology for the semiconductor manufacturing industry with wafer fabrication as its core.
	• Our mobile manipulation robots were brought to use in live-line operation scenarios in the power industry, and a general solution for the power generation sector was developed.
2021	• Our full-stack technical support capabilities of mobile manipulation robots have been validated, as demonstrated by the successful delivery of a cluster project.
	• We won the first large-scale industrial intralogistics project in the wafer fabrication industry.
2022	• We established standardized industry solutions for semiconductor industrial intralogistics and energy inspection and operations.
	• Our inspection robots were widely deployed across sites operated by major energy conglomerates of the PRC, with a significant increase in applications in the renewable power sector.

Year	Milestone events
2023	• We were recognized as a National Specialized and Innovative "Little Giant" Enterprise (國家級專精特新"小巨人"企業) by the Ministry of Industry and Information Technology of the PRC.
	• We took the lead in a key national research and development project in the field of industrial software.
2024	• Our industrial intralogistics business for semiconductor manufacturing now started to cover all process stages, from front-end to back-end, across first- to third-generation semiconductor materials, and we played a leading role in defining industry standard solutions.
	• Our energy inspection and operations business started to cover ten sectors: wind power, photovoltaics, hydropower, thermal power, nuclear power, oil and gas, coal, energy storage, chemicals, and digital energy, forming a replicable standard business model.
	• We established a subsidiary in Japan and focused on expanding into the Japanese semiconductor manufacturing industry market.
2025	• We launched multiple models of humanoid robot products under the "unified intelligence + adaptive forms" ("一腦多態") structure.
	• We formed a clear technology roadmap, featured by the use of dedicated embodied AI robots to solve the needs of repetitive work scenarios and the use of general embodied AI robots to meet the needs of generalized work scenarios, aiming to enhance the value dimension of the overall solution and expand the boundaries of product application.
	• We were recognized by the Guangdong Provincial Department of Science and Technology as the Composite Collaborative Robot Engineering Technology Research Center of Guangdong Province (廣東省複合協作機器人工程技術研究中心).

OUR PRINCIPAL SUBSIDIARIES

The following sets forth the information on our principal subsidiaries that have made material contribution to our operating results and financial position during the Track Record Period.

Subsidiaries	Place of incorporation	Date of incorporation	Registered capital	Principal activities
Youibot Robotics Co., Ltd. (深圳優艾智合機器人科技有限公司)	PRC	March 5, 2018	RMB100,000,000	Industrial embodied AI robotic solutions R&D and sales
Shenzhen Youai Zhijia Robot Technology Co., Ltd. (深圳優艾智嘉機器人科技有限公司)	PRC	May 20, 2019	RMB2,000,000	Industrial embodied AI robotic solutions R&D and sales

Subsidiaries	Place of incorporation	Date of incorporation	Registered capital	Principal activities
Suzhou Youai Zhichuang Robot Technology Co., Ltd. (蘇州優艾智創機器人科技有限公司)	PRC	June 22, 2022	RMB30,000,000	Industrial embodied AI robotic solutions R&D and sales
Huzhou Youai Zhihe Robot Technology Co., Ltd. (湖州優艾智合機器人科技有限公司)	PRC	April 17, 2023	RMB50,000,000	Industrial embodied AI robot manufacturing and general equipment manufacturing
Hefei Youai Intelligent Manufacturing Equipment Co., Ltd. (合肥優艾智能製造裝備有限公司)	PRC	June 26, 2024	RMB10,000,000	Industrial embodied AI robot manufacturing and general equipment manufacturing

As of the Latest Practicable Date, our other subsidiaries were principally engaged in, among others, research and development, manufacturing and sales of industrial embodied AI robotic solutions. A summary of the principal activities of our other subsidiaries are set out in Note 1 to the Accountants' Report as set out in Appendix I to this document.

ESTABLISHMENT AND MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Establishment of Our Company in 2017

On May 16, 2017, our Company was established as a limited liability company with a registered capital of RMB1,000,000 under the laws of the PRC and was owned by Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Xu and Mr. Zhao as to approximately 41.00%, 30.00%, 15.00%, 7.00% and 7.00%, respectively. At the time of establishment, the registered capital of Mr. Mei was held by Ms. Mei Wanqing (梅婉箐) on his behalf as nominee. The nominee shareholding arrangement (the "Nominee Shareholding Arrangement") was terminated in May 2018 by way of the capital transfers as detailed below. See "— Capital Increase (Seed Investments) and Capital Transfers in May 2018."

Capital Increase (Seed Investments) and Capital Transfers in May 2018

To terminate the Nominee Shareholding Arrangement, the registered capital totalling RMB300,000 was transferred from Ms. Mei Wanqing (梅婉箐), among which (i) the registered capital of RMB270,000 was transferred to Mr. Mei and (ii) the registered capital of RMB30,000 was transferred to Xi'an Xijiao 1896 First Phase Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (西安西交一八九六一期創業投資合夥企業(有限合夥)) ("XiJiao 1896"), in both cases, without monetary consideration. At the time of these transfers, it was intended that the actual capital contributions for the respective portions of registered capital (being RMB270,000 by Mr. Mei and RMB30,000 by XiJiao 1896) would be satisfied by contributions of patent rights. Pursuant to the shareholders' resolution dated April 16, 2018, the form of capital contribution was subsequently approved to be changed from patent rights to monetary contribution. The monetary consideration of RMB300,000 was subsequently settled in May 2025.

In May 2018, the registered capital of our Company was increased from RMB1,000,000 to RMB1,087,000 through capital subscription in a total amount of RMB87,000, among which (i) the registered capital of RMB76,100 was subscribed by XiJiao 1896 at a consideration of RMB560,000, and (ii) the registered capital of RMB10,900 was subscribed by Xi'an Bole Technology Incubator Co., Ltd. (西安伯樂科技孵化器有限公司) ("Xi'an Bole") at a consideration of RMB80,000. The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscriber after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase and capital transfers, the shareholding structure of our Company was as follows:

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Zhang Zhaohui (張朝輝)	410,000	37.72
Mr. Mei Xuesong (梅雪松)	270,000	24.84
Dr. Bian Xu (邊旭)	150,000	13.80
XiJiao 1896	106,100	9.76
Mr. Xu Jin (許瑨)	70,000	6.44
Mr. Zhao Wanqiu (趙萬秋)	70,000	6.44
Xi'an Bole	10,900	1.00
Total	**1,087,000**	**100.00**

Capital Increase (Angel Investments) and Capital Transfers in June 2019

In June 2019, the registered capital of our Company was increased from RMB1,087,000 to RMB1,479,600, through capital subscriptions among which, pursuant to an investment agreement dated December 31, 2018, (i) the registered capital of RMB177,600 was subscribed by Shenzhen Yingnuo Angel Investment Partnership Enterprise (Limited Partnership) (深圳英諾天使投資合夥企業(有限合夥)) ("Shenzhen Yingnuo") at a consideration of RMB3,600,000, (ii) the registered capital of RMB59,200 was subscribed by Changjian Changyu Shuimu (Yinchuan) Venture Capital Center (L.P.) (常見長裕水木(銀川)創業投資中心(有限合夥)) ("Changjian Changyu") at a consideration of RMB1,200,000, (iii) the registered capital of RMB49,300 was subscribed by SOSV (Ningbo) Investment Management Company Limited (寧波索斯福投資管理有限公司) ("SOSV (Ningbo)") at a consideration of RMB1,000,000, and (iv) the registered capital of RMB49,300 was subscribed by XiJiao 1896 at a consideration of RMB1,000,000. The consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

In addition, pursuant to a shareholders' resolution dated May 4, 2019, the registered capital totalling RMB57,200 was subscribed by SOSV (Ningbo) at a consideration of US$175,000. The consideration of such capital subscription was determined upon arm's length negotiations and based on an accelerator contract for equity (the "ACE") dated August 17, 2017 between SOSV III LP ("SOSV III"), our Company and the then Shareholders, whereby it was agreed that SOSV III could subscribe, at the time of our Company's then next equity financing for 5% equity interest in our Company (corresponding to RMB57,200 of the then registered capital) at a price of US$175,000. Pursuant to a stock purchase agreement (the "SPA") dated August 17, 2017 between SOSV III, our Company and the then Shareholders, it was agreed that SOSV III could subscribe, at the time of our Company's next equity financing, for approximately 4% of our increased registered capital at a nominal consideration of US$1.00. As such, a capital transfer agreement was entered into on May 4, 2019, pursuant to which the registered capital totalling RMB45,800 was transferred to SOSV (Ningbo), among which (i) the registered capital of RMB19,300 was transferred from Mr. Zhang, (ii) the registered capital of RMB12,800 was transferred from Mr. Mei, (iii) the registered capital of RMB7,100 was transferred from Dr. Bian, (iv) the registered capital of RMB3,300 was transferred from Mr. Xu, and (v) the registered capital of RMB3,300 was transferred from Mr. Zhao. As confirmed by the contractual parties, SOSV (Ningbo), a wholly-owned subsidiary of SOSV III, was entitled to exercise SOSV III's contractual rights under the SPA and ACE.

To structure our Company's founder shareholding platform, the registered capital totalling RMB326,400 was transferred to Xi'an Youai, among which (i) the registered capital of RMB31,100 was transferred from Mr. Zhang with no consideration, (ii) the registered capital of RMB132,900 was transferred from Mr. Mei at a consideration of RMB132,900, (iii) the registered capital of RMB29,000 was transferred from Dr. Bian with no consideration, (iv) the registered capital of RMB66,700 was transferred from Mr. Xu at a consideration of RMB17,700, and (v) the registered capital of RMB66,700 was transferred from Mr. Zhao at a consideration of RMB17,700.

Upon the completion of the above capital increase and capital transfers, the shareholding structure of our Company was as follows:

Name of Shareholders	**Registered capital**	**Shareholding percentage**
	(RMB)	*(%)*
Mr. Zhang	359,600	24.30
Xi'an Youai	326,400	22.06
Shenzhen Yingnuo	177,600	12.00
XiJiao 1896	155,400	10.50
SOSV (Ningbo)	152,300	10.29
Mr. Mei	124,300	8.40
Dr. Bian	113,900	7.70
Changjian Changyu	59,200	4.00
Xi'an Bole	10,900	0.74
Total	**1,479,600**	**100.00**

Capital Increase in November 2020 (Pre-Series A Investments and Series A Investments)

In November 2020, the registered capital of our Company was increased from RMB1,479,600 to RMB2,190,900 following the Pre-Series A Investments and the Series A Investments, as detailed below.

Pursuant to the agreement dated September 2, 2020 for Pre-Series A Investments ("Pre-Series A Investments"), the registered capital of our Company was increased through capital subscriptions in a total amount of RMB234,400, among which (i) the registered capital of RMB145,700 was subscribed by Jiaxing Zhenge Jingyuan Equity Investment Partnership (L.P.) (嘉興真格景源股權投資合夥企業(有限合夥)) ("Zhenge Jingyuan") at a consideration of RMB8,500,000, (ii) the registered capital of RMB6,900 was subscribed by Changjian Changyu at a consideration of RMB400,000, and (iii) the registered capital of RMB36,000 was subscribed by SOSV Sanya Limited (三亞索斯福股權投資有限公司) ("SOSV Sanya") at a consideration of RMB2,100,000. The consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business. In addition, the registered capital of RMB45,800 was subscribed by Xi'an Youai, at a consideration of RMB45,800 for purposes of our Company's employee incentive plans.

Pursuant to the agreement dated October 10, 2020 for Series A Investments ("Series A Investments"), the registered capital of our Company was increased through capital subscriptions in a total amount of RMB476,900, among which (i) the registered capital of RMB281,600 was subscribed by SIG China (Shanghai) Equity Investment Fund Partnership (Limited Partnership) (海納華(上海)股權投資基金合夥企業 (有限合夥)) ("SIG China") at a consideration of RMB23,000,000, (ii) the registered capital of RMB31,300 was subscribed by Zhenge Jingyuan at a consideration of RMB2,553,000, (iii) the registered capital of RMB6,700 was subscribed by Changjian Changyu at a consideration of RMB550,000, and (iv) the registered capital of RMB47,700 was subscribed by SOSV Sanya at a consideration of RMB3,897,000. The consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business. In addition, the registered capital of RMB109,600 was subscribed by Xi'an Youai, at a consideration of RMB109,600 for purposes of our Company's employee incentive plans.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Xi'an Youai	481,800	21.99
Mr. Zhang	359,600	16.41
SIG China	281,600	12.85
Shenzhen Yingnuo	177,600	8.11
Zhenge Jingyuan	177,000	8.08
XiJiao 1896	155,400	7.09
SOSV (Ningbo)	152,300	6.95
Mr. Mei	124,300	5.67
Dr. Bian	113,900	5.20
SOSV Sanya	83,700	3.82
Changjian Changyu	72,800	3.32
Xi'an Bole	10,900	0.50
Total	**2,190,900**	**100.00**

Capital Increase in March 2021 (Series A+ Investments)

In March 2021, the registered capital of our Company was increased from RMB2,190,900 to RMB2,381,400 through capital subscription in a total amount of RMB190,500 by Shanghai Xinzhong Investment Center (Limited Partnership) (上海新仲投資中心(有限合夥)) ("Lanchi Shanghai Xinzhong") at a consideration of RMB20,000,000. The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscriber after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Xi'an Youai	481,800	20.23
Mr. Zhang	359,600	15.10
SIG China	281,600	11.83
Lanchi Shanghai Xinzhong	190,500	8.00
Shenzhen Yingnuo	177,600	7.46
Zhenge Jingyuan	177,000	7.43
XiJiao 1896	155,400	6.53
SOSV (Ningbo)	152,300	6.40

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Mei	124,300	5.22
Dr. Bian	113,900	4.78
SOSV Sanya	83,700	3.51
Changjian Changyu	72,800	3.06
Xi'an Bole	10,900	0.46
Total	**2,381,400**	**100.00**

Capital Increase in June 2021 (Series B Investments)

In June 2021, the registered capital of our Company was increased from RMB2,381,400 to RMB2,673,900 through capital subscriptions in a total amount of RMB292,500, among which (i) the registered capital of RMB62,500 was subscribed by SIG China at a consideration of RMB11,550,558, (ii) the registered capital of RMB54,100 was subscribed by Lanchi Shanghai Xinzhong at a consideration of RMB10,000,000, and (iii) the registered capital of RMB175,900 was subscribed by FIF II Co,. Ltd. ("SBVA Entity") at a consideration of US$5,000,000. The consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Xi'an Youai	481,800	18.02
Mr. Zhang	359,600	13.45
SIG China	344,100	12.87
Lanchi Shanghai Xinzhong	244,600	9.15
Shenzhen Yingnuo	177,600	6.64
Zhenge Jingyuan	177,000	6.62
SBVA Entity	175,900	6.58
XiJiao 1896	155,400	5.81
SOSV (Ningbo)	152,300	5.70
Mr. Mei	124,300	4.65
Dr. Bian	113,900	4.26
SOSV Sanya	83,700	3.13
Changjian Changyu	72,800	2.72
Xi'an Bole	10,900	0.41
Total	**2,673,900**	**100.00**

Capital Increase (Series B+ Investments) and Capital Transfers in December 2021

In December 2021, the registered capital of our Company was increased from RMB2,673,900 to RMB3,242,400 through capital subscriptions in a total amount of RMB568,500, among which (i) the registered capital of RMB63,700 was subscribed by Suzhou Fangguang Phase III Venture Capital Partnership (L.P.) (蘇州方廣三期創業投資合夥企業(有限合夥)) ("Suzhou Fangguang") at a consideration of RMB22,603,291, (ii) the registered capital of RMB25,400 was subscribed by Changzhou Fangguang Phase III Equity Investment Partnership Enterprise (Limited Partnership) (常州方廣三期股權投資合夥企業(有限合夥)) ("Changzhou Fangguang") at a consideration of RMB9,005,200, (iii) the registered capital of RMB28,100 was subscribed by Shenzhen Greenpine

Chuangzhi Venture Capital Investment Partnership (L.P.) (深圳松禾創智創業投資合夥企業(有限合夥)). ("Shenzhen Greenpine") at a consideration of RMB10,000,000, (iv) the registered capital of RMB28,100 was subscribed by Chongqing Fuling District Greenpine Zhixun Private Equity Investment Fund Partnership (L.P.) (重慶市涪陵區松禾智訊私募股權投資基金合夥企業(有限合 夥)) ("Chongqing Greenpine") at a consideration of RMB10,000,000, (v) the registered capital of RMB61,500 was subscribed by SIG China at a consideration of RMB21,893,115, (vi) the registered capital of RMB84,200 was subscribed by Sharp Dynasty Limited ("Sharp Dynasty") at a consideration of US$4,629,629.63, (vii) the registered capital of RMB41,800 was subscribed by FG Venture SZFZ Limited ("FG Venture SZFZ") at a consideration of US$2,300,000, (viii) the registered capital of RMB37,400 was subscribed by SBVA Entity at a consideration of US$2,055,546, (ix) the registered capital of RMB20,900 was subscribed by SOSV Select Fund LP ("SOSV Select") at a consideration of US$1,148,225.31, and (x) the registered capital of RMB43,700 was subscribed by Lanchi Shanghai Xinzhong at a consideration of RMB15,562,430. consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business. In addition, the registered capital of RMB133,700 was subscribed by Xi'an Youai, at a consideration of RMB133,700 for purposes of our Company's employee incentive plans.

The registered capital totalling RMB74,900 was transferred from XiJiao 1896, among which (i) the registered capital of RMB8,000 was transferred to SOSV Sanya at a consideration of RMB2,279,500, (ii) the registered capital of RMB11,700 was transferred to SIG China at a consideration of RMB3,333,800, (iii) the registered capital of RMB8,300 was transferred to Lanchi Shanghai Xinzhong at a consideration of RMB2,365,000, (iv) the registered capital of RMB33,500 was transferred to Suzhou Fangguang at a consideration of RMB9,556,378, and (iv) the registered capital of RMB13,400 was transferred to Changzhou Fangguang at a consideration of RMB3,807,322. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above transfers was determined based on arm's length negotiations between the parties after taking into account the liquidity needs of the transferor and commercial considerations of the parties involved.

SOSV (Ningbo) ceased to be a shareholder in our Company pursuant to the equity transfer agreement dated June 10, 2021, whereby SOSV (Ningbo) transferred its registered capital of RMB152,300 to SOSV III at a consideration of RMB1,000,000. Pursuant to an equity transfer agreement dated June 10, 2021, SOSV Sanya transferred registered capital of RMB83,700 to SOSV IV LP ("SOSV IV") at a consideration of RMB5,997,000. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above transfers was determined in accordance with the intragroup arrangement within the SOSV Entities.

Upon the completion of the above capital increase and capital transfers, the shareholding structure of our Company was as follows:

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Xi'an Youai	615,500	18.98
Mr. Zhang	359,600	11.09
SIG China	417,300	12.87
Lanchi Shanghai Xinzhong	296,600	9.15
SBVA Entity	213,300	6.58
Shenzhen Yingnuo	177,600	5.48
Zhenge Jingyuan	177,000	5.46
SOSV III	152,300	4.70

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Mei	124,300	3.83
Dr. Bian	113,900	3.51
Suzhou Fangguang	97,200	3.00
Sharp Dynasty	84,200	2.60
SOSV IV	83,700	2.58
XiJiao 1896	80,500	2.48
Changjian Changyu	72,800	2.25
FG Venture SZFZ	41,800	1.29
Changzhou Fangguang	38,800	1.20
Shenzhen Greenpine	28,100	0.87
Chongqing Greenpine	28,100	0.87
SOSV Select	20,900	0.64
Xi'an Bole	10,900	0.34
SOSV Sanya	8,000	0.25
Total	**3,242,400**	**100.00**

Capital Increase (Series B++ Investments) and Capital Transfers in June 2022

In June 2022, the registered capital of our Company was increased from RMB3,242,400 to RMB3,653,900 through capital subscription in a total amount of RMB411,500, among which (i) the registered capital of RMB177,200 was subscribed by Beijing New Power Equity Investment Fund (Limited Partnership) (北京新動力股權投資基金(有限合夥)) ("Beijing New Power") at a consideration of RMB90,221,876, (ii) the registered capital of RMB25,300 was subscribed by Sharp Dynasty at a consideration of US$2,000,000, (iii) the registered capital of RMB58,700 was subscribed by Shenzhen Greenpine at a consideration of RMB29,899,653, and (iv) the registered capital of RMB53,000 was subscribed by SIG China at a consideration of RMB26,978,471. Consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business. In addition, the registered capital of RMB97,300 was subscribed by Xi'an Youai, at a consideration of RMB97,300 for purposes of our Company's employee incentive plans.

At the same time, two of the then Shareholders made the following capital transfers to Beijing New Power, among which (i) the registered capital of RMB47,000 was transferred from Shenzhen Yingnuo at a consideration of RMB21,531,874, and (ii) the registered capital of RMB18,000 was transferred from Changjian Changyu at a consideration of RMB8,246,250. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above transfers was determined based on arm's length negotiations between the parties after taking into account the liquidity needs of the transferors and commercial considerations of the parties involved.

Upon the completion of the above capital increase and capital transfers, the shareholding structure of our Company was as follows:

Name of Shareholders	Registered Share Capital	Shareholding Percentage
	(RMB)	*(%)*
Xi'an Youai	712,800	19.51
SIG China	470,300	12.87
Mr. Zhang	359,600	9.84

Name of Shareholders	Registered Share Capital	Shareholding Percentage
	(RMB)	*(%)*
Lanchi Shanghai Xinzhong	296,600	8.12
Beijing New Power	242,200	6.63
SBVA Entity	213,300	5.84
Zhenge Jingyuan	177,000	4.84
SOSV III	152,300	4.17
Shenzhen Yingnuo	130,600	3.57
Mr. Mei	124,300	3.40
Dr. Bian	113,900	3.12
Sharp Dynasty	109,500	3.00
Suzhou Fangguang	97,200	2.66
Shenzhen Greenpine	86,800	2.38
SOSV IV	83,700	2.29
XiJiao 1896	80,500	2.20
Changjian Changyu	54,800	1.50
FG Venture SZFZ	41,800	1.14
Changzhou Fangguang	38,800	1.06
Chongqing Greenpine	28,100	0.77
SOSV Select	20,900	0.57
Xi'an Bole	10,900	0.30
SOSV Sanya	8,000	0.22
Total	**3,653,900**	**100.00**

Capital Increases in April 2023, November 2024 and July 2025 (Post-Series B++ Investments)

In April 2023, the registered capital of our Company was increased from RMB3,653,900 to RMB3,791,400 through capital subscription in a total amount of RMB137,500 by Xingchan (Huzhou) Venture Capital Partnership Enterprise (Limited Partnership) (興產(湖州)創業投資合夥企業(有限合夥)) ("Xingchan (Huzhou)") at a consideration of RMB70,000,000. The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscriber after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

In November 2024, the registered capital of our Company was increased from RMB3,791,400 to RMB3,948,600 through capital subscription in a total amount of RMB157,200 by Hefei Dongcheng Industrial Investment Co., Ltd. (合肥東城產業投資有限公司) ("Hefei Dongcheng") at a consideration of RMB80,000,000. The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscriber after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

In July 2025, the registered capital of our Company was increased from RMB3,948,600 to RMB4,086,100 through capital subscription in a total amount of RMB137,500 by Anqing Greenpine Chuangzhi Growth and Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (安慶松禾創智成長創業投資合夥企業(有限合夥)) ("Anqing Greenpine") at a consideration of RMB70,000,000. The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscriber after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Name of Shareholders	Registered capital	Shareholding percentage
	(RMB)	*(%)*
Xi'an Youai	712,800	17.44
SIG China	470,300	11.51
Mr. Zhang	359,600	8.80
Lanchi Shanghai Xinzhong	296,600	7.26
Beijing New Power	242,200	5.93
SBVA Entity	213,300	5.22
Zhenge Jingyuan	177,000	4.33
Hefei Dongcheng	157,200	3.85
SOSV III	152,300	3.73
Xingchan (Huzhou)	137,500	3.37
Anqing Greenpine	137,500	3.37
Shenzhen Yingnuo	130,600	3.20
Mr. Mei	124,300	3.04
Dr. Bian	113,900	2.79
Sharp Dynasty	109,500	2.68
Suzhou Fangguang	97,200	2.38
Shenzhen Greenpine	86,800	2.12
SOSV IV	83,700	2.05
XiJiao 1896	80,500	1.97
Changjian Changyu	54,800	1.34
FG Venture SZFZ	41,800	1.02
Changzhou Fangguang	38,800	0.95
Chongqing Greenpine	28,100	0.69
SOSV Select	20,900	0.51
Xi'an Bole	10,900	0.27
SOSV Sanya	8,000	0.20
Total	**4,086,100**	**100.00**

Conversion into a Joint Stock Company in 2025

On July 4, 2025, the Shareholders passed resolutions approving, among other things, the conversion of our Company from a limited liability company into a joint stock company with limited liability (the "Conversion"). Pursuant to the promoters' agreement dated July 5, 2025 entered into by all the then Shareholders, all promoters approved the conversion of the net asset value of our Company as of May 31, 2025 into 4,086,100 Shares of our Company with a nominal value of RMB1.00 each, with the remaining net assets converted as capital reserves of our Company. The Conversion was completed on September 10, 2025.

Upon the completion of the Conversion, the shareholding structure of our Company was as follows:

Name of Shareholders	Number of Shares	Shareholding percentage
		(%)
Xi'an Youai	712,800	17.44
SIG China	470,300	11.51
Mr. Zhang	359,600	8.80

Name of Shareholders	Number of Shares	Shareholding percentage
		(%)
Lanchi Shanghai Xinzhong	296,600	7.26
Beijing New Power	242,200	5.93
SBVA Entity	213,300	5.22
Zhenge Jingyuan	177,000	4.33
Hefei Dongcheng	157,200	3.85
SOSV III	152,300	3.73
Xingchan (Huzhou)	137,500	3.37
Anqing Greenpine	137,500	3.37
Shenzhen Yingnuo	130,600	3.20
Mr. Mei	124,300	3.04
Dr. Bian	113,900	2.79
Sharp Dynasty	109,500	2.68
Suzhou Fangguang	97,200	2.38
Shenzhen Greenpine	86,800	2.12
SOSV IV	83,700	2.05
XiJiao 1896	80,500	1.97
Changjian Changyu	54,800	1.34
FG Venture SZFZ	41,800	1.02
Changzhou Fangguang	38,800	0.95
Chongqing Greenpine	28,100	0.69
SOSV Select	20,900	0.51
Xi'an Bole	10,900	0.27
SOSV Sanya	8,000	0.20
Total	**4,086,100**	**100.00**

Capital Transfers in September 2025

In September 2025, 30,560 Shares were transferred from Beijing New Power to Qingdao Jiachuang Jinsen Equity Investment Partnership (Limited Partnership) (青島嘉創錦森股權投資合夥企業(有限合夥)) ("Qingdao Jiachuang") at a consideration of RMB17,799,978. Shenzhen Yingnuo transferred 44,906 Shares including (i) 22,453 Shares to Shenzhen Guozhi Gongying No. 1 Venture Capital Partnership (Limited Partnership) (深圳國智共贏一號創業投資合夥企業(有限合夥)) ("Shenzhen Guozhi") at a consideration of RMB10,000,000, and (ii) 22,453 Shares to Prestige Management Limited ("Prestige Management") at a consideration of RMB10,000,000. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above transfers was determined based on arm's length negotiations between the parties after taking into account the liquidity needs of the transferor and commercial considerations of the parties involved.

In addition, a total number of 75,000 Shares were transferred from Xi'an Youai to Youai Hezhi, at a consideration of RMB1,500,000.

Conversion of capital reserves into share capital

On September 19, 2025, the Shareholders passed resolutions approving, among other things, the conversion of our capital reserves of our Company into share capital by issuing 4.63 new Shares for every one existing Share to all Shareholders, resulting in the issuance of a total of 18,918,643 new Shares. Upon such conversion, our Company's registered share capital increased from RMB4,086,100 to RMB23,004,743, and the total number of Shares increased from 4,086,100 to 23,004,743 Shares.

Upon the completion of the conversion, the shareholding structure of our Company was as follows:

Name of Shareholders	Number of Shares	Shareholding percentage
		(%)
Xi'an Youai	3,590,814	15.61
SIG China	2,647,789	11.51
Mr. Zhang	2,024,548	8.80
Lanchi Shanghai Xinzhong	1,669,858	7.26
SBVA Entity	1,200,879	5.22
Beijing New Power	1,191,533	5.18
Zhenge Jingyuan	996,510	4.33
Hefei Dongcheng	885,036	3.85
SOSV III	857,449	3.73
Xingchan (Huzhou)	774,125	3.37
Anqing Greenpine	774,125	3.37
Mr. Mei	699,809	3.04
Dr. Bian	641,257	2.79
Sharp Dynasty	616,485	2.68
Suzhou Fangguang	547,236	2.38
Shenzhen Greenpine	488,684	2.12
Shenzhen Yingnuo	482,457	2.10
SOSV IV	471,231	2.05
XiJiao 1896	453,215	1.97
Youai Hezhi	422,251	1.84
Changjian Changyu	308,524	1.34
FG Venture SZFZ	235,334	1.02
Changzhou Fangguang	218,444	0.95
Qingdao Jiachuang	172,053	0.75
Chongqing Greenpine	158,203	0.69
Shenzhen Guozhi	126,410	0.55
Prestige Management	126,410	0.55
SOSV Select	117,667	0.51
Xi'an Bole	61,367	0.27
SOSV Sanya	45,040	0.20
Total	**23,004,743**	**100.00**

Share Transfers in November 2025

In November 2025, 276,057 Shares were transferred to Jiaxing Renyi Intelligent Computing Fusion Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (嘉興仁毅智算聚變創業投資合夥企業(有限合夥)) ("Jiaxing Renyi"), among which (i) 230,047 Shares were transferred from SOSV III to Jiaxing Renyi at the consideration of RMB20,000,000, and (ii) 46,010 Shares were transferred from SOSV IV to Jiaxing Renyi at the consideration of RMB4,000,000.

The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above transfers was determined based on arm's length negotiations between the parties taking into account the liquidity needs of the transferors and commercial considerations of the parties involved.

Capital Increase (Series [REDACTED] Investments) and Share Transfers in December 2025

In December 2025, the share capital of our Company was increased from 23,004,743 Shares to 24,380,426 Shares through share subscriptions in a total amount of 1,375,683 Shares ("Series **[REDACTED]** Investments"), among which (i) 210,723 Shares were subscribed by Shenzhen Hongsheng Gongying No.1 Venture Capital Partnership Enterprise (Limited Partnership) (深圳虹昇共盈一號創業投資合夥企業(有限合夥)) ("Hongsheng Gongying No.1") at a consideration of RMB22,900,000, (ii) 115,024 Shares were subscribed by Guangxi Beitou Guohai Jiuhe Industrial Investment Partnership Enterprise (Limited Partnership) (廣西北投國海玖合產業投資合夥企業(有限合夥)) ("Guangxi Guohai") at a consideration of RMB12,500,000, (iii) 267,775 Shares were subscribed by Shenbao Yiben (Anhui) Cultural Industry Equity Investment Fund Partnership Enterprise (Limited Partnership) (深報一本(安徽)文化產業股權投資基金合夥企業(有限合夥)) ("Shenbao Yiben Fund") at a consideration of RMB29,100,000, (iv) 276,057 Shares were subscribed by Guangxi Guangtou Zhanxinwu Investment Partnership (Limited Partnership) (廣西廣投戰新伍號投資合夥企業(有限合夥)) ("Guangxi Guangtou") at a consideration of RMB30,000,000, (v) 368,076 Shares were subscribed by Shenzhen Longgang District Guiding Fund Investment Co., Ltd. (深圳市龍崗區引導基金投資有限公司) ("Shenzhen Longgang Guiding Fund") at a consideration of RMB40,000,000, and (vi) 138,028 Shares were subscribed by Mr. Zhang Rongyu (張榮譽) at a consideration of RMB15,000,000. Consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

At the same time, certain share transfers were made, among which (i) 93,262 Shares were transferred from Changjian Changyu to Guangxi Guohai at a consideration of RMB7,500,000, (ii) 61,000 Shares were transferred from Changjian Changyu to Mr. Zhang Rongyu at a consideration of RMB4,905,472.22, (iii) 135,541 Shares were transferred from Lanchi Shanghai Xinzhong to Shenbao Yiben Fund at a consideration of RMB10,900,000, (iv) 100,723 Shares were transferred from Lanchi Shanghai Xinzhong to Hongsheng Gongying No.1 at a consideration of RMB8,100,000, and (v) 1,175 Shares were transferred from Lanchi Shanghai Xinzhong to Mr. Zhang Rongyu at a consideration of RMB94,527.78. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above transfers was determined based on arm's length negotiations between the parties after taking into account the liquidity needs of the transferors and commercial considerations of the parties involved.

Upon the completion of the above capital increase and share transfers, the shareholding structure of our Company was as follows:

Name of Shareholders	Number of Shares	Shareholding percentage
		(%)
Xi'an Youai	3,590,814	14.73%
SIG China	2,647,789	10.86%
Mr. Zhang	2,024,548	8.30%
Lanchi Shanghai Xinzhong	1,432,419	5.88%
SBVA Entity	1,200,879	4.93%
Beijing New Power	1,191,533	4.89%
Zhenge Jingyuan	996,510	4.09%
Hefei Dongcheng	885,036	3.63%
Xingchan (Huzhou)	774,125	3.18%
Anqing Greenpine	774,125	3.18%
Mr. Mei	699,809	2.87%
Dr. Bian	641,257	2.63%
SOSV III	627,402	2.57%

Name of Shareholders	Number of Shares	Shareholding percentage
		(%)
Sharp Dynasty	616,485	2.53%
Suzhou Fangguang	547,236	2.24%
Shenzhen Greenpine	488,684	2.00%
Shenzhen Yingnuo	482,457	1.98%
XiJiao 1896	453,215	1.86%
SOSV IV	425,221	1.74%
Youai Hezhi	422,251	1.73%
Shenbao Yiben Fund	403,316	1.65%
Shenzhen Longgang Guiding Fund	368,076	1.51%
Hongsheng Gongying No.1	311,446	1.28%
Jiaxing Renyi	276,057	1.13%
Guangxi Guangtou	276,057	1.13%
Guangxi Guohai	208,286	0.85%
Mr. Zhang Rongyu	200,203	0.82%
FG Venture SZFZ	235,334	0.97%
Changzhou Fangguang	218,444	0.90%
Qingdao Jiachuang	172,053	0.71%
Chongqing Greenpine	158,203	0.65%
Changjian Changyu	154,262	0.63%
Shenzhen Guozhi	126,410	0.52%
Prestige Management	126,410	0.52%
SOSV Select	117,667	0.48%
Xi'an Bole	61,367	0.25%
SOSV Sanya	45,040	0.18%
Total	24,380,426	100.00%

Share Subdivision prior to the [REDACTED]

We expect to conduct the Share Subdivision immediately prior to the **[REDACTED]**, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into ten Shares with par value of RMB[0.1] each. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB24,380,426, will be divided into [243,804,260] Shares with par value of RMB[0.1] per Share, which will be subscribed by all our then Shareholders in proportion to their respective equity interests in our Company immediately before **[REDACTED]**, and the number of our issued Shares will be **[REDACTED]**, without taking into consideration the new Shares to be issued for the **[REDACTED]**.

[REDACTED] INVESTMENTS

Overview

Details of the **[REDACTED]** Investments(1) are set out below:

Name of [REDACTED] Investor(s)	Date of agreement	Date of settlement(2)	Total registered capital of our Company subscribed for (RMB)	Total consideration (RMB)(3)	Adjusted Cost per Share (RMB)(4)	Discount to the [REDACTED] (%)(5)	Pre-money valuation (RMB)(7)	Post-money valuation (RMB)(7)
Seed Investments	December 27, 2017	May 11, 2018	87,000	640,000	0.13	[REDACTED]%	7,360,000	8,000,000
Angel Investments	December 31, 2018	May 27, 2025	392,600	7,902,500	0.36	[REDACTED]%	22,097,500	30,000,000
Pre-Series A Investments	September 2, 2020	September 24, 2020	188,600	11,000,000	1.04	[REDACTED]%	89,000,000	100,000,000
Series A Investments	October 10, 2020	December 4, 2020	367,300	30,000,000	1.45	[REDACTED]%	140,000,000	170,000,000
Series A+ Investments	November 30, 2020	December 4, 2020	190,500	20,000,000	1.86	[REDACTED]%	230,000,000	250,000,000
Series B Investments	June 4, 2021	October 15, 2021	292,500	54,050,558	3.28	[REDACTED]%	440,000,000	494,050,558
Series B+ Investments	September 27, 2021 (as supplemented and amended on November 9, 2021)	February 8, 2022	434,800	154,728,477	6.32	[REDACTED]%	1,000,000,000	1,154,728,476.8
Series B++ Investments	December 22, 2021	July 13, 2022	314,200	160,000,000	9.04	[REDACTED]%	1,700,000,000	1,860,000,000
Post-Series B++ Investments	March 22, 2023, May 21, 2024 and April 29, 2025	May 28, 2025	432,200	220,000,000	9.04	[REDACTED]%(6)	1,860,000,000	2,080,000,000
Series [REDACTED] Investments	December 9, 2025	December 19, 2025	1,375,683	149,500,000	10.87	[REDACTED]%	2,500,000,000	2,649,500,000

Basis of determining the consideration paid	Save as specifically disclosed above, the consideration for the **[REDACTED]** Investments which involved increase of registered capital or issuance of new Shares of our Company was determined based on arm's length negotiations between the Company and the **[REDACTED]** Investors after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments, our research and development milestones, and the prospects of our business. To the best knowledge of our Company, for the **[REDACTED]** Investments which involved transfer of existing registered capital or Shares to the **[REDACTED]** Investors, the considerations were determined among the then Shareholders of our Company and the relevant **[REDACTED]** Investors upon their respective arm's length negotiations.
Lock-up Period	Pursuant to the applicable PRC laws, within the 12 months following the Listing Date, all current Shareholders (including the **[REDACTED]** Investors) cannot dispose of any of the Shares held by them.
Use of [REDACTED] from the [REDACTED] Investments	The gross **[REDACTED]** from the **[REDACTED]** Investments involving increase of registered capital or issuance of new Shares by our Company amounted to approximately RMB**[REDACTED]**. We have fully utilized the **[REDACTED]** from such **[REDACTED]** Investments for the principal business of our Group, including, but not limited to, research and development activities, the growth and expansion of our Company's business and general working capital purposes. No **[REDACTED]** were received by our Company from the **[REDACTED]** Investments that involved transfers of existing registered capital or Shares by our Company to the **[REDACTED]** Investors.
Strategic benefits to our Company brought by the [REDACTED] Investors	At the time of the respective **[REDACTED]** Investments, we are of the view that our Company would benefit from the additional capital provided by the **[REDACTED]** Investors' investments in our Company. Some of the **[REDACTED]** Investors are investors in the relevant industries and can provide us with relevant knowledge and experience as well as their insight on business strategies and operations. Moreover, our Company could benefit from the **[REDACTED]** Investments as the **[REDACTED]** Investors' investments demonstrated their confidence in our operations and served as an endorsement of our performance, strengths and prospects.

Notes:

(1) The **[REDACTED]** Investments consist of both (i) subscription of additional registered capital of the Company or new Shares by the **[REDACTED]** Investors, for which the Company was a party to such **[REDACTED]** Investments and received **[REDACTED]** from such **[REDACTED]** Investors as detailed in this table, and (ii) transfers of existing registered capital or Shares to the **[REDACTED]** Investors, for which the Company was not a party to such **[REDACTED]** Investments and received no **[REDACTED]** from such **[REDACTED]** Investors and for further details of such transfers, see the paragraph "— Establishment and Major Changes in Shareholding of Our Company".

(2) The date of settlement refers to the timing of the last payment made by the relevant **[REDACTED]** Investors in the relevant series of **[REDACTED]** Investments.

(3) For the series of **[REDACTED]** Investments where part of the consideration was in US dollars, for the purpose of illustration, the currency translation is at the rate of US$1.00 to RMB7.11060.

(4) The adjusted cost per Share of each series is calculated by dividing the cost per registered capital by a coefficient of 56.3, which is determined by dividing the number of Shares held by each Shareholder immediately upon the completion of the conversion of capital reserves into share capital on September 19, 2025 by their respective registered capital immediately prior to the Conversion, as adjusted by the Share Subdivision to be undertaken immediately prior to **[REDACTED]**, for the purpose of illustrating the premium or discount to the **[REDACTED]**.

(5) The discount to the **[REDACTED]** is calculated based on the assumption that the **[REDACTED]** is HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the indicative **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per **[REDACTED]**, and that the **[REDACTED]** is not exercised.

(6) The pricing for the Post-Series B++ Investments was primarily based on our short-term operational performance at that time, resulting in a more conservative valuation and a substantial discount to the **[REDACTED]**. In contrast, the **[REDACTED]** reflects public market valuation principles and incorporates a broader set of factors, including our medium-to-long-term business plans, growth potential, industry valuation premiums, and greater market liquidity.

(7) The post-money valuation is calculated by dividing the total consideration of equity subscriptions under the relevant round of the **[REDACTED]** investment by the percentage of the new subscribed equity interest in the total registered capital of our Company at the relevant time, taking into account the agreed valuation in the relevant investment agreements of each financing series. The pre-money valuation is calculated by excluding the total consideration of equity subscriptions from the post-money valuation under the relevant round of the **[REDACTED]** investment, taking into account the agreed valuation in the relevant investment agreements of each financing series.

Special Rights of the [REDACTED] Investors

The **[REDACTED]** Investors had been granted with customary special rights (the "Special Rights"), including, among others, information rights, redemption rights, director nomination rights and prior consent for certain corporate actions.

Pursuant to the agreement entered into by the Shareholders of our Company dated September 22, 2025, in anticipation of the **[REDACTED]**, certain Special Rights (including redemption rights) have been terminated prior to the first submission of the Company's listing application to the Stock Exchange (the "First Filing"), and other Special Rights will terminate upon **[REDACTED]**. In addition, pursuant to the shareholders' agreement dated December 9, 2025 that our Company entered into with the investors in the Series **[REDACTED]** Investments (the "Shareholders' Agreement"), certain Special Rights (including redemption rights) granted to such investors were terminated with effect from the date of the Shareholders' Agreement, and other Special Rights will terminate upon **[REDACTED]**. In both cases, however, those of the Special Rights that have been terminated prior to the First Filing (and, in the case of the investors in the Series **[REDACTED]** Investments, those Special Rights that have been terminated with effect from the date of the Shareholders' Agreement) shall be restored upon the earliest of (i) the withdrawal of the listing application to the Stock Exchange by our Company, (ii) the listing application being returned or rejected by the Stock Exchange, or (iii) the Company failing to complete **[REDACTED]** within 18 months after the First Filing.

PRC Legal Advisors' Confirmation

As advised by our PRC Legal Advisors, all the capital transfers, capital increases and issuances and transfers of Shares set out above were conducted in compliance with the applicable PRC laws and regulations in all material respects.

Sole Sponsor's Confirmation

On the basis that (i) the considerations for the **[REDACTED]** Investments were irrevocably settled no less than 120 clear days before the Listing Date; and (ii) the redemption and divestment rights granted to the **[REDACTED]** Investors had been terminated prior to the First Filing and all other special rights will be terminated upon **[REDACTED]**, the Sole Sponsor confirms that the **[REDACTED]** Investments are in compliance with Chapter 4.2 of the Guide.

Information about Our [REDACTED] Investors

We have received investments from four Sophisticated Independent Investors. Three of the Sophisticated Independent Investors, namely SIG China, Lanchi Shanghai Xinzhong and SBVA Entity, are our Pathfinder SIIs, each having invested in our Company for at least 12 months prior to the First Filing. In accordance with Chapter 2.5 of the Guide, each of SIG China, Lanchi Shanghai Xinzhong and SBVA Entity holds more than 3%, and in aggregate more than 10%, of the issued share capital of the Company as of the date of our First Filing and throughout the 12-month period prior to the First Filing. For details of the ownership percentage of shareholding in our Company's share capital of each of the Sophisticated Independent Investors, see "— Capitalization of Our Company." To the best of the Company's knowledge, information and belief, as of the Latest Practicable Date, each of our Sophisticated Independent Investors is independent from and not connected with any core connected persons of our Company and did not have any acting-in-concert arrangement with any of the core connected persons of our Company. Accordingly, each of the Sophisticated Independent Investors satisfies the independence requirements under Chapter 2.5 of the Guide.

As of the Latest Practicable Date, our Sophisticated Independent Investors held, in aggregate, approximately 26.65% in the total issued share capital of our Company, and will hold, in aggregate, no less than 20% in the total issued share capital of our Company, assuming that our expected market capitalization at the time of Listing will exceed HK$4 billion.

To the best of the Company's knowledge, information and belief, save as disclosed herein, each of the **[REDACTED]** Investors is independent from each other, and each of the **[REDACTED]** Investors is an Independent Third Party.

Set out below is a description of our Sophisticated Independent Investors (including Pathfinder SIIs) and other **[REDACTED]** Investors.

Our Pathfinder SIIs

SIG China

SIG China is a limited partnership established under the laws of the PRC on March 2, 2012, which is principally engaged in equity investment. As of the Latest Practicable Date, it is owned as to (i) approximately 1.00% by SIG China Investments GP, LLC, a limited liability company established under the laws of Delaware, the United States, as its general partner and (ii) approximately 99.00% by SIG Pacific Holdings, LLLP, a limited liability limited partnership established under the laws of Delaware, the United States. SIG China Investments GP, LLC is indirectly wholly owned by SIG Pacific Holdings, LLLP. SIG Pacific Holdings, LLLP is owned (i) as to approximately 1.00% by Explorer Partner Corp. as its general partner, (ii) approximately 57.26% by Colombus International Holdings, Inc. as its limited partner, and (iii) approximately 41.74% by its other limited partners, none of which holds 30.00% or more interest therein. The sole beneficial owner holding one third or more interest in each of Explorer Partner Corp. and Colombus International Holdings, Inc. is a U.S. citizen and an Independent Third Party; none of the other shareholders of Explorer Partner Corp. or Colombus International Holdings, Inc. holds 30.00% or more interest therein.

As SIG China is fully managed by SIG China Investments GP, LLC as its general partner and is ultimately wholly owned by SIG Pacific Holdings, LLLP (through SIG China Investments GP, LLC and the direct shareholding of SIG Pacific Holdings, LLLP), pursuant to paragraph 24 of Chapter 2.5 of the Guide, the assets under management ("**AUM**") of SIG Pacific Holdings, LLLP should be relied on for the purpose of assessing whether SIG China fulfills the requirements to qualify as a Sophisticated Independent Investor. The AUM of SIG Pacific Holdings, LLLP as of April 30, 2020 (being a date not more than six months prior to the date on which SIG China signed its earliest definitive agreement for its investment in our Company) was approximately HK$116.10 billion based on the fair market value of the assets managed by itself and its controlled entities. The AUM of SIG Pacific Holdings, LLLP as of

December 31, 2025 was approximately HK$99.96 billion based on the fair market value of the assets managed by itself and its controlled entities. As the AUM of SIG Pacific Holdings, LLLP meets the threshold set out in Chapter 2.5 of the Guide, SIG China qualifies as a Sophisticated Independent Investor.

As of the Latest Practicable Date, SIG China held approximately 10.86% of the total issued Shares. SIG China held approximately 11.51% and 12.40% of the total issued Shares as of September 26, 2025 (being the date of the First Filing) and September 26, 2024 (being the commencement date of the 12-month period prior to the First Filing), respectively.

Lanchi Shanghai Xinzhong

Lanchi Shanghai Xinzhong is a limited partnership established under the laws of the PRC on August 21, 2018, which is principally engaged in equity investment, investment management and investment consulting. As of the Latest Practicable Date, Lanchi Shanghai Xinzhong is owned as to (i) approximately 0.10% by Jiaxing Lanchi Xinwei Investment Management Co., Ltd. (嘉興藍馳新維投資管理有限公司) "Jiaxing Lanchi" as its general partner, which is wholly owned by Beijing Lanchi Hechuang Management Consulting Co., Ltd. (北京藍馳禾創管理諮詢有限公司) ("Beijing Lanchi"); Beijing Lanchi is owned as to approximately 99.00% by Mr. Zhu Tianyu (朱天宇) ("Mr. Zhu"), an Independent Third Party, and (ii) approximately 99.90% by 18 other limited partners, none of which holds 30.00% or more partnership interest therein.

Lanchi Ventures (LCV) is a venture capital firm that focuses on early-stage technology start-ups and ultimately manages and controls its investment decisions with regard to Lanchi Shanghai Xinzhong and its affiliated entities ultimately controlled by Mr. Zhu ("Lanchi Entities"), the value of the investment portfolios of Lanchi Entities in Specialist Technology as of May 31, 2020 (being the date which is no more than six months prior to the date on which Lanchi Shanghai Xinzhong signed its earliest definitive agreement for its investment in our Company) was more than HK$2 billion, based on the value of the assets under the management of their active funds; At that initial stage, consistent with typical early-stage investments, it took time for the start-up businesses in which the Lanchi Entities invested to develop and scale. The Lanchi Entities actively drove this process leveraging their investment experience, knowledge and expertise by providing extensive value-added services, including strategic and operational guidance, connecting portfolio companies with a broad network of market stakeholders, and helping them to set reasonable targets for research and development and commercialization. As a result, over the years, the Lanchi Entities' investment portfolios matured and expanded. As of December 31, 2025, the value of its investment portfolios was more than HK$9 billion based on the value of the assets under management of their active funds and such value is derived primarily from Specialist Technology investments in areas such as robotics and automation, artificial intelligence and semiconductors. In addition to our Company, Lanchi Entities have invested in other portfolio companies featured by specialist technology, including Li Auto (a company listed on the Stock Exchange (stock code: 2015) and NASDAQ (ticker symbol: LI)) and Beijing QingCloud Technology Group Co., Ltd (北京青雲科技集團股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 688316)). As the value of the investment portfolios of Lanchi Entities meets the threshold set out in Chapter 2.5 of the Guide, Lanchi Shanghai Xinzhong qualifies as a Sophisticated Independent Investor.

As of the Latest Practicable Date, Lanchi Shanghai Xinzhong held approximately 5.88% of the total issued Shares; Lanchi Shanghai Xinzhong held approximately 7.26% and 7.82% of the total issued Shares as of September 26, 2025 (being the date of submission of the First Filing) and September 26, 2024 (being the commencement date of the 12-month period prior to the First Filing), respectively.

SBVA Entity

The SBVA Entity is an investment vehicle company established under the laws of the Republic of Korea on March 9, 2021. It is wholly owned by Future Innovation Private Equity Fund III, a Republic of Korea registered corporate fund held as to (i) approximately 2.54% by SBVA Corp. ("SBVA", formerly SoftBank Ventures Asia Corp.) as general member, and (ii) approximately 97.46% by its limited members. Under applicable laws and the relevant partnership agreements, SBVA, in its capacity as both general member and investment manager, manages and controls Future Innovation Private Equity Fund III. None of the limited members holds 30.00% or more interest in Future Innovation Private Equity Fund III. SBVA is ultimately controlled by Mr. Taejang Son, an Independent Third Party. Save for the entities that Mr. Taejang Son directly or indirectly controls, SBVA has no other direct or indirect shareholder which holds more than 20.00% equity interest in it. Specifically, SBVA is wholly owned by The EDGEof Korea Co., Ltd. The EDGEof Korea Co., Ltd is owned as to approximately 87.71% by THE EDGEOF, PTE. LTD., which is in turn owned as to approximately 60.00% by Son Equities International. Son Equities International is almost wholly owned by Mr. Taejang Son.

SoftBank Ventures Asia Corp. was established in 2000 as the early-stage venture capital arm of the SoftBank Group Corp. In 2023, SoftBank Ventures Asia Corp. was acquired by the EDGEof Korea Co., Ltd. and changed its name to SBVA Corp. in 2024. Since its establishment, SBVA has built a track record of identifying and investing in high-potential enterprises globally, with a particular focus on innovation-driven and technology-enabled businesses. It is responsible for the management of the investments and those of its affiliated entities, including the SBVA Entity. All investments sourced by SBVA or its affiliates, including investments in our Company, are evaluated and approved through SBVA's different investment committees of specific funds and management framework. The various affiliates of SBVA are therefore purely investment vehicles operating under one unified investment strategy, governance structure and decision-making process organized by SBVA through its different vehicles or investment arms. Therefore, SBVA's AUM should be relied on when assessing whether the SBVA Entity qualifies as a Sophisticated Independent Investor under Chapter 2.5 of the Guide.

The AUM of SBVA as of June 1, 2021 (being a date not more than six months prior to the date on which SBVA Entity signed its earliest definitive agreement for its investment in our Company) was approximately HK$11.89 billion based on the commitment amount of its active managed funds at that point and such value is derived primarily from Specialist Technology investments in advanced manufacturing, robotics, artificial intelligence, advanced enterprise software and advanced healthcare, etc., and the AUM of SBVA as of December 31, 2025 was approximately HK$15.64 billion based on the commitment amount of its actively managed funds at that point. As the AUM of SBVA meets the threshold set out in Chapter 2.5 of the Guide, SBVA Entity qualifies as a Sophisticated Independent Investor.

As of the Latest Practicable Date, the SBVA Entity held approximately 4.93% of the total issued Shares. The SBVA Entity held approximately 5.22% and 5.40% of the total issued Shares as of September 26, 2025 (being the date of submission of the First Filing) and September 26, 2024 (being the commencement date of the 12-month period prior to the First Filing), respectively.

Our other Sophisticated Independent Investor

SOSV III, SOSV IV, SOSV Select and SOSV Sanya (collectively, "SOSV Entities")

SOSV III is a limited partnership established under the laws of Cayman Islands on November 4, 2015, which is principally engaged in equity investment. SOSV III is owned as to approximately 59.85% by Mr. Sean O'Sullivan, an Irish citizen and an Independent Third Party, approximately 6.67% by O'Sullivan Foundation, and approximately 33.48% by other limited partners (none of which holds 30.00% or more interest therein). O'Sullivan Foundation is a section 501(c)(3) exempt private foundation registered in the United States. Mr. O'Sullivan, as the president and founder, retains his control of O'Sullivan Foundation subject to the applicable laws and internal governing arrangement. The general partner of SOSV III is SOSV III GP LP, which is wholly owned by its limited partners (none of which holds 30.00% or more interest therein); the general partner of SOSV III GP LP is SOSV III GP Limited, which is wholly owned by Mr. O'Sullivan.

SOSV IV is a limited partnership established under the laws of Delaware, the United States on March 9, 2018, which is principally engaged in equity investment. SOSV IV is owned as to approximately 12.64% by Mr. O'Sullivan, approximately 1.57% by O'Sullivan Foundation and approximately 85.79% by other limited partners (none of which holds 30.00% or more interest therein). The general partner of SOSV IV is SOSV IV GP LLC; pursuant to the applicable laws and management agreements, Mr. O'Sullivan, as the sole managing member, manages and controls SOSV IV GP LLC, while seven non-managing members, each holding 14.29% interest therein, has no control over it.

SOSV Select is a limited partnership established under the laws of Delaware, the United States on September 18, 2020, which is principally engaged in equity investment. It is owned as to approximately 9.13% by O'Sullivan Foundation, approximately 6.00% by Mr. O'Sullivan and approximately 84.87% by other limited partners (none of which holds 30.00% or more interest therein). The general partner of SOSV Select is SOSV Select Fund GP LLC, which is wholly owned by Mr. O'Sullivan.

Under applicable laws of the respective place of incorporation of SOSV III, SOSV IV, SOSV Select and SOSV III GP LP, capital contributions for the partnership interests are undertaken by the limited partners, and none of these general partners hold any interest respectively in SOSV III, SOSV IV, SOSV Select and SOSV III GP LP; pursuant to applicable laws and partnership agreements, however, such general partners control and manage the partnerships and the limited partners are merely investors.

SOSV Sanya is a limited company established under the laws of the PRC on April 22, 2019, which is principally engaged in equity investment. It is wholly owned by SOSV IV.

Mr. O'Sullivan serves as authorized representative for the SOSV Entities and exercises ultimate control and direction over each of the SOSV Entities' legal, regulatory and financial matters. As Mr. Sean O'Sullivan is ultimately responsible for the investment decisions of the SOSV Entities, the different platforms are purely different funds or entities ultimately managed by the same person and should be aggregated as one SII pursuant to Chapter 2.5 of the Guide. The AUM of SOSV Entities and its affiliated entities managed by Mr. Sean O'Sullivan in Specialist Technology as of August 17, 2017 (being a date not more than six months prior to the date on which SOSV Entities signed their earliest definitive agreement for its investment in our Company) was approximately HK$2.6 billion based on the fair market value of its investment portfolios. The SOSV Entities follow a long-term investment strategy focused on deep technology businesses and typically invest at the pre-seed stage. Identifying suitable opportunities therefore depends heavily on their ability to assess both the underlying technologies and their potential for long-term value creation. Since 2017, a number of portfolios in which the SOSV Entities invested at an early phase have grown significantly, which, to a material extent, reflects SOSV Entities' ability to identify and support high-potential Specialist Technology companies. As of December 31, 2025, the AUM of SOSV Entities was approximately HK$10.2 billion and such value is derived primarily from Specialist Technology investments in, among other things, advanced hardware and software, advanced materials, new food and agriculture technologies and new energy and environmental protection based on the fair market value of its investment portfolios as of December 31, 2025. SOSV Entities calculate AUM as the sum of each fund's net asset value plus uncalled capital commitments from investors. This reflects both the current value of the portfolio and the capital that has been committed but not yet deployed. In addition to our Company, SOSV Entities have invested in other portfolio companies featured by specialist technology, including Formlabs, Opentrons Labwork and Makeblock. As the AUM of SOSV Entities meets the threshold set out in Chapter 2.5 of the Guide, SOSV Entities collectively qualify as a Sophisticated Independent Investor.

As of the Latest Practicable Date, SOSV Entities held approximately 4.98% of the total issued Shares. SOSV Entities held approximately 6.48% and 6.99% of the total issued Shares as of September 26, 2025 (being the date of submission of the First Filing) and September 26, 2024 (being the commencement date of the 12-month period prior to the First Filing), respectively.

Other [REDACTED] *Shareholders*

Shenzhen Greenpine, Anqing Greenpine, and Chongqing Greenpine (collectively, "Greenpine Entities")

Shenzhen Greenpine is a limited partnership established under the laws of the PRC on March 27, 2018, which is principally engaged in venture capital and venture capital consulting. It is owned as to (i) approximately 2.10% by Shenzhen Greenpine Chuangzhi Private Equity Venture Capital Fund Management Partnership (Limited Partnership) (深圳松禾創智私募創業投資基金管理合夥企業(有限合夥)) ("Greenpine Chuangzhi") as its general partner, and (ii) approximately 97.90% by 13 limited partners, none of which holds 30.00% or more partnership interest therein. Greenpine Chuangzhi is owned as to approximately 35.00% by its general partner, Mr. Wang Yang (汪洋), an Independent Third Party, and none of its limited partners holds 30.00% or more partnership interest therein.

Anqing Greenpine is a limited partnership established under the laws of the PRC on June 6, 2024, which is principally engaged in equity investment and investment management. It is owned as to (i) approximately 2.91% by Greenpine Chuangzhi as its general partner, and (ii) approximately 97.09% by five limited partners, none of which holds 30.00% or more partnership interest therein.

Chongqing Greenpine is a limited partnership established under the laws of the PRC on June 25, 2021, which is principally engaged in equity investment and investment management. It is owned as to (i) approximately 5.00% by Greenpine (Chongqing) Digital Technology Partnership (Limited Partnership) (松禾(重慶)數字技術合夥企業(有限合夥)) ("Greenpine (Chongqing) Digital") as its general partner, and (ii) approximately 47.50% by Chongqing City Fuling State-owned Assets Investment Management Group Co., Ltd. (重慶市涪陵國有資產投資經營集團有限公司) as one of its limited partners and (iii) approximately 47.50% by Chongqing Fuling District New Urban Area Development (Group) Co., Ltd. (重慶市涪陵區新城區開發(集團)有限公司) as one of its limited partners. Greenpine (Chongqing) Digital is owned as to approximately 50.00% by its general partner, Shenzhen Songhe Growth Private Equity Fund Management Co., Ltd. (深圳市松禾成長私募股權基金管理有限公司) and approximately 50.00% by its limited partner Mr. Li Wei (厲偉), an Independent Third Party. Shenzhen Greenpine Growth Private Equity Fund Management Co., Ltd. is owned as to approximately 55.00% by Mr. Li Wei, and none of the other shareholders holds 30.00% or more interest therein. Chongqing City Fuling State-owned Assets Investment Management Group Co., Ltd. is wholly owned by Chongqing Fuling Industrial Development Group Co., Ltd. (重慶市涪陵實業發展集團有限公司), which is wholly owned by the State-Owned Assets Supervision and Administration Commission of Fuling District, Chongqing (重慶市涪陵區國有資產監督管理委員會) ("Chongqing Fuling SASAC"). Chongqing Fuling District New Urban Area Development (Group) Co., Ltd. is wholly owned by Chongqing Fuling High Tech Industry Development Group Co., Ltd. (重慶涪陵高新技術產業發展集團有限公司), which is wholly owned by Chongqing Fuling SASAC.

All of the Greenpine Entities operate as an integral part of the platform of Green Pine Capital. Green Pine Capital is an investment firm group with a primary focus on investing in early-stage and growth-stage companies in digital technology, precision medicine and innovative materials industries. It consists of a number of fund entities, including, among others, the Greenpine Entities, all of which are operated and managed under the same brand name of "Green Pine Capital" (松禾資本). The management team of Green Pine Capital, the members of which include Li Wei, Luo Fei and Wang Yang, is ultimately responsible for the operations and investment directions of the funds under Green Pine Capital.

Beijing New Power

Beijing New Power is a limited partnership established under the laws of the PRC on January 29, 2019, which is principally engaged in equity investment, investment management and consulting. Beijing New Power is owned as to (i) approximately 1.06% by Beijing Xicheng Jinrui Equity Investment Fund Management Co., Ltd. (北京熙誠金睿股權投資基金管理有限公司) ("Beijing Xicheng Jinrui") as its general partner, (ii) approximately 40.00% by Beijing Xicheng Capital Holdings Co., Ltd.

(北京熙誠資本控股有限公司) as one of its limited partners, which is wholly owned by Beiijng Financial Street Capital Operation Group Co., Ltd. (北京金融街資本運營集團有限公司), and the latter is wholly owned by State-owned Assets Supervision and Administration Commission of People's Government of Xicheng District, Beijing (北京市西城區人民政府國有資產監督管理委員會), and (iii) approximately 58.94% by seven other limited partners, none of which holds more than 30% partnership interest therein. Beijing Xicheng Jinrui is owned as to (i) 40.00% by Beijing Xicheng Capital Holdings Co., Ltd. (北京熙誠資本控股有限公司), (ii) 30.00% by Beijing Xicheng Zhengqi Management Consulting Partnership Enterprise (Limited Partnership) (北京熙誠正奇管理諮詢合夥企業(有限合夥)), a limited liability partnership (which is owned as to 8.13% by its general partner, Mr. Zhang Jinglai (張敬來), an Independent Third Party, 61.53% by its limited partner, Mr. Chen Leiwei (陳鐳文), an Independent Third Party, and 30.34% by the other limited partners, none of which holds 30.00% or more partnership interest therein) and (iii) 30.00% by other shareholders, none of which holds 30.00% or more interest therein.

Suzhou Fangguang, Changzhou Fangguang, and FG Venture SZFZ (collectively, "FG Entities")

Suzhou Fangguang is a limited partnership established under the laws of the PRC on August 24, 2020, which is principally engaged in equity investment, investment management and asset management. Suzhou Fangguang is owned as to (i) approximately 1.00% by Suzhou Fangguang Phase III Venture Capital Management Partnership Enterprise (Limited Partnership) (蘇州方廣三期創業投資管理合夥企業(有限合夥)) as its general partner, and (ii) approximately 99.00% by 42 other limited partners, none of which holds 30.00% or more partnership interest therein. Suzhou Fangguang Phase III Venture Capital Management Partnership Enterprise (Limited Partnership) is owned as to approximately 0.83% by Shanghai FG Venture Management Co., Ltd. (上海方廣投資管理有限公司) as its general partner, 47.50% by Shanghai Fanggui Enterprise Management Co., Ltd. (上海方圭企業管理有限公司) as its limited partner, 31.67% by Nantong Fangjun Enterprise Management Co., Ltd. (南通方鈞企業管理有限公司) as its limited partner and no other limited partners hold 30.00% or more interest therein. Shanghai FG Venture Management Co., Ltd. is held as to approximately 55.00% by Mr. Hong Tianfeng (洪天峰), an Independent Third Party, and as to approximately 45.00% by Mr. Cao Pengli (曹鵬利), an Independent Third Party. Shanghai Fanggui Enterprise Management Co., Ltd. is owned as to approximately 99.92% by Mr. Hong Tianfeng. Nantong Fangjun Enterprise Management Co., Ltd. is owned as to approximately 99.80% by Ms. Qian Yu (錢昱), an Independent Third Party.

Changzhou Fangguang is a limited partnership established under the laws of the PRC on October 29, 2020, which is principally engaged in equity investment, investment management and asset management. Changzhou is owned as to (i) approximately 1.00% by Suzhou Fangguang Phase III Venture Capital Management Partnership Enterprise (Limited Partnership) (蘇州方廣三期創業投資管理合夥企業(有限合夥)) as its general partner, (ii) approximately 40.00% by Taikang Life Insurance Co., Ltd. (泰康人壽保險有限責任公司) as one of its limited partners, and (iii) approximately 59.00% by eight other limited partners, none of which holds 30.00% or more partnership interest therein. Taikang Life Insurance Co., Ltd. is wholly owned by Taikang Insurance Group Inc. (泰康保險集團股份有限公司), and none of the shareholders of Taikang Insurance Group Inc. hold 30.00% or more interest therein.

FG Venture SZFZ is a limited company established under the laws of Hong Kong on May 13, 2016, which is principally engaged in investment, investment consulting, investment management and corporate management consulting. FG Venture SZFZ is owned as to 100% by FG Venture, L.P., which is owned as to 3.31% by FG Venture, LLC, its general partner, and 96.69% by its limited partners, none of which holds 30.00% or more partnership interest therein. FG Venture, LLC is owned as to approximately 50.00% by STFH Limited and approximately 50.00% by Philosophy Limited; both STFH Limited and Philosophy Limited are wholly owned by Ms. Qian Yu.

All of the FG Entities operate in a cohesive manner within, and as an integral part of, the management platform of FG Venture. Founded in September 2012, FG Venture was jointly established by a former rotating chief executive officer of Huawei and a former partner of Fidelity Asia of the China region. FG Venture is positioned as a specialized fund, focusing on identifying and nurturing companies throughout the IT industry chain, with primary investments in high-growth technology enterprises. FG Venture's investment areas include, but are not limited to, IT infrastructure, cloud computing, the Internet of Things, enterprise IT services, big data, chips, semiconductor materials and other IT vertical sectors, as well as technology-driven companies in the advanced manufacturing sector such as technology modules, smart devices, robotics and drones.

Zhenge Jingyuan

Zhenge Jingyuan is a limited partnership established under the laws of the PRC on July 19, 2018, which is principally engaged in equity investment. Zhenge Jingyuan is owned as to (i) approximately 0.49% by Tibet Dazi Zhenge Tianxiang Investment Management Co., Ltd. (西藏達孜真格天祥投資管理有限公司）as its general partner, (ii) approximately 60.19% by Shenzhen Zhenge Tianyi Venture Capital Partnership (Limited Partnership) (深圳真格天益創業投資合夥企業(有限合夥)) as one of its limited partners, and (iii) approximately 39.32% by Shenzhen Zhenge Tianshuo Venture Capital Partnership (Limited Partnership) (深圳真格天碩創業投資合夥企業(有限合夥)) as one of its limited partners. Tibet Dazi Zhenge Tianxiang Investment Management Co., Ltd. is owned as to approximately 51.00% by Chen Ling (陳玲), an Independent Third Party, and has no other shareholder holding 30.00% or more interest therein. Shenzhen Zhenge Tianyi Venture Capital Partnership (Limited Partnership) has Shenzhen Zhenge Tianheng Venture Capital Co., Ltd. (深圳真格天恒創業投資有限公司) as its general partner, and has no limited partner directly holding 30.00% or more of its partnership interest other than Xingjie New Economy Equity Investment Fund (Shenzhen) Partnership (L.P.) (星界新經濟股權投資基金(深圳)合夥企業(有限合夥)). Shenzhen Zhenge Tianshuo Venture Capital Partnership (Limited Partnership) has Shenzhen Zhenge Tianheng Venture Capital Co., Ltd. as its general partner, and has no limited partner directly holding 30.00% or more of its partnership interest other than Pingyang Mingxing Equity Investment Partnership Enterprise (Limited Partnership) (平陽明荇股權投資合夥企業(有限合夥)). Shenzhen Zhenge Tianheng Venture Capital Co., Ltd. (深圳真格天恒創業投資有限公司) is owned as to 93.33% by Tibet Dazi Zhenge Tianxiang Investment Management Co., Ltd.

Hefei Dongcheng

Hefei Dongcheng is a limited liability company established under the laws of the PRC on March 8, 2016, which is principally engaged in real estate development and operation, equity investment, investment management and consulting. Hefei Dongcheng is wholly owned by the State-owned Assets Supervision and Administration Commission of Feidong County People's Government (肥東縣人民政府國有資產監督管理委員會).

Xingchan (Huzhou)

Xingchan (Huzhou) is a limited partnership established under the laws of the PRC on March 30, 2021, which is principally engaged in venture capital and equity investment. Xingchan (Huzhou) is owned as to (i) approximately 1.00% by Huzhou Wuxing Husheng Investment Consulting Co., Ltd. (湖州吳興湖盛投資諮詢有限責任公司) as its general partner, and (ii) approximately 99.00% by Huzhou Industry and Service Group Co., Ltd. (湖州產服集團有限公司) as its limited partner. Both Huzhou Wuxing Husheng Investment Consulting Co., Ltd. and Huzhou Industry and Service Group Co., Ltd. are wholly owned by Zhejiang Chanxing Equity Investment Co., Ltd. (浙江產業股權投資有限公司). Zhejiang Chanxing Equity Investment Co., Ltd. is wholly owned by Zhejiang Chanxing Industrial Park Development Management Co., Ltd. (浙江產興園區開發管理有限公司). Zhejiang Chanxing Industrial Park Development Management Co., Ltd. is wholly owned by Huzhou Wuxing Talent Industry Investment and Development Group Co., Ltd. (湖州吳興人才產業投資發展集團有限公司). Huzhou Wuxing Talent Industry Investment and Development Group Co., Ltd. is wholly owned by Huzhou

Wuxing State-owned Assets Investment and Operation Group Co., Ltd. (湖州吳興國有資產投資運營集團有限公司), and the latter is wholly owned by State-Owned Capital Supervision and Administration Service Center of Wuxing District, Huzhou (湖州市吳興區國有資本監督管理服務中心).

Shenzhen Yingnuo

Shenzhen Yingnuo is a limited partnership established under the laws of the PRC on September 6, 2018, which is principally engaged in venture capital, venture capital consulting and entrepreneurship management. Shenzhen Yingnuo is owned as to (i) approximately 0.50% by Shenzhen Yingnuo Houde Fund Management Co., Ltd. (深圳英諾厚德基金管理有限公司) as its general partner, (ii) approximately 32.25% by Shenzhen Yingnuo Houde Investment Enterprise (Limited Partnership) (深圳英諾厚德投資企業(有限合夥)) as one of its limited partners, and (iii) approximately 67.25% by six other limited partners, none of which holds 30.00% or more partnership interest therein. Shenzhen Yingnuo Houde Fund Management Co., Ltd. wholly owned by Beijing Houde Wenhua Investment Consulting Co., Ltd. (北京厚德文華投資咨詢有限公司), and the latter is owned as to approximately 36.32% by Mr. Li Zhu (李竹), and Independent Third Party, and none of the other shareholders hold 30.00% or more interest therein. Shenzhen Yingnuo Houde Investment Enterprise (Limited Partnership) is owned as to approximately 0.80% by Shenzhen Yingnuo Houde Fund Management Co., Ltd. as its general partner and as to approximately 99.20% by 24 limited partners (none of which holds 30.00% or more interest therein).

XiJiao 1896

XiJiao 1896 is a limited partnership established under the laws of the PRC on November 20, 2017, which is principally engaged in venture capital, equity investment, project investment, investment consulting, investment management and fund management. It is owned as to (i) approximately 1.19% by Xi'an Xijiao 1896 Capital Management Co., Ltd. (西安西交一八九六資本管理有限公司) as its general partner, (ii) approximately 36.20% by Xi'an Shengfeng Investment Management Co., Ltd. Partnership Enterprise. (西安晟豐投資管理有限合夥企業) as one of its limited partners, and (iii) approximately 62.61% by eight other limited partners, none of which holds 30.00% or more partnership interest therein. Xi'an Xijiao 1896 Capital Management Co., Ltd. is owned as to approximately 29.00% by its largest shareholder and actual controller, Mr. Ke Hongbin (柯宏斌), an Independent Third Party, and none of the other shareholders hold 30.00% or more interest therein. Xi'an Shengfeng Investment Management Co., Ltd. Partnership Enterprise is owned as to approximately 4.48% by Mr. Ke as its general manager, as to approximately 34.08% by Mr. Luo Gang (羅剛), an Independent Third Party, and none of the other limited partners hold 30.00% or more interest therein.

Shenbao Yiben Fund

Shenbao Yiben Fund is a limited partnership established under the laws of the PRC on May 6, 2024, which is principally engaged in equity investment, investment management, asset management and other activities. It is owned as to approximately 1.20% by Shenbao Yiben Equity Investment Fund Management (Shenzhen) Co., Ltd. (深報一本股權投資基金管理(深圳)有限公司) as its general partner, and 30.33% by Shenzhen Yiben Communication Investment Co., Ltd. (深圳一本傳播投資有限公司), one of its limited partners, and none of the other limited partners holds 30.00% or more interest therein.

Shenbao Yiben Equity Investment Fund Management (Shenzhen) Co., Ltd. is owned as to 34.00% by Shenzhen Yiben Communication Investment Co., Ltd., which is wholly owned by Shenzhen News Group Holding Company (深圳報業集團控股公司); the latter is wholly owned by Shenzhen News Group (深圳報業集團), a public institution located in Shenzhen, Guangdong province.

Shenzhen Longgang Guiding Fund

Shenzhen Longgang Guiding Fund is a limited liability company established under the laws of the PRC on December 15, 2016, which is principally engaged in equity investment, venture capital investment, venture capital management advisory services and other activities. It is wholly owned by Shenzhen Longgang Financial Investment Holding Co., Ltd. (深圳市龍崗金融投資控股有限公司), and the latter is wholly owned by Shenzhen Longgang District Finance Bureau (深圳市龍崗區財政局).

Hongsheng Gongying No.1

Hongsheng Gongying No.1 is a limited partnership established under the laws of the PRC on May 29, 2025, which is principally engaged in venture capital investment and other investment activities. It is owned as to (i) approximately 0.06% by Honghui Investment Holding Co., Ltd. (深圳前海弘暉投資控股有限公司) as its general partner, and (ii) approximately 60.57% by Ms. Yuan Liping (袁麗萍), an Independent Third Party.

Honghui Investment Holding Co., Ltd. is owned as to (i) approximately 56.50% by Mr. Guan Shouyin (關守印), an Independent Third Party, and (ii) approximately 43.50% by Shenzhen Lingnan Honghui Management Partnership Enterprise (Limited Partnership) (深圳嶺南弘暉管理合夥企業(有限合夥)), and the latter is owned as to approximately 6.51% by Mr. Guan Shouyin (關守印) as its general partner, and 15 limited partners, none of which holds 30.00% or more partnership interest therein.

Shenzhen Guozhi

Shenzhen Guozhi is a limited liability partnership established under the laws of the PRC on August 1, 2025, which is principally engaged in venture capital investment. It is owned as to (i) approximately 0.29% by Honghui Investment Holding Co., Ltd. as its general partner, and (ii) approximately 99.71% by Beijing Guozhihui Technology Industrial Co., Ltd. (北京國智匯科技實業有限公司) as its limited partner. Beijing Guozhihui Technology Industrial Co., Ltd. is wholly owned by Beijing Guozhi Huike Information Consulting Center (Limited Partnership) (北京國智匯科信息咨詢中心(有限合夥)); the latter is owned as to approximately 45.00% by Beijing Zhongke Shunwei Consulting Co., Ltd. (北京中科順為諮詢有限公司) as its general partner and approximately 55.00% by 6 limited partners (none of which holds 30.00% or more interest therein). Beijing Zhongke Shunwei Consulting Co., Ltd. is wholly owned by Ms. Bai Huaqin (白花琴), an Independent Third Party.

Jiaxing Renyi

Jiaxing Renyi is a limited partnership established under the laws of the PRC on April 21, 2025, which is principally engaged in equity investment, venture capital investment and other activities. It is owned as to approximately 0.20% by Renyi Private Fund Management (Hainan) Partnership (Limited Partnership) (仁毅私募基金管理(海南)合夥企業(有限合夥)) as its general partner and approximately 39.92% by Mr. You Anlong (尤安龍) as one of its limited partners, an Independent Third Party. None of the other limited partners holds 30.00% or more partnership interest therein. Renyi Private Fund Management (Hainan) Partnership (Limited Partnership) is owned as to approximately 94.00% by Mr. Yu Xin (余鑫) as its general partner, an Independent Third Party and none of the limited partners holds 30.00% or more partnership interest therein.

Guangxi Guangtou

Guangxi Guangtou is a limited partnership established under the laws of the PRC on May 16, 2023, which is principally engaged in investment activities, venture capital investment and information consultancy services. It is owned as to (i) approximately 0.99% by Guangxi Guofu Innovation Equity Investment Fund Management Co., Ltd. (廣西國富創新股權投資基金管理有限公司) as its general partner, and (ii) 99.01% by Guangtou Capital Management Group Co., Ltd. (廣投資本管理集團有限公司) as its limited partner.

Guangxi Guofu Innovation Equity Investment Fund Management Co., Ltd. is wholly owned by Guangtou Capital Management Group Co., Ltd. Guangtou Capital Management Group Co., Ltd. is owned as to approximately 90.00% by Guangxi Financial Investment Group Co., Ltd. (廣西金融投資集團有限公司), which is owned as to approximately 68.22% by Guangxi Investment Group Co., Ltd. (廣西投資集團有限公司) and none of the other shareholders holds 30.00% or more interest therein. Guangxi Investment Group Co., Ltd. is owned as to 67.00% by the Guangxi SASAC and 33.00% by Guangxi Guokong Capital Operation Group Co., Ltd. (廣西國控資本運營集團有限責任公司), which is wholly owned by the Guangxi SASAC.

Guangxi Guohai

Guangxi Guohai is a limited partnership established under the laws of the PRC on September 15, 2021, which is principally engaged in equity investment, investment management and asset management activities through private equity funds.

It is owned as to (i) approximately 20.00% by Guohai Innovative CCI Capital Co., Ltd. (國海創新資本投資管理有限公司) as one of its two general partners, (ii) approximately 0.50% by Guangxi Beibu Gulf Innovation Development Investment Fund Management Co., Ltd. (廣西北部灣創新發展投資基金管理有限公司) as the other general partner, (iii) approximately 49.50% by Guangxi Beitou Capital Investment Group Co., Ltd. (廣西北投資本投資集團有限公司) as its limited partner, and (iv) approximately 30.00% by Guohai Securities Investment Co., Ltd. (國海證券投資有限公司) as its limited partner.

Guohai Innovative CCI Capital Co., Ltd. is wholly owned by Sealand Securities Co., Ltd. (國海證券股份有限公司) (stock code: 000750.SZ). Guangxi Beibu Gulf Innovation Development Investment Fund Management Co., Ltd. is owned as to 99.00% by Guangxi Beitou Capital Investment Group Co., Ltd., which is wholly owned by Guangxi Beibu Gulf Investment Group Co., Ltd. (廣西北部灣投資集團有限公司). Guangxi Beibu Gulf Investment Group Co., Ltd. is owned as to 67.00% by the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府國有資產監督管理委員會) ("Guangxi SASAC") and 33.00% by Guangxi Guokong Capital Operation Group Co., Ltd. (廣西國控資本運營集團有限責任公司), which is wholly owned by the Guangxi SASAC. Guohai Securities Investment Co., Ltd. is wholly owned by Sealand Securities Co., Ltd.

Mr. Zhang Rongyu

Mr. Zhang Rongyu, an Independent Third Party, is an individual investor with investment experience across various industries, including new materials, technology consulting, new energy and gift packaging.

Qingdao Jiachuang

Qingdao Jiachuang is a limited partnership established under the laws of the PRC on August 6, 2025, which is principally engaged in venture capital. Qingdao Jiachuang is owned as to (i) 1.00% by Beijing Zhonghong Fund Management Co., Ltd. (北京中宏基金管理有限公司) as its general partner, and (ii) 99.00% by Beijing Xinyao Qidian Technology Industrial Co., Ltd. (北京新耀啟點科技實業有限公司), its limited partner. Beijing Zhonghong Fund Management Co., Ltd. is held as to approximately 51.00% by Mr. Huang Yuqilin (黃宇麒麟), an Independent Third Party, approximately 40.00% by Mr. Zhou Manwen (周慢文), an Independent Third Party and approximately 9.00% by one other shareholder. Beijing Xinyao Qidian Technology Industrial Co., Ltd. is wholly owned by Beijing Shengxin Yuanda Technology Partnerhsip Enterprise (Limited Partnership) (北京盛新遠達科技合夥企業(有限合夥)); the latter is held by Beijing Zhencheng Chuangjin Technology Co., Ltd. (北京真誠創金科技有限公司) as its general partner and 18 limited partners. Beijing Zhencheng Chuangjin Technology Co., Ltd. is wholly owned by Mr. Teng Fei (騰飛), an Independent Third Party.

Sharp Dynasty

Sharp Dynasty is an investment holding company incorporated under the laws of Hong Kong on August 18, 2021. Sharp Dynasty is owned as to (i) approximately 93.17% by IDG China Venture Capital Fund VI L.P ("IDG China VC VI"), and (ii) approximately 6.83% by IDG China VI Investors L.P ("IDG China VI Investors"). The general partner of IDG China VC VI is IDG China Venture Capital Fund VI Associates L.P. and the general partner of IDG China VI Investors is IDG China Venture Capital Fund GP VI Associates Ltd. None of the ultimate beneficial owners in each of IDG China VC VI and IDG China VI Investors is interested in it as to 30.00% or more. There are more than 50 ultimate beneficial owners in IDG China VC VI and IDG China VI Investors which mainly include well-known overseas companies, pension funds and fund of funds. Both IDG China VC VI and IDG China VI Investors are ultimately controlled by Mr. Ho Chi Sing and Mr. Zhou Quan, both being Independent Third Parties.

IDG China VC VI and IDG China VI Investors are exempted limited partnerships established under the laws of the Cayman Islands with a primary purpose of making equity investments, mainly in seed and growth stage companies in China, focusing on companies in the information technology, media, healthcare, energy, clean technology and non-technology consumer businesses and services related industries, including, but not limited to, companies engaged in software, internet, telecom, media and managed healthcare business.

Changjian Changyu

Changjian Changyu is a limited partnership established under the laws of the PRC on September 28, 2017, which is primarily engaged in private equity fund management, such as venture capital funds. It is owned as to (i) approximately 3.33% owned by Changjian Jianmu (Yinchuan) Enterprise Management Partnership (L.P.) (常見堅木(銀川)創業投資管理中心(有限合夥)) as its general partner, and (ii) approximately 96.67% owned by eight other limited partners, none of which holds 30.00% or more partnership interest therein. Changjian Jianmu (Yinchuan) Enterprise Management Partnership (L.P.) is held as to approximately 35.50% by Changjian Investment Management (Beijing) Co., Ltd. (常見投資管理(北京)有限公司，known as C&I Capital) as its general partner and eight limited partners (none of which holds 30.00% or more interest therein). Changjian Investment Management (Beijing) Co., Ltd. is held as to approximately 50.00% by Mr. Xia Chaoyang (夏朝陽), the founder of C&I Capital and an Independent Third Party, and none of the other shareholders holds 30.00% or more interest therein. Founded in 2016, C&I Capital focuses on early-stage technology investments in green technology innovation sectors, including advanced energy, advanced manufacturing and advanced materials, artificial intelligence and integrated circuits, digital health and medical devices.

Prestige Management

Prestige Management is a limited liability company established under the laws of Hong Kong on September 27, 2007, which is principally engaged in equity investment and consultancy. It is wholly owned by Ms. Liu Bing (劉冰), an Independent Third Party.

Xi'an Bole

Xi'an Bole is a limited liability company established under the laws of the PRC on June 28, 2016, which is principally engaged in, among others, provision of services for entrepreneurship spaces, information consulting services (save for those requiring special permits), property management, software development, retail of computer software, hardware and ancillary equipment, market research (save for overseas-related research), information technology consulting services, conference and exhibition services, business management consulting and marketing planning. Xi'an Bole is owned as to (i) approximately 1.00% by China Merchants (Shenzhen) Startup Investment Management Co., Ltd. (深圳招商啓航投資管理有限公司), and (ii) approximately 99.00% by Shenzhen China Merchants Startup Capital (L.P.) (深圳招商啓航資本合夥企業(有限合夥)).

Shenzhen China Merchants Startup Capital (L.P.) is held as to approximately 99.00% by China Merchants (Shenzhen) Startup Investment Management Co., Ltd. (深圳招商啟航投資管理有限公司) as its general partner and one other limited partner as to approximately 1.00%. China Merchants (Shenzhen) Startup Investment Management Co., Ltd. is held as to approximately 50.00% by China Merchants Shekou Industrial Zone Holdings Co., Ltd. (招商局蛇口工業區控股股份有限公司) (Stock Code: 001979.SZ) and approximately 50.00% by China Merchants Technology Investment (Shenzhen) Co., Ltd. (深圳市招商局科技投資有限公司), and the latter is wholly owned by Shenzhen Zhaotou Technology Investment Co., Ltd. (深圳市招投科投資有限責任公司). Shenzhen Zhaotou Technology Investment Co., Ltd. is wholly owned by Shenzhen Zhaotou Holdings Co., Ltd. (深圳市招投控股有限責任公司). Shenzhen Zhaotou Holdings Co., Ltd. is wholly owned by China Merchants Steam Navigation Co., Ltd. (招商局輪船有限公司). China Merchants Steam Navigation Co., Ltd. is wholly owned by China Merchants Group Limited (招商局集團有限公司), and latter is wholly owned by the State Council (國務院).

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We did not conduct any other acquisitions, disposals or mergers material to our Group during the Track Record Period and up to the Latest Practicable Date.

EMPLOYEE SHAREHOLDING PLATFORMS

In order to improve our employee incentive mechanism, align employees' interests with our development goals, and promote our sustainable development and profitability, we adopted the Employee Incentive Scheme in June 2021, as amended and replaced in September 2025.

Pursuant to the Employee Incentive Scheme, we have established Xi'an Youai, Youai Hezhi, Youai Zhongyi, Youai Zhongwei, Youai Zhongshi and Youai Zhongzhen as our Employee Shareholding Platforms. As of the Latest Practicable Date, our Shares were held as to approximately 14.73% and 1.73% by Xi'an Youai and Youai Hezhi, respectively. Participants under the Employee Incentive Scheme hold interests through the Employee Shareholding Platforms as limited partners of the respective Employee Shareholding Platforms.

All management and voting powers of the Employee Shareholding Platforms are exercised by their respective sole general partner according to the respective partnership agreements, including decision-making on the management and operation of the Employee Shareholding Platforms, such as formulating the management system of the relevant Employee Shareholding Platform, management of property and assets, determining on any transfer of interests by limited partners, and capital changes of the relevant Employee Shareholding Platform, among others. The relevant employees as the limited partners of the Employee Shareholding Platforms are only entitled to the economic interest therein.

As of the Latest Practicable Date, all awards under the Employee Incentive Scheme have been granted. The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve any grant of share options or awards or any issuance of new Shares by our Company after **[REDACTED]**.

Xi'an Youai, Youai Zhongyi, Youai Zhongwei, Youai Zhongshi and Youai Zhongzhen

Xi'an Youai was established in the PRC as a limited partnership on November 20, 2018. As of the Latest Practicable Date, the general partner of Xi'an Youai was Mr. Zhang. The limited partners of Xi'an Youai are (i) Youai Zhongyi, Youai Zhongwei, Youai Zhongshi and Youai Zhongzhen (the "Employee Shareholding LPs"), each of which was established in the PRC as a limited partnership, and (ii) Mr. Xu Jin, Mr. Zheng Hao and Mr. Zhao Wanqiu, who held such limited partnership interests in their capacity as our founders and such interests were not employee incentive awards. As of the Latest Practicable Date, the general partner of each of the Employee Shareholding LPs was Mr. Zhang. As of the Latest Practicable Date, the total number of limited partners under the Employee Shareholding LPs was 126 (including limited partners who hold interests through multiple Employee Shareholding

Platforms), which included, among others, Ms. Mei Wanqing (our executive Director and chief strategy officer) holding approximately 1.44% partnership interest in Youai Zhongyi and approximately 11.31% partnership interest in Youai Zhongwei, Mr. Xu Jin (our chief product officer) holding approximately 5.40% partnership interest in Youai Zhongyi, Mr. Zhao Wanqiu (our chief embodied AI engineer) holding approximately 5.40% partnership interest in Youai Zhongyi, Mr. Zheng Hao (our executive Director and deputy general manager) holding approximately 5.40% partnership interest in Youai Zhongyi, Dr. Bian (our executive Director and chief technology officer) holding approximately 5.40% partnership interest in Youai Zhongyi, and Mr. Wang Changqiu (our chief financial officer, Board secretary and joint company secretary) holding approximately 20.77% partnership interest in Youai Zhongzhen. None of the remaining (i) 29 limited partners in Youai Zhongyi; (ii) 40 limited partners in Youai Zhongwei (iii) 43 limited partners in Youai Zhongshi; and (iv) 30 limited partners in Youai Zhongzhen held more than one-third of the partnership interest in any of the Employee Shareholding LPs.

Youai Hezhi

Youai Hezhi was established in the PRC as a limited partnership on August 28, 2025. As of the Latest Practicable Date, the general partner of Youai Hezhi was Mr. Huang Zecan (黃澤燦), an employee of our Company. As of the Latest Practicable Date, the total number of limited partners under Youai Hezhi was five, all of whom are employees of our Company and none of whom held more than one-third of the partnership interest therein.

For further details of our Employee Incentive Scheme, see "Appendix VI — Statutory and General Information — D. Employee Incentive Scheme" in this document.

ACTING IN CONCERT AGREEMENT AND OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

To formalize their cooperation as Shareholders and/or management members of our Company in achieving the shared goals and objective of our Group, on September 22, 2025, Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Xu Jin, Mr. Zhao Wanqiu, Mr. Zheng Hao, Ms. Mei Wanqing and Xi'an Youai (collectively, the "Concert Party Group") entered into the Acting in Concert Agreement, pursuant to which Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Zhao, Mr. Xu, Mr. Zheng, Ms. Mei and Xi'an Youai confirmed and agreed that, since February 24, 2020, they have acted and will continue to act in concert when exercising their shareholder rights as Shareholders of the Company or their voting power as a member of the Board (as the case may be) until December 31, 2027.

As at the Latest Practicable Date, among the Concert Party Group, Mr. Zhang, Mr. Mei, Dr. Bian and Xi'an Youai were collectively interested in approximately 28.53% of the Shares, and will hold approximately **[REDACTED]**% of the Shares immediately following the completion of the **[REDACTED]** (assuming the Share Subdivision is completed and the **[REDACTED]** is not exercised) and will collectively be entitled to exercise the voting rights of approximately **[REDACTED]**% of the total issued share capital of our Company (assuming the Share Subdivision is completed and the **[REDACTED]** is fully exercised). Therefore, upon **[REDACTED]**, Mr. Zhang, Mr. Mei, Dr. Bian and Xi'an Youai will remain as our Single Largest Group of Shareholders and our Company will not have any controlling shareholders as defined under the Listing Rules.

CAPITALIZATION OF OUR COMPANY

As of the Latest Practicable Date and immediately after completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), the summary of the capitalization of our Company is set out as follows:

Shareholders	Number of Shares held by the Shareholder as of the Latest Practicable Date	Number of Shares upon completion of the [REDACTED]		Aggregate ownership percentage as at the Latest Practicable Date	Aggregate ownership percentage upon completion of the [REDACTED]	Whether the H Shares held by the Shareholder is counted towards the public float
		H Shares	Unlisted Shares			
Single Largest Group of Shareholders						
Xi'an Youai	3,590,814	**[REDACTED]**	**[REDACTED]**	14.73%	[REDACTED]%	No
Mr. Zhang	2,024,548	**[REDACTED]**	**[REDACTED]**	8.30%	[REDACTED]%	No
Mr. Mei	699,809	**[REDACTED]**	**[REDACTED]**	2.87%	[REDACTED]%	No
Dr. Bian	641,257	**[REDACTED]**	**[REDACTED]**	2.63%	[REDACTED]%	No
Our Sophisticated Independent Investors						
SIG China	2,647,789	**[REDACTED]**	**[REDACTED]**	10.86%	[REDACTED]%	Yes
Lanchi Shanghai Xinzhong	1,432,419	**[REDACTED]**	**[REDACTED]**	5.88%	[REDACTED]%	Yes
SBVA Entity	1,200,879	**[REDACTED]**	**[REDACTED]**	4.93%	[REDACTED]%	Yes
SOSV Entities						
SOSV III	627,402	**[REDACTED]**	**[REDACTED]**	2.57%	[REDACTED]%	Yes
SOSV IV	425,221	**[REDACTED]**	**[REDACTED]**	1.74%	[REDACTED]%	Yes
SOSV Select	117,667	**[REDACTED]**	**[REDACTED]**	0.48%	[REDACTED]%	Yes
SOSV Sanya	45,040	**[REDACTED]**	**[REDACTED]**	0.18%	[REDACTED]%	Yes
Other [REDACTED] Investors						
Greenpine Entities						
Anqing Greenpine	774,125	**[REDACTED]**	**[REDACTED]**	3.18%	[REDACTED]%	Yes
Shenzhen Greenpine	488,684	**[REDACTED]**	**[REDACTED]**	2.00%	[REDACTED]%	Yes
Chongqing Greenpine	158,203	**[REDACTED]**	**[REDACTED]**	0.65%	[REDACTED]%	Yes
Beijing New Power	1,191,533	**[REDACTED]**	**[REDACTED]**	4.89%	[REDACTED]%	Yes
FG Entities						
Suzhou Fangguang	547,236	**[REDACTED]**	**[REDACTED]**	2.24%	[REDACTED]%	Yes
FG Venture SZFZ	235,334	**[REDACTED]**	**[REDACTED]**	0.97%	[REDACTED]%	Yes
Changzhou Fangguang	218,444	**[REDACTED]**	**[REDACTED]**	0.90%	[REDACTED]%	Yes
Zhenge Jingyuan	996,510	**[REDACTED]**	**[REDACTED]**	4.09%	[REDACTED]%	Yes
Hefei Dongcheng	885,036	**[REDACTED]**	**[REDACTED]**	3.63%	[REDACTED]%	Yes
Xingchan (Huzhou)	774,125	**[REDACTED]**	**[REDACTED]**	3.18%	[REDACTED]%	Yes
Sharp Dynasty	616,485	**[REDACTED]**	**[REDACTED]**	2.53%	[REDACTED]%	Yes
Shenzhen Yingnuo	482,457	**[REDACTED]**	**[REDACTED]**	1.98%	[REDACTED]%	Yes
XiJiao 1896	453,215	**[REDACTED]**	**[REDACTED]**	1.86%	[REDACTED]%	Yes
Shenbao Yiben Fund	403,316	**[REDACTED]**	**[REDACTED]**	1.65%	[REDACTED]%	Yes
Shenzhen Longgang Guiding Fund	368,076	**[REDACTED]**	**[REDACTED]**	1.51%	[REDACTED]%	Yes
Hongsheng Gongying No.1	311,446	**[REDACTED]**	**[REDACTED]**	1.28%	[REDACTED]%	Yes
Jiaxing Renyi	276,057	**[REDACTED]**	**[REDACTED]**	1.13%	[REDACTED]%	Yes
Guangxi Guangtou	276,057	**[REDACTED]**	**[REDACTED]**	1.13%	[REDACTED]%	Yes
Guangxi Guohai	208,286	**[REDACTED]**	**[REDACTED]**	0.85%	[REDACTED]%	Yes
Mr. Zhang Rongyu	200,203	**[REDACTED]**	**[REDACTED]**	0.82%	[REDACTED]%	Yes
Qingdao Jiachuang	172,053	**[REDACTED]**	**[REDACTED]**	0.71%	[REDACTED]%	Yes
Changjian Changyu	154,262	**[REDACTED]**	**[REDACTED]**	0.63%	[REDACTED]%	Yes
Prestige Management	126,410	**[REDACTED]**	**[REDACTED]**	0.52%	[REDACTED]%	Yes
Shenzhen Guozhi	126,410	**[REDACTED]**	**[REDACTED]**	0.52%	[REDACTED]%	Yes
Xi'an Bole	61,367	**[REDACTED]**	**[REDACTED]**	0.25%	[REDACTED]%	Yes

Shareholders	Number of Shares held by the Shareholder as of the Latest Practicable Date	Number of Shares upon completion of the [REDACTED]		Aggregate ownership percentage as at the Latest Practicable Date	Aggregate ownership percentage upon completion of the [REDACTED]	Whether the H Shares held by the Shareholder is counted towards the public float
		H Shares	Unlisted Shares			
Other Shareholder						
Youai Hezhi	422,251	[REDACTED]	[REDACTED]	1.73%	[REDACTED]%	Yes
[REDACTED]						
[REDACTED] Shareholders	N/A	[REDACTED]			[REDACTED]%	Yes
Total	24,380,426	[REDACTED]	[REDACTED]	100%	100.00%	–

(1) Assuming the Share Subdivision is completed and the **[REDACTED]** is not exercised.

(2) See "— **[REDACTED]** Investments — Information about our **[REDACTED]** Investors — Our Pathfinder SIIs" and "— **[REDACTED]** Investments — Information about our **[REDACTED]** Investors — Our other Sophisticated Independent Investor" for the detailed background information of each of the Sophisticated Independent Investors.

(3) See "— **[REDACTED]** Investments — Information relating to our **[REDACTED]** Investors — Other **[REDACTED]** Shareholders" for the detailed background information of each of the **[REDACTED]** Investors (other than the Sophisticated Independent Investors).

(4) See "— Employee Shareholding Platforms" for the detailed background information of Youai Hezhi, an Employee Shareholding Platform.

(5) "**[REDACTED]** Shareholders" refer to the Shareholders who subscribe for the **[REDACTED]** pursuant to the **[REDACTED]**.

(6) The number of H Shares upon **[REDACTED]** represents (i) in respect of the existing Shareholders, the number of H Shares as converted from Unlisted Shares under the Conversion of Unlisted Shares into H Shares immediately following the Share Subdivision, and (ii) in respect of the public Shareholders, the number of H Shares to be issued pursuant to the **[REDACTED]**.

PUBLIC FLOAT

Pursuant to Rule 19A.13A of the Listing Rules, assuming that the Share Subdivision is completed and the **[REDACTED]** is not exercised, (i) based on an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the low end of the **[REDACTED]**), our expected market capitalization upon **[REDACTED]** is approximately HK$**[REDACTED]**, and the minimum prescribed public float percentage applicable is **[REDACTED]**%; (ii) based on an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the mid-point of the **[REDACTED]**), our expected market capitalization upon **[REDACTED]** is approximately HK$**[REDACTED]**, and the minimum prescribed public float percentage applicable is **[REDACTED]**%; and (iii) based on an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the high end of the **[REDACTED]**), our expected market capitalization upon **[REDACTED]** is approximately HK$**[REDACTED]**, and the minimum prescribed public float percentage applicable is **[REDACTED]**%.

Upon completion of the **[REDACTED]** (assuming the Share Subdivision is completed and the **[REDACTED]** is not exercised), **[REDACTED]** H Shares converted from Unlisted Shares and held by our Single Largest Group of Shareholders representing approximately **[REDACTED]**% of our total issued Shares as of the Latest Practicable Date, or approximately **[REDACTED]**% of our total issued Shares immediately following the completion of the **[REDACTED]** (assuming the Share Subdivision is completed and the **[REDACTED]** is not exercised) will not be counted towards the public float since they will be considered as our Company's core connected persons (as defined under the Listing Rules).

FREE FLOAT

Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought 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 listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Based on an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the low end of the indicative **[REDACTED]** and taking into account of the disposal restrictions as detailed in "— Lock-up Periods" below, the Company will satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

LOCK-UP PERIODS

Pursuant to the applicable PRC law, all existing Shareholders (including our **[REDACTED]** Investors) are prohibited from disposing of any of the Shares held by them within the 12 months following the Listing Date.

The table below sets out the list of persons who are, together with their respective close associates, subject to disposal restrictions pursuant to Rule 18C.14 of the Listing Rules:

Person(s)	Capacity	Number of Shares subject to disposal restrictions immediately following the completion of the Share Subdivision and the [REDACTED]	Shareholding subject to disposal restrictions immediately following completion of the [REDACTED]	Lock-up period (pursuant to the Listing Rules)
Key persons[(1)] / Single Largest Group of Shareholders				
Mr. Zhang	Founder, executive Director, chief executive officer and chairman of the Board	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of 12 months from the Listing Date
Mr. Mei	Founder	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of 12 months from the Listing Date
Dr. Bian	Founder, executive Director and chief technology officer	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of 12 months from the Listing Date
Xi'an Youai[(2)]	Employee Shareholding Platform controlled by Mr. Zhang as its general partner	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of 12 months from the Listing Date
Pathfinder SIIs				
SIG China	Pathfinder SII	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of six months from the Listing Date

Person(s)	Capacity	Number of Shares subject to disposal restrictions immediately following the completion of the Share Subdivision and the [REDACTED]	Shareholding subject to disposal restrictions immediately following completion of the [REDACTED]	Lock-up period (pursuant to the Listing Rules)
Lanchi Shanghai Xinzhong	Pathfinder SII	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of six months from **[REDACTED]**
SBVA Entity	Pathfinder SII	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of six months from **[REDACTED]**

Note:

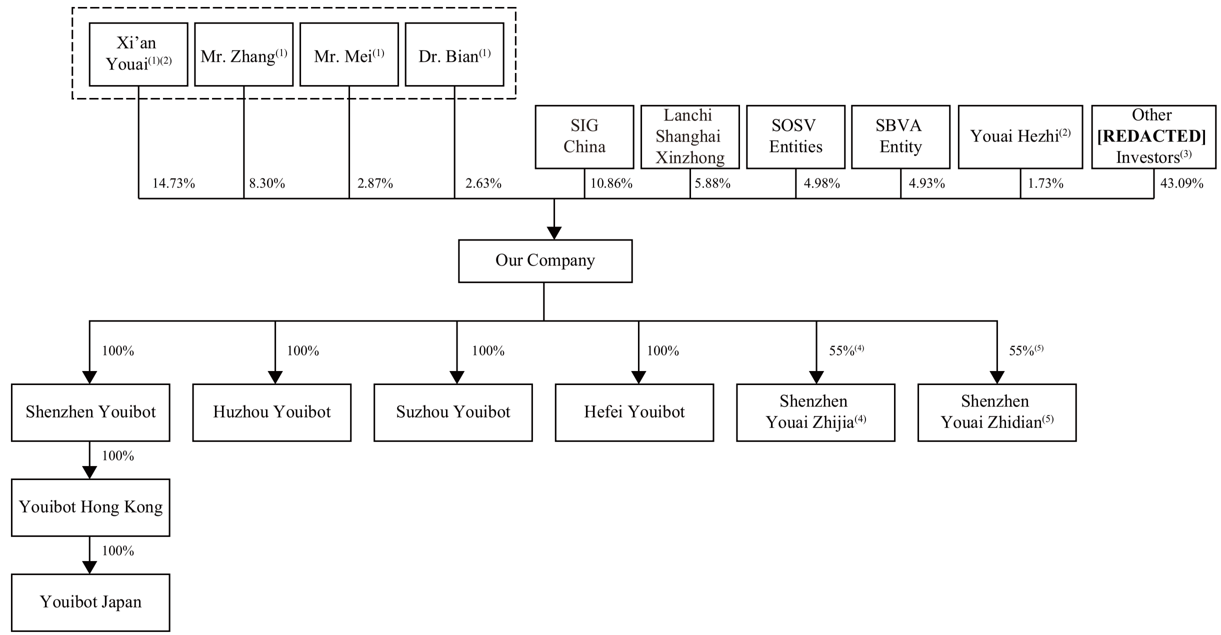
(1) The key personnel responsible for our Company's technical operations and R&D comprise Dr. Bian, Mr. Xu and Mr. Zhao, who are responsible for the Company's technical operations and R&D. Also see "Business — Research and Development — R&D Team and Core Members."

(2) As of the Latest Practicable Date, Xi'an Youai, Youai Zhongyi, Youai Zhongwei, Youai Zhongshi, Youai Zhongzhen and Youai Hezhi were established as our Employee Shareholding Platforms. Each of Youai Zhongyi, Youai Zhongwei, Youai Zhongshi and Youai Zhongzhen is a limited partner of Xi'an Youai, holding approximately 29.05%, 11.73%, 11.55% and 8.46% of the partnership interests in Xi'an Youai, respectively. See "— Employee Shareholding Platforms" for details on Directors, senior management and key personnel who hold interests in the Employee Shareholding Platforms.

SHAREHOLDING AND CORPORATE STRUCTURE

Corporate Structure Immediately Before the [REDACTED]

The following chart sets forth our corporate and shareholding structure immediately before the completion of the **[REDACTED]**:



Notes:

(1) Mr. Zhang, Mr. Mei, Dr. Bian, and Xi'an Youai are our Single Largest Group of Shareholders. See "— Acting in Concert Agreement and Our Single Largest Group of Shareholders" for details.

(2) Xi'an Youai, Youai Zhongyi, Youai Zhongwei, Youai Zhongshi, Youai Zhongzhen and Youai Hezhi are Employee Shareholding Platforms of our Company. Each of Youai Zhongyi, Youai Zhongwei, Youai Zhongshi and Youai Zhongzhen is a limited partner of Xi'an Youai, holding approximately 29.05%, 11.73%, 11.55% and 8.46% of the partnership interests in Xi'an Youai, respectively. Mr. Zhang is the general partner of each of Xi'an Youai, Youai Zhongyi, Youai Zhongwei, Youai Zhongshi and Youai Zhongzhen. See "— Employee Shareholding Platforms" for details, including details of their respective shareholdings.

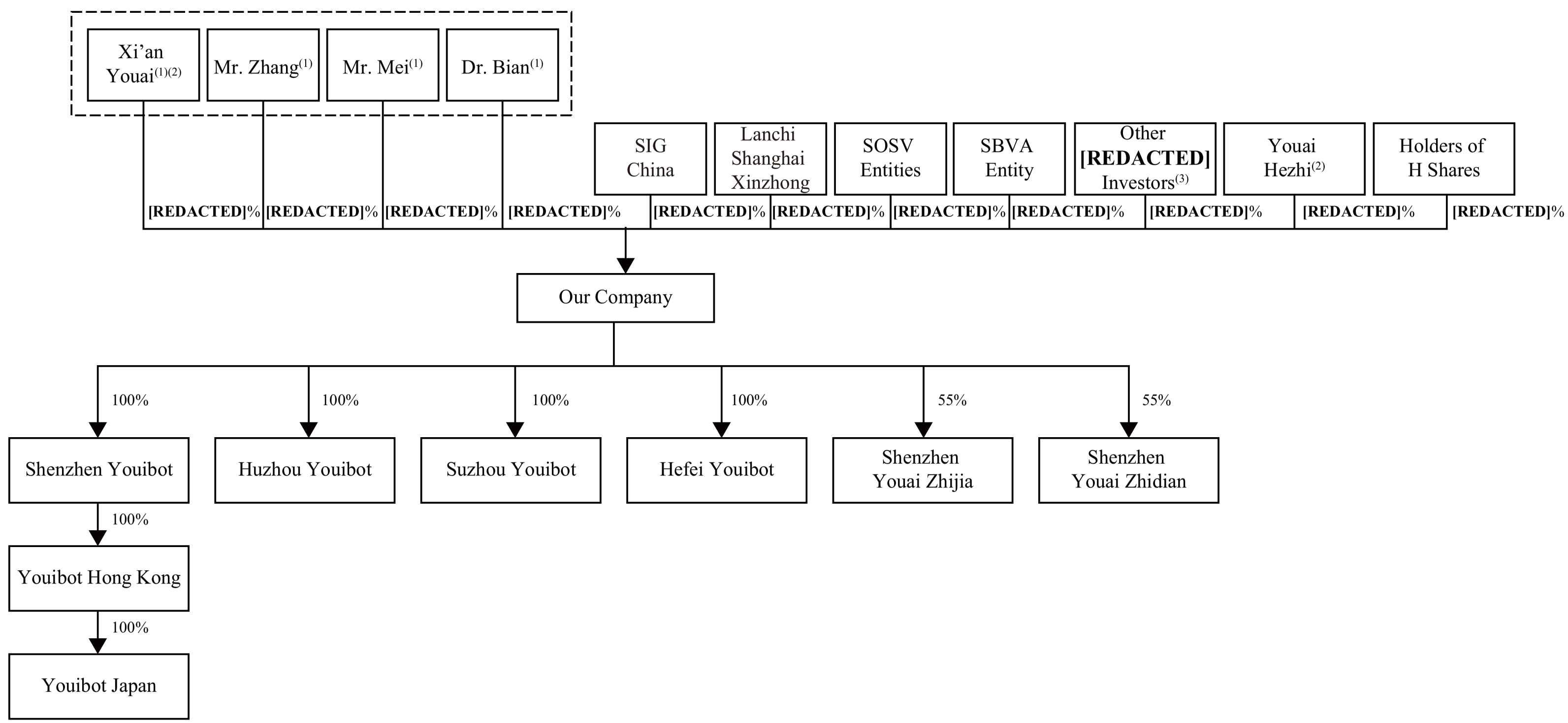
(3) Other **[REDACTED]** Investors include Anqing Greenpine, Shenzhen Greenpine, Chongqing Greenpine, Beijing New Power, Suzhou Fangguang, FG Venture SZFZ, Changzhou Fangguang, Zhenge Jingyuan, Hefei Dongcheng, Xingchan (Huzhou), Shenzhen Yingnuo, Sharp Dynasty, XiJiao 1896, Changjian Changyu, Xi'an Bole, Prestige Management, Shenzhen Guozhi, Qingdao Jiachuang, Shenbao Yiben Fund, Shenzhen Longgang Guiding Fund, Hongsheng Gongying No.1, Jiaxing Renyi, Guangxi Guohai, and Mr. Zhang Rongyu. See "— Capitalization of Our Company" for their respective shareholding percentage.

(4) Shenzhen Youai Zhijia Robot Technology Co., Ltd. (深圳優艾智嘉機器人科技有限公司), ("Shenzhen Youai Zhijia") is a limited liability company established under the laws of the PRC on May 20, 2019, which is owned as to (i) 55.00% by our Company and (ii) 45.00% by Mr. Chen Bing (陳兵), the chairman of the board and general manager of Shenzhen Youai Zhijia. For details, see "Appendix VI — Statutory and General Information — C. Further Information about Directors and Substantial Shareholders — 1. Disclosure of Interests — (b) Substantial Shareholders".

(5) Shenzhen Youai Zhidian Intelligent Technology Co., Ltd. (深圳優艾之電智能科技有限公司), ("Shenzhen Youai Zhidian") is a limited liability company established under the laws of the PRC on November 8, 2019, which is owned as to (i) 55.00% by our Company and (ii) 45.00% by Shenzhen Zhidian Technology Co., Ltd. (深圳市之電科技有限公司), which is ultimately controlled by Mr. Liu Mohan (劉沫含), an Independent Third Party.

Corporate Structure Immediately After Completion of the [REDACTED]

The following chart sets forth our corporate and shareholding structure immediately after completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised):



Note:

(1) Notes (1) to (5): See the corresponding notes for the chart under "Corporate Structure Immediately Before the **[REDACTED]**" above.

OVERVIEW

Who We Are

We are an industrial embodied AI company, empowering various industries via robotics and shaping the future with human-robot symbiotic intelligence. We aim to advance intelligent transformation for industrial customers through mobile manipulation robots, including humanoid robots, and help our customers work towards efficient production. We provide industrial embodied AI robotic solutions based on our "unified intelligence + adaptive forms" ("一腦多態") architecture for various industries, such as semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries. Our solutions include a generalizable AI model and multi-form robots with perception, mobility and manipulation capabilities, and industry-specific software. Our solutions can be divided into two categories by application scenarios: industrial intralogistics solutions and inspection and maintenance solutions. As of the Latest Practicable Date, our industrial embodied AI robotic solutions had been deployed in the sites of leading market players across a number of industries, which include leading semiconductor foundries, leading power grid groups and leading energy groups.

According to Frost & Sullivan, we are a key market player in the industrial embodied AI industry. We started to commercialize our solutions in 2017, becoming a relatively early robotic company to explore embodied AI technology and realize large-scale applications. We were an early mover in achieving large-scale sales in semiconductors, energy and chemical industries featuring stringent product requirements, high technical barriers and vast market potential. We strategically focus on mobile manipulation robots, including humanoid robots, which we believe has the greatest growth potential and scenario adaptability in the industrial embodied AI industry. In terms of revenue in 2024, we ranked first among industrial mobile manipulation robotic companies globally. Our robotic solutions are primarily applied in the semiconductor and energy and chemical industries. In terms of revenue in 2024, we ranked first in semiconductor industry, and ranked second in energy and chemical industries in China.

Market Opportunities

According to Frost & Sullivan, driven by structural shifts in the labor market, the rising demand for productivity upgrades and the rapid iteration of innovative technologies such as AI, the global industrial embodied AI robotic industry is entering a phase of rapid growth. The market size of global industrial mobile manipulation robots reached RMB4.2 billion in 2024, and is expected to increase to RMB32.9 billion by 2030, representing a CAGR of 40.9%. Robotic solutions are primarily applied in the semiconductor and energy and chemical industries. The total market share of robotic solutions to be applied in semiconductor and energy and chemical industries is projected to reach RMB13.1 billion in 2030.

Industrial Growth Drivers

- Structural shifts in the labor force: Aging populations and lower birth rates have led to a steady decline in industrial sector employees. Evolving preferences among younger workers have further intensified structural labor shortages, while rising labor costs have prompted labor-intensive companies to accelerate the shift towards industrial automation. As a result, industrial embodied AI robots have become a crucial solution for addressing labor gaps.
- Advanced productivity empowerment: The drive for enhanced productivity in advanced manufacturing is fueling significant demand for sophisticated embodied AI robots with integrated perception, decision-making and interaction capabilities. Effective deployment of embodied AI robots depends on adaptability to specialized operational environments and robust practical performance, making mobile manipulation robots a efficient and practical solution.

- Rising demand for flexible production: The modern industrial sector increasingly emphasizes flexible production, requiring production lines, equipment and management systems to respond quickly to market changes and customer needs. Mobile manipulation robots reduce reliance on fixed automation logistics equipment and enable modular, adaptable production line configurations, significantly minimizing the costs and downtime associated with infrastructure adjustments.

- Accelerated technological iteration: The integration of large models with multimodal perception technologies is driving the evolution of traditional industrial robots towards embodied AI, enabling them to move beyond single-function execution towards general purpose AI agents capable of autonomous decision-making, cross-scenario adaptability and human-robot cooperation. This expands application boundaries in complex scenarios such as precision manufacturing and flexible production, accelerating both technological innovation and industrialization.

Market Potentials in Different Industry Verticals

- The semiconductor manufacturing industry is driven by the goal of maximizing productivity. Industrial embodied AI robots offer high precision, efficiency, reliability, low vibration and high cleanliness standards, addressing the industry's requirements for both efficiency and flexibility, with growing value and market potential as the industry evolves.

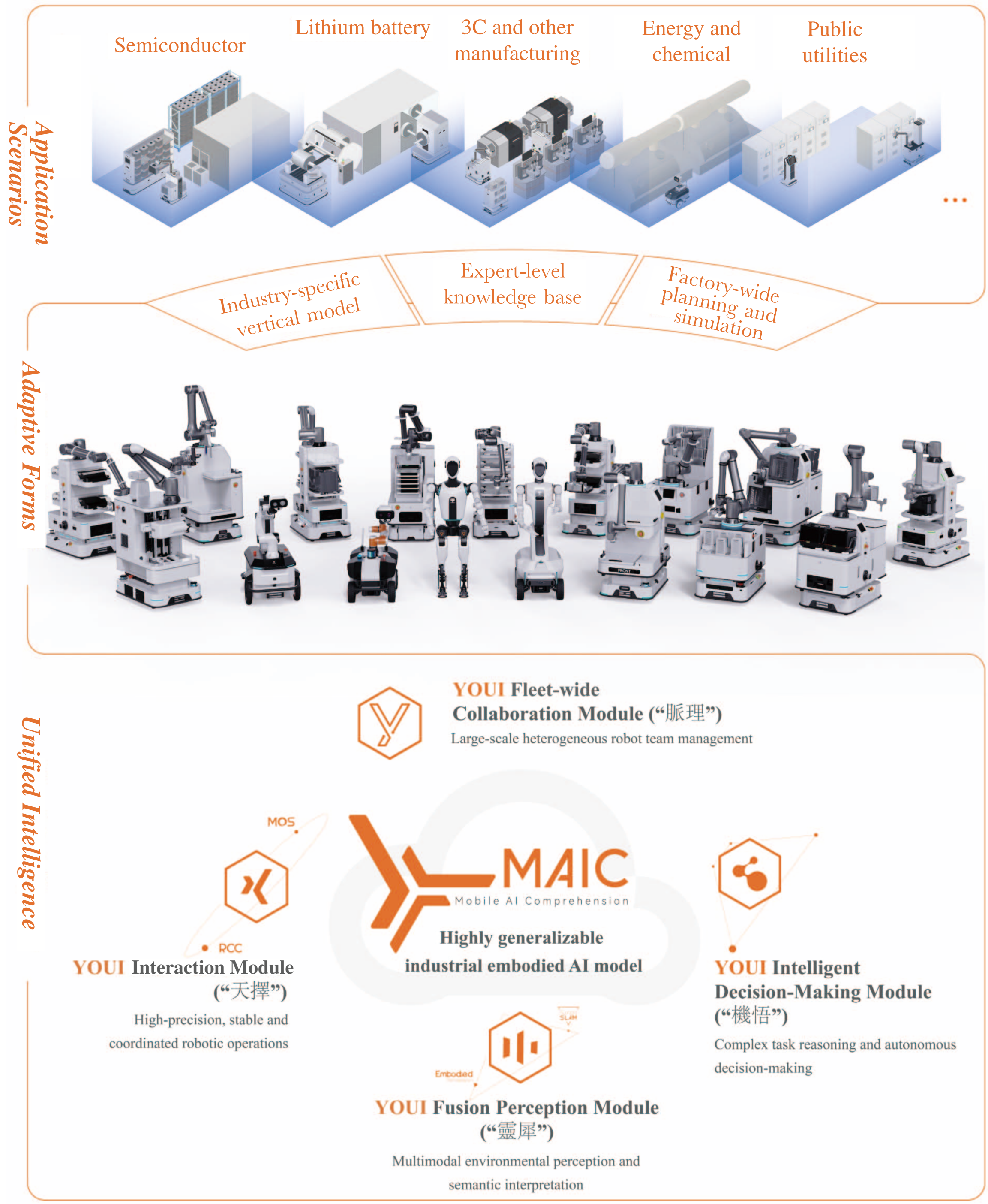
- The energy and chemical inspection sector urgently needs automation upgrades due to remote operation locations, widely distributed equipment, high safety risks and high inspection frequency. Embodied AI robots replace human workers in high-risk environments and optimize inspection workflows through intelligent perception and data analytics, providing critical support for safe and efficient operations.

- AI computing centers, smart mines, smart oilfields and biomedicine are emerging industries facing challenges related to business continuity and operational stability. Mobile manipulation robots, with autonomous decision-making and cross-scenario adaptability, achieve safe and efficient human-robot cooperation in complex environments, driving these industries towards greater flexibility and intelligence.

As an industrial embodied AI company, we will further leverage our advantages in technology, products and global operations to seize opportunities from rapid industry development, gain more market share and achieve sustained growth by expanding industrial applications.

Our Solutions and Technology Platform

We have developed an industrial embodied AI system based on our "unified intelligence + adaptive forms" architecture, comprising a generalizable industrial embodied AI model ("unified intelligence") and multi-form embodied AI robots with perception, decision-making and interaction ("adaptive forms"). It also integrates our industry specific software, expert knowledge base and site-wide planning and simulation, enabling us to deliver generalizable and universal industrial embodied AI robotic solutions across semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries. We have achieved large-scale deployment in key scenarios, namely industrial intralogistics and inspection and maintenance, assisting our customers to advance their intelligent transformation.



"Unified intelligence" of generalizable industrial embodied AI model

Our self-developed generalizable industrial embodied AI model, namely, "MAIC" is designed for industry-specific scenarios, and has built a hybrid architecture that unifies individual and collective intelligence. By integrating the three modules of perception, decision-making and interaction at the individual level with the cluster coordination module at the collective level, it serves as the "brain" that directs robotic operations, which provides a foundation for high generalization, precision and reliability.

- YOUI Fusion Perception Module ("靈犀"): YOUI fusion perception module is responsible for environmental perception and multimodal data fusion. By integrating multi-source semantic information such as images, point cloud and language, it constructs multi-dimensional representations of geometry, texture, and semantic attributes in dynamic environments, which enables precise capture of object movements. Leveraging VLMs, the AI models that integrate computer vision and language to understand and interpret visual data, process and generate human language, the YOUI fusion perception module achieves spatial perception and positioning based on target semantic information, significantly enhancing the effectiveness of high-precision positioning in long-term operations of embodied AI robots. Even in complex, dynamic settings, it ensures reliable positioning with an accuracy of ±2mm.

- YOUI Intelligent Decision-Making Module ("機悟"): YOUI intelligent decision-making module is responsible for converting perceptual input into precise task instructions. Designed for complex, long-sequence tasks in open-world settings, this module establishes an efficient decision-making mechanism. On the one hand, it parses complex task objectives, prioritizes subtasks, and enables autonomous task comprehension and orchestration, thus supporting a closed loop of perception, decision-making and interaction. On the other hand, it constructs an RAG-enhanced industry expert knowledge graph and a MOE inference engine. By deeply integrating the inference capabilities of large language models for complex task while building "safety redlines" based on cybernetic method, a way of controlling and improving systems by constantly monitoring their actions and using feedback to make adjustments, the YOUI intelligent decision-making module has established a robust decision framework capable of handling intricate industrial tasks.

- YOUI Interaction Module ("天擇"): YOUI interaction module is responsible for high-precision, stable and coordinated robotic operations. The module employs a general-purpose algorithm adaptable to different forms of robots, including wheeled, bipedal, multi-legged, tracked and wheel-arm hybrids. Leveraging the general inference capabilities of large models, it enables "few-shot transfer", the ability of a model to adapt to new tasks using only a small number of training examples, between diverse operational skills through training and learning of meta-tasks and millisecond-level closed-loop control of perception, decision-making and interaction. This module not only significantly reduces the deployment costs of embodied AI robots, but also enhances generalization and execution efficiency when facing complex industrial tasks.

- YOUI Fleet-wide Collaboration Module ("脈理"): YOUI fleet-wide collaboration module is responsible for intelligent mission schedule and efficient collaboration among large-scale heterogeneous robot fleets. This module can dynamically sense road network conditions, equipment loads, and demand fluctuations, thereby dynamically optimizing task allocation strategies and performing optimal global task allocation and traffic control. Currently, it supports simultaneous, efficient coordination among thousands of heterogeneous robots in handling complex order tasks.

Adaptive Forms of Our Robots

We are committed to building adaptive multi-form robots that seamlessly integrate with our generalizable industrial embodied AI model and enable efficient implementation of solutions. These multi-form robotic bodies enable rapid alignment with the most appropriate task execution forms across diverse scenarios. This not only accelerates execution efficiency but also minimizes customization requirements, thereby reducing overall deployment costs. By balancing execution effectiveness with cost considerations, they represent efficient hardware solution.

Building upon extensive industrial scenario practices and technological expertise, we have developed a CBB (common building block) modular hardware architecture, a system that separates the robot into standard modules, creating a modular hardware resource library for constructing our robot bodies. For more information, see "— Our business model — Our embodied AI robots — Various adaptive forms of our robots" in this section. This architecture integrates highly configurable hardware and universally compatible software into shared foundational modules at the technical, product and application levels, such as standardized high-precision joints, all-terrain adaptive mobile bases, multimodal sensing units, and diverse end-effectors. Together, these form a powerful basic resource pool that enables us to efficiently assemble multi-form mobile manipulation robots while optimizing them for targeted operational scenarios.

We have developed humanoid robots called "Tian Yan" (天演) series. The core advantages of humanoid robots are the flexibility and dexterity of its humanoid form to address major challenges in human–robot collaboration within unstructured, complex environment. These robots can efficiently use human tools, perform precise multi-step tasks. We are continuously developing humanoid robots products that adapt to a wide range of operational intensities and terrains. Our robots' mobility capabilities enable them to navigate a wide range of environments, including complex indoor and outdoor all-terrain scenarios. Their operational abilities cover tasks from low to high intensity, making them suitable for semi-structured, high-risk, and specialized operations that require strong robustness. Their manipulation abilities support operational tasks ranging from low to high intensity, enabling them to perform in unstructured, high-risk, and high-reliability environments. Typical industrial applications, include data center operations and maintenance, semiconductor Sub Fab maintenance, polar research, wind and solar inspection in desert regions, flexible manufacturing, and other universal industrial tasks.

Robotic Solutions

Leveraging our "unified intelligence + adaptive forms" architecture, we have developed robotic products that integrate perception, decision-making, and interaction capabilities. Given the highly specialized, and dynamic of industrial environments, and strict requirements for precision and low error tolerance, management and operational models must be specifically tailored to meet the unique needs of each vertical sector. Drawing on our extensive experience in the industrial sector, we have developed two industry-specific software: YOUI TMS and YOUI INS. Combined with our expert knowledge base and comprehensive planning and simulation capabilities, these software allow us to manage the entire production process — covering material flow, information recording and analysis. These software help our customers achieve improved quality and efficiency, flexible production, and digital management.

Our industry-specific software serves as the command centers for deploying robots into specific industrial scenarios, covering full-process digital management including task planning, scenario simulation, fleet-wide dispatch and decision-making, task execution and human-robot interaction. With industry-specific software as a carrier, we have established an expert knowledge base of embodied AI through absorbing knowledge from different segments and deeply integrating long-standing core know-how such as process standards, safety rules, and operating specifications that accumulated across various sectors. With flexibility and compatibility, these software can be quickly integrated into existing business systems of our customers, thus enabling efficient and streamlined deployment and empowering rapid applications and tailored robotic solutions.

- Industrial Intralogistic Solutions: Our industrial intralogistics solution uses mobile manipulation robots to enable efficient, unmanned material transportation across the full production process from raw materials to finished products. Deeply integrated with industry-specific software and expert knowledge base, the solution delivers closed-loop material and information flow management with millimeter-level precision, supporting loading and unloading, and inter-factory transportation while meeting clean production requirements. The solution has been successfully deployed at scale in the semiconductor and lithium battery manufacturing industries, delivering flexible, high-efficiency operations and strong returns on investment. See "— Our business model — Our Solutions."

Successful Large-scale Robot Deployment Case

Industrial intralogistics case

Since 2021, we have provided industrial intralogistics solutions to a leading wafer manufacturing company in China (the "**Manufacturing Customer**"), which has placed six orders with us in total. We deployed a team of 80 mobile manipulation robots for the Manufacturing Customer, establishing a comprehensive material transport system comprising three robot types — intrabay loading/unloading robots covering 31 bays, interbay transport robots spanning 180 meters, and inter-fab automated material handling robots — coordinated by an intelligent management system. Together, these form a fully automated material flow system covering core processes including lithography, etching, and cleaning, and connecting the entire production process from raw materials to finished products.

Before implementing our industrial intralogistics solution, the Manufacturing Customer relied heavily on manual handling. This manual process made it difficult to avoid workshop contamination from hair, and other particles, compromising cleanliness in the plant. Manual operations also created risks of vibration or misplacement, which cause defects and scrap.

Our industrial intralogistics solution ensures a high level of consistency and reliability in procedures, significantly improving product yield and production safety. The solution achieves millimeter-level positioning accuracy with vibration control as low as 0.1g, greatly reducing the risk of wafer breakage and eliminating accuracy issues caused by human fatigue. Through the deep integration of the intelligent management system with the customer's production management system, we achieved real-time data transparency and dynamic optimization of material flow across the entire facility. This significantly reduced work-in-progress inventory. Furthermore, the system's response speed and coherence, far surpassing manual operations, greatly reduced the production queue time for each batch of materials. For intrabay transportation, the system completes over 16,000 material handling tasks per day. For interbay and inter-fab transportation, the robots cover over 100 kilometers daily and complete more than 290 transportation tasks. This shortened product cycle times and increased equipment utilization rates, fundamentally enhancing the overall internal logistics efficiency and capacity flexibility of the factory.

Inspection and maintenance case

In 2024, we provided an inspection and maintenance solution to a power enterprise (the "**Power Enterprise Customer**"), supported it building a smart thermal power plant in Ordos, Inner Mongolia, with the support of a team of 11 mobile manipulation robots. The plant faces an extremely harsh environment characterized by arid conditions, frequent sandstorms, long hours of sunlight, strong solar radiation, and significant temperature fluctuations.

Before implementing our inspection and maintenance solution, the Power Enterprise Customer relied mainly on manual inspection and operations, especially in areas such as the coal transportation corridors, where heavy dust, high temperatures, noise, and high-voltage equipment posed significant health and safety risks and placed intense demands on workers.

We have deployed an intelligent inspection robot team that conducts inspection and operation in areas across the booster station, turbine room, boiler room, and coal transportation corridors, replacing manual labor for high-intensity and high-risk tasks. In coal transportation corridors stretching several hundred meters, the robots perform repeated inspections and collect monitoring data in real time; at the booster station, our robots also conduct uninterrupted inspections around the clock (24 hours, seven days a week); in the boiler room, the robots detect and alert for anomalies across around 1,400 inspection points.

The intelligent inspection system utilizes advanced video recognition technology to analyze surveillance footage in real time, quickly and accurately identifying abnormal conditions and safety risks, and automatically issuing alerts. The system also monitors for abnormal sounds in real time, enabling early detection of equipment faults. Seamlessly integrated with the plant's digital information platform, the system continuously gathers equipment operating data to support scientific management decision-making, significantly improving inspection efficiency and accuracy while ensuring safe production.

Our Business Model

We have established a trinity growth framework of "Technology–Scenario–Product" as follow, which drives the operation of our distinctive business model.

Our founders come from leading robotic research institutes in China, and have deep expertise in core robotics technologies. Since our inception, they have specialized in developing high-precision intelligent robotic solutions. We have progressed from pioneering laser-based trackless navigation concepts to creating an industrial, broadly applicable embodied AI architecture. Our technological evolution has included advancements, such as multimodal data fusion for robotic positioning, sophisticated models for end–edge collaboration in embodied AI, modular and safety-focused robot design, and site-wide logistics control systems tailored for complex, flexible manufacturing processes — continuously strengthening our competitive edge in robotics.

Drawing on our extensive technical expertise, we strategically focus on semiconductor manufacturing as our core application area — an industry with high standards and barriers to entry. In response to the rigorous requirements for reliability, stability, and operational precision in these processes, we have successfully achieved several key technological breakthroughs: our robots can operate stably in up to ISO Class 3 ultraclean environments; at the same time, they deliver highly stable handling with vibrations as low as 0.1g and millimeter operational precision. These technological advances have enabled us to break foreign monopolies and successfully enter the supply chains of leading semiconductor manufacturers. We are committed to deepening our expertise vertically, continuously expanding the use of embodied AI robots within semiconductor manufacturing processes, and have successfully addressed challenges across multiple stages of the value chain.

We design scenario-driven, technology-powered advanced embodied AI robots that effectively connect technical innovation to real-world applications. Our continuous scenario-focused exploration has shaped our commitment to building universally adaptable robotic systems. We have developed a range of robotic forms that integrate seamlessly with our generalizable industrial embodied AI model, ensuring optimal solution implementation. As of the Latest Practicable Date, we had delivered more than 800 successful deployments of industrial embodied AI, with these projects further enriching our technical knowledge and fuelling continuous technical refinement and innovation.

With technology as our foundation, real-world scenarios as our anchor, and products as our bridge, our business model underpins our ongoing growth. As we apply our advanced technologies to increasingly complex scenarios, we broaden our reach across industries, enabling our generalized robotic solutions to deliver greater value and broader benefits.

Our Notable Performance

During the Track Record Period, we had achieved robust business growth.

- Rapid revenue growth: Benefiting from the high customer repurchase rate, we generated revenue of RMB107.7 million, RMB254.9 million and RMB339.7 million in 2023, 2024 and 2025, respectively, representing a CAGR of 77.6%. Among them, our revenues from countries and regions out of Chinese mainland were RMB5.9 million, RMB14.8 million and RMB21.4 million in 2023, 2024 and 2025 respectively.

- Rising gross profit margin growth: Our gross profit increased from RMB28.1 million in 2023 to RMB124.1 million in 2025, representing a CAGR of 110.2%. Our gross margin increased from 26.1% in 2023 to 36.5% in 2025.

As of December 31, 2025, we have served over 400 world-renowned customers, including over 50 Fortune Global 500 enterprises.

OUR STRENGTHS

We believe that the following competitive advantages contribute to our success, allowing us to stand out in the industrial embodied AI robotic industry and maintain rapid and sustainable growth.

A Key Player in Industrial Embodied AI

We strategically focus on the industrial embodied AI robotic industry. Since our inception, we have concentrated on the research, development and application of mobile manipulation robots with great growth potential and scenario adaptability, which has established us as the mobile manipulation robotic company with the most mature technologies and most profound applications. Benefiting from our focus and innovation, we have consistently led the technological innovation and development of the industry. Since our establishment, we have successfully implemented over 800 industrial embodied AI projects. According to Frost & Sullivan, we ranked first among industrial mobile manipulation robotic companies in terms of revenue in 2024 globally. We ranked first among industrial mobile manipulation robotic companies in China in the application of robotic solutions in semiconductor sector in terms of revenue in 2024. We also ranked second among industrial mobile manipulation robotic companies in China in the application of robotic solutions in energy and chemical sector in terms of revenue in 2024.

According to Frost & Sullivan, the global market for industrial mobile manipulation robotic solutions will continue its rapid expansion, with market size projected to grow from RMB4.2 billion in 2024 to RMB32.9 billion by 2030, with a CAGR of 40.9%. As a company in industrial mobile manipulation robotic industry, we are positioned to leverage these industry developments, further enhancing our technological strengths and product offerings while expanding our market footprint. This strategic approach will allow us to benefit from growth opportunities in both domestic and international markets, support ongoing business expansion, and reinforce our position within the industry.

Defining Advanced Technologies and Product Capabilities

Our founding team originated from the robotics laboratory at Xi'an Jiaotong University, bringing extensive expertise in robotic research and manufacturing. Innovation has always been central to our ethos, driving us to continually invest in advanced technologies to address the evolving needs of industrial robotics since the beginning. We remain committed to advancing the theoretical foundations of robotic intelligence.

We have led and participated in over ten major scientific research projects in the industrial embodied AI robotic industry, including "Development of Logistics Scheduling and Optimization Software for Multi-Machine Collaboration in Smart Semiconductor Manufacturing Factory" ("面向多機協作的半導體製造智能工廠物流調度和優化軟件開發"), and "Research and Application Verification of Low-Resource and End-to-End Trustworthy Generalizable Embodied Systems" ("低資源與全鏈路可信的高泛化具身系統研發與應用驗證"). As a member of the International Federation of Robotics, we work with global industry leaders to continuously drive the development of the robotics industry. Furthermore, we have led and participated in the formulation of over ten representative standards for the robotics industry, underscoring our ability to define technologies and product standards.

We continue to make forward-looking and continuous R&D investments. Our strong and experienced R&D team consists of over 140 highly skilled technical professionals. We have consistently invested in product research and development, with the total research and development expenses of RMB212.8 million, accounting for 30.3% of our total revenue during the Track Record Period. As of the Latest Practicable Date, we had 241 granted patents (including 43 invention patents) and 77 software copyrights, and applied for 356 patents, including 139 invention patents.

We have established a key technology platform that both leads and defines the industry, and continuously iterate our technologies in precision and reliability. Our core technologies cover spatial perception and localization technology for multimodal data fusion, large-scale fleet management, and VLA end-to-end operational model based on reinforcement learning. Leveraging our independently developed generalizable industrial embodied AI model based on "unified intelligence + adaptive forms" architecture, our robots are capable of perception, decision-making and interaction, making us one of the few companies in the industry that have achieved large-scale deployment of mobile manipulation robots in industrial scenarios.

While continuously optimizing our existing robots, we are also exploring technological breakthroughs in generalization boundaries and modalities. We continue to invest in the cutting-edge technology research and development of embodied AI robots, focusing on advanced domains, such as long horizon, high-precision task execution models and motion annotation methods, adaptive skill emergence technology integrating perception and operation processes, digital-twin-driven one-stop embodied AI training platforms, and high-precision, high-reliability VLA models based on multimodal data. Meantime, we have already commercialized humanoid robots, and such robots can adapt to a variety of scenario and perform various tasks in different settings. These cutting-edge explorations and research have enabled us to stand at the forefront of robotic intelligence and continuously expand the industrial boundaries.

Diversified Product Portfolio Integrating Industry Know-How

Through active exploration and experience in large-scale deployment, we have developed a diverse range of robotic forms in the mobile manipulation robot solution industry in China. Each of our robotic models features a modular design and standardized interfaces, enabling rapid configuration for different industrial needs and physical forms. In terms of mobility, we have established foundational configurations, such as differential drive, four-wheel steering, and omnidirectional movement, and have also developed specialized forms including legged, wheeled, and tracked robots. This allows our robots to handle both planar logistics tasks within factories and operations in extreme outdoor terrains. For perception capabilities, our sensors are adaptable to different types such as vision, lidar, and inertial navigation systems, significantly enhancing mobility in complex environments. Our robots can be equipped with a wide variety of execution modules, including high-load industrial types, flexible collaborative types, and high-speed precision types. These can be combined with high-precision visual guidance modules and diverse end-effectors such as pneumatic grippers, electric grippers, and dexterous torque hands, facilitating precise grasping, placement, sorting, assembly, and other complex operations.

We actively serve core industrial sectors, such as semiconductors, energy and chemical and others, drawing on practical insights from more than 800 industrial projects. This experience has enabled us to build a vertical industry model system that encompasses the full value chain. Our specialized models, powered by expert knowledge base and industry-grade software, quickly adapt to multiple sectors, and our model library covers dozens of segments.

Driven by advanced AI generalization capability, we are dedicated to overcoming industrial scenario barriers. Our adaptive operations foundation model, based on multimodal large models and reinforcement learning, delivers fast deployment in unstructured environments using only limited sample data — far surpassing traditional models in versatility and efficiency. Additionally, our multimodal fusion perception model integrates LiDAR, visual semantics, and other data sources, achieving richer, more reliable environmental awareness.

By leveraging the "pre-training and scenario-based fine-tuning" approach, we deploy AI from core algorithms to a multitude of application environments, enabling cross-domain empowerment. This not only enables robots to evolve from single-use machines to flexible intelligent agents, but also supports broad application across industries and highlights how AI can deliver deep, scalable value to industrial operations.

Leading and Continuously Deepening Business Layout

We focus on enhancing industrial productivity through our robotic solutions. Since the early stage of our development, we focused on developing robots and robotic solutions for semiconductor industry, which industry is known for its strict production requirements and high technological barriers. This early-mover advantage and sustained focus have enabled us to successfully develop and continuously refine robotic solutions tailored to these industrial demands. We delivered the largest mobile manipulation robot project in terms of the number of robots deployed in the integrated circuit manufacturing sector in China.

Building on our expertise and experience in wafer manufacturing, the most demanding area within the semiconductor industry, we have extended our robotic solutions across the entire semiconductor process chain. This includes everything from upstream applications like large-diameter silicon wafers, photomasks, and third-generation semiconductor substrates, to downstream processes such as packaging and testing. We can provide industrial intralogistics solutions for customers across the entire industry chain, from silicon materials to chips. We have served more than ten domestic and international wafer fabrication plants, and have successfully delivered multiple benchmark solutions for leading domestic customers in substrates, photomasks, and packaging and testing.

Our industry layout positions us at the forefront of industrial embodied AI, and our products are consistently developed to meet the highest standards. We have been exploring the application of high-standard embodied AI robots in various scenarios, including exploration of solution application in the semiconductor industry, and expansion into cross-industry process scenarios. Based on our accumulated deployment experience, we can flexibly expand the application boundaries of our embodied AI robot products.

As of the Latest Practicable Date, our products had been recognized by over 400 renowned customers, including over 50 Fortune Global 500 companies: (1) one of the world's largest semiconductor manufacturers; (2) one of the world's largest power and utility companies; (3) one of the world's largest petrochemical suppliers; (4) one of the world's largest metallurgical suppliers; (5) one of the world's largest precision electronics manufacturers; and (6) one of the world's largest lithium battery producers. We are deeply bound to leading customers in the semiconductor and energy and chemical industries, and have maintained close partnerships with two of the world's top three semiconductor wafer foundries, leading power grid groups and energy groups in China. Our partnerships with these industry leaders have enabled us to accumulate cross-sector expertise, thus driving our technology upgrades and product iterations. The continued customer recognition is further reflected in the customer repurchase rate, which exceeded an impressive 70% in 2025. This strong customer loyalty will continue to drive our performance growth and further expand our market position.

We adopt a global strategy of vertical penetration before horizontal expansion. Leveraging our long-standing expertise in the semiconductor and energy and chemical industries, we make our business layout in line with the development of the semiconductor industry driven by the global technological wave and the rising demand for advanced manufacturing. We have established an overseas subsidiary in Tokyo, Japan, to drive localized operations, while actively participating in premier industry exhibitions across Japan, South Korea, Europe and Southeast Asia. These efforts have strengthened our brand influence and earned the attention and recognition of leading customers at home and abroad.

Mature and Efficient Supply Chain System

We have developed a comprehensive production lifecycle that integrates planning, procurement, manufacturing, quality management, process control, and logistics. This approach enables us to timely deliver high-quality products to customers. We are one of the first industrial embodied AI robotic solutions providers to operate a cleanroom production facility, achieving ISO Class 6 standards. By implementing robust controls for particle concentration, static electricity, and chemical contamination.

Our quality assurance framework features strict production oversight and two rounds of final inspection before shipment for all robots. This rigorous process guarantees efficient, stable, and on-time delivery while reducing unnecessary losses during manufacturing.

To optimize our production costs, we generally procure components and parts produced in China, rather than imported ones, with a localization rate of our components and parts exceeding 90%. By establishing enduring relationships with top-tier suppliers, we secure a reliable flow of high-quality materials and foster a partner ecosystem that streamlines operations and drives cost efficiency. We have also put in place stringent supplier selection criteria and standardized the incoming material inspection process, ensuring the smooth and efficient operation of our supply chain.

A Top Management Team with Profound Technical Expertise and Business Insight

Our founding team embodies a combination of strategic foresight, solid technological expertise, and strong business execution capabilities. Our founders graduated from Xi'an Jiaotong University, specializing in robotics research, and each of them possesses a profound academic knowledge, with over a decade of deep engagement in the industry. United by a shared conviction in the vast potential of mobile manipulation robots, our founding team has maintained close collaboration and focused on the research of embodied AI technologies and the commercialization of our products. Their profound technical accumulation and extensive industry experience have positioned us as a key player in the robotics industry.

Our business performance is also inseparable from a stable and dedicated management team. Our core management team brings diverse backgrounds and a global perspective, with extensive experience in finance, sales, marketing and operations and an average working experience of over 15 years. Several of our senior executives have work and management experience in world-renowned companies, thereby forming a cornerstone of our operations and long-term success.

OUR STRATEGIES

We are committed to implementing the following strategies to achieve sustainable growth and realize our vision.

Continuously focusing on embodied AI and consolidating our technological strength

We firmly believe that industrial embodied AI robots will take the lead in large-scale industrial deployment, and drive a profound transformation in advanced productivity. We will maintain our strategic focus on the research and development of embodied AI and consolidate our technological strength. We are advancing projects such as spatial perception and localization technology for multimodal data fusion, large-scale fleet management, and VLA end-to-end operational model based on reinforcement learning. We will continue to explore cutting-edge technology applications to achieve higher-precision and high-reliability performance of embodied AI robots, and iterate our industrial embodied AI robot products and solutions. We will also further gain customer recognition through high-quality delivery and consolidate our brand strength.

We are committed to continuously understanding customer needs and launching products for more markets and scenarios. Leveraging our strengths in robotics hardware, software capabilities and industry know-how, we aim to deliver increasingly intelligent and generalizable technologies and solutions for industrial applications. To this end, we plan to invest in the development of our embodied AI model, strengthen the research and development of next-generation perception and interaction technologies, invest in the computing infrastructure necessary to underpin these model development activities, and expand our solution and product offerings including through the development of humanoid robots.

Deepening industry layout and accelerating global expansion

We will continue to extend our reach across industrial scenarios. In the semiconductor sector, we have gained a profound mastery of production processes and operation scenarios. We will further penetrate all processes along the upstream and downstream industrial chain, covering front-end raw material processing, core process operations to back-end finished product packaging and testing, warehousing and logistics and other key processes. This full-chain expansion will enable in-depth penetration into a single industry and full-process empowerment. In the energy and chemical sector, we provided intelligent inspection solutions for power plants and have gradually extended our business coverage to cover the entire value chain, including upstream raw materials industries (such as coal mining, oil, and natural gas) and the power sector (including thermal, hydro, nuclear, wind, photovoltaic, and power grids), further to downstream to scenarios in chemicals, metallurgy, and public utilities. We are continuously strengthening our vertically integrated service capabilities and are committed to building an intelligent operation and maintenance system that connects "generation, grid, load, and storage." Our goal is to provide system-level solutions for the energy and chemical industries.

We will continue to expand industry applications. Drawing upon our extensive expertise in developing embodied AI products in the semiconductor and energy and chemical industries, which have stringent product requirements, high technical barriers and vast market potential, we are now equipped with the technological capabilities to develop generalizable and universal embodied AI products. We will explore the application boundaries of our solutions, including AI computing power centers, biopharmaceuticals, smart mines, smart oil fields and other scenarios. These fields, which also demand the utmost precision and reliability from advanced productivity tools, provide fertile ground for the deployment of our embodied AI robot products.

We will further accelerate our global presence. In the Chinese mainland market, we have established mature deployment practices in the semiconductor and energy and chemical industries, ranking first and second in these two domestic markets. According to Frost & Sullivan, the market size of the overseas industrial embodied AI robotic solutions is expected to increase from RMB2.2 billion in 2024 to RMB15.3 billion in 2030. We will increase our investment in global market expansion, expand our global production, sales and service teams, and strengthen our production, sales, after-sales and other capabilities, thus enhancing penetration into existing markets and actively entering new markets. We will continue to increase our investment in the strategic markets of the Asia-Pacific region.

Deploying key components and strengthening supply chain capabilities

Our robotic products integrate perception, decision-making and interaction and adopt multiple forms, which places higher demands on the performance adaptability and compatibility of key components. To this end, we will focus on the research, development and production of key components.

We will strengthen the research and development of key components, and focus on the research and design of core components compatible with "unified intelligence + adaptive forms" industrial embodied AI system, such as high-precision sensors, robotic core controllers, vision controllers and high-performance joint modules. By optimizing hardware performance from the fundamental physical layer, we can tightly couple it with the software layer.

We will establish production capabilities for core components, whether through acquisitions or investments in high-quality manufacturers of core components, system integrators in our target industries and robot design and development companies with complementary capabilities. We also plan to establish new production lines to scale our manufacturing capacity. This approach will secure the production capacity of core components and strengthen our control over key processes of the supply chain, thus ensuring the quality of our robotic products.

Strengthening ecosystem collaboration and talent acquisition to promote innovation

We will continue to carry out industry-university-research cooperation, including building a joint embodied AI laboratory with universities such as Xi'an Jiaotong University, and taking the lead or participating in key scientific and technological research projects. We will accelerate breakthroughs in core technologies, and promote the industrialization of scientific achievements. To further facilitate such cooperation, we plan to establish an industrial research and education center focusing on embodied AI technologies, which will serve as a dedicated platform for applied robotics research and collaboration with both universities and upstream component suppliers.

We will also explore more business cooperation models, and build a cooperative ecosystem with our industry customers and other automation solution providers, in order to set industry benchmarks and promote the continuous upgrading of industrial productivity.

We will further attract and cultivate outstanding talents and strengthen endogenous training. We will continue to attract core technical talents through various means, and build a robust and experienced talent team. We will continue to attract high-end R&D talents through competitive remuneration and equity and option incentive systems, thus efficiently investing in our continuous technological development.

OUR BUSINESS MODEL

We are an industrial embodied AI company. We offer tailored solutions to assist our customers in achieving robot-centric automation, digitalization and intelligence, which in turn help enhance production efficiency and facility safety across different industrial scenarios. During the Track Record Period, we had realized large-scale application of our solutions in two key scenarios: (i) industrial intralogistics, and (ii) inspection and maintenance. Specifically, the industrial intralogistics solutions generally help automate material/product transportation in major manufacturing processes and intralogistics processes, with enhanced production efficiency and yield rates. Inspection and maintenance solutions help monitor high-risk facilities with lower reliance on manual intervention while ensuring safety and efficiency of these facilities.

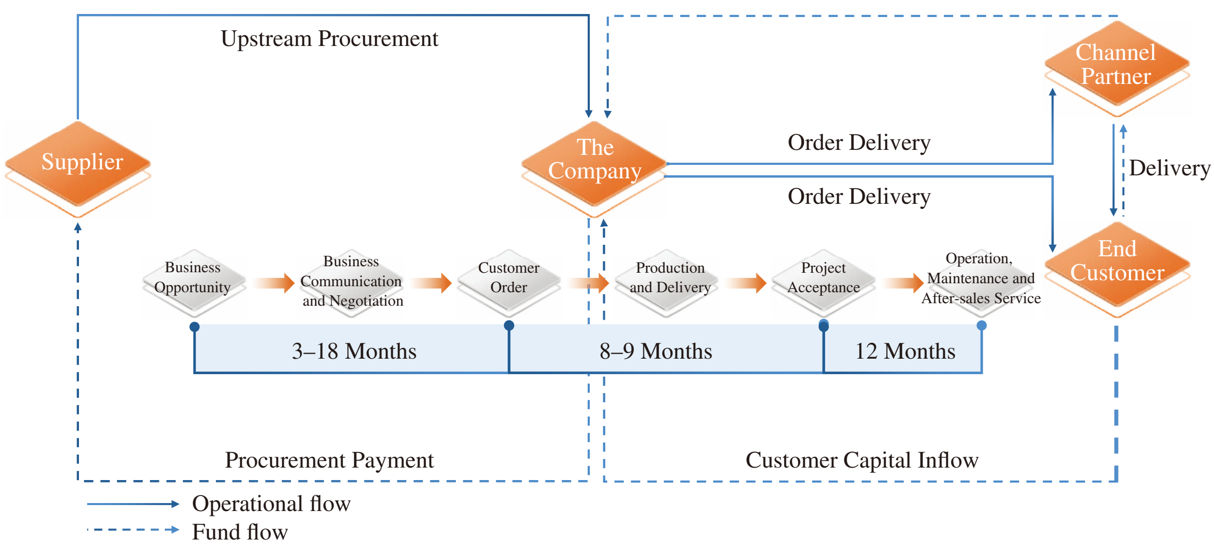
The table below sets for the additional information about our industrial intralogistics solutions and inspection and maintenance solutions.

	Industrial Intralogistic Solutions	Inspection and Maintenance Solutions
Products/service offered in the solution	OW series, ATS series, L300, L1000, C1500, and CF1000 series robots, industry-specific software systems including YOUI TMS and auxiliary services	Switchroom operational robots, indoor wheeled robots, rail-guided robots, and outdoor wheeled robots, industry-specific software systems including YOUI INS, and auxiliary services
Customer types	Our customers comprise channel partners and end users. Our industrial intralogistics solutions are primarily deployed in the semiconductor, lithium battery and 3C manufacturing industries.	Our customers comprise channel partners and end users. Our inspection and maintenance solutions are primarily adopted in the energy, chemical and public utilities industries.
Pricing policy	We primarily adopt a cost-plus approach, under which pricing is based on costs while also taking into account specific requirements of the customer and the project, including the functionalities selected, the scope of deployment services and the complexity of the technology involved	We primarily adopt a cost-plus approach, under which pricing is based on costs while also taking into account specific requirements of the customer and the project, including the functionalities selected, the scope of deployment services and the complexity of the technology involved

The following table sets forth the breakdown of our revenue by application scenarios in the years indicated.

	Year Ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)					
Industrial intralogistics solutions	62,444	58.0	138,154	54.2	201,661	59.4
Inspection and maintenance solutions	45,227	42.0	116,738	45.8	138,024	40.6
Total	107,671	100.0	254,892	100.0	339,685	100.0

In providing a solution, we firstly formulate a plan with suitable types and quantities of robots, and industry-specific software that ensure efficient integration of our robots into the customers' operations, based on the customers' needs. Once the proposed plan is confirmed, we will deliver the robots to the site, deploy the robots and software on site and provide necessary training to our customer's personnel. We also offer ongoing online technical support and after-sales maintenance services throughout the warranty period. We charge our customers and channel partners with bundled fee that covers the types and numbers of robots, industry-specific software, pre-sale planning, delivery, deployment, and after-sales services. The chart below sets out the typical service process for the sale of our solutions.



- *Pre-sales service.* We generate leads through marketing activities, converting them into business opportunities through systematic follow-up. We then negotiate with potential customers to develop customized technical solutions and corresponding quotations. This phase concludes upon the customer's formal confirmation of the proposed solution, typically taking three to 18 months.

- *Contract signing and acceptance.* Following confirmation, we negotiate and execute a formal order contract, proceed to production and arrange delivery. This stage is finalized upon the customer's formal acceptance of the order, which triggers payment collection. The typical timespan from contract execution to acceptance is eight to nine months.

- *Operations, maintenance and after-sales.* We provide comprehensive after-sales support post-delivery. Customer service requests generate work orders, which are dispatched to the appropriate technical team for resolution. We systematically collect customer feedback to ensure service quality and continuous improvement. The typical after-sales support period is 12 months.

As of December 31, 2025, our solutions had been offered to over 400 leading enterprises in the semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries.

The following table sets forth the breakdown of our revenue by vertical industries in the years indicated.

	Year Ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)					
Industrial intralogistics solutions						
— Semiconductor	36,074	33.5	67,509	26.5	92,216	27.1
— 3C and other manufacturing	24,204	22.5	54,775	21.5	20,723	6.1
— Lithium battery	2,166	2.0	15,870	6.2	88,722	26.1
Inspection and maintenance solutions						
— Energy and chemical	29,978	27.8	95,821	37.6	112,770	33.3
— Public utilities	15,249	14.2	20,917	8.2	25,254	7.4
Total	107,671	100.0	254,892	100.0	339,685	100.0

The table below sets forth the breakdown of the sales volume measured by order number by vertical industry for the years indicated.

	Year ended December 31,		
	2023	2024	2025
Industrial intralogistics solutions			
— Semiconductor	35	65	93
— 3C and other manufacturing	111	124	116
— Lithium battery	16	13	27
Inspection and maintenance solutions			
— Energy and chemical	47	74	91
— Public utilities	24	33	75
Total	**233**	**309**	**402**

Notes:

(1) Sales volume, defined as the number of orders, reflects the total number of orders placed in the given year. Revenue is recognized over time when the agreed recognition point is reached.

(2) The increase in our sales volume from 2023 to 2025 was primarily attributable to (i) high repurchase rate, (ii) the greater market acceptance of our robotic solutions driven by our industry recognition from involvement in a number of benchmark projects for reputable customers in both application scenarios, which significantly increased our reputation and attracted new customers and (iii) continuous improvement and iteration of our robot models.

In particular, in 2025, the repurchase rate of customers in semiconductor industry was up to 75%; the repurchase rate of customers in lithium battery industry was up to 100%; the repurchase rate of customers in 3C and other manufacturing industries in general was up to 78%.

Our Embodied AI Robots

Our embodied AI robots are designed based on our "unified intelligence + adaptive forms" ("一腦多態") architecture. During the Track Record Period, we provided comprehensive robotic solutions including industrial intralogistics solutions and inspection and maintenance solutions. During the Track Record Period, we provided one type of robot, mobile manipulation robots, which formed the core of our robotic solutions. A mobile manipulation robot refers to an embodied AI robot that is able to move through physical environments and physically interact with objects. Our mobile manipulation robots have a high degree of physical autonomy with perception, decision-making and interaction. Our mobile manipulation robots also included humanoid robots, commonly classified as a subset of the mobile manipulation robots according to Frost & Sullivan.

Each of our mobile manipulation robots has multimodal perception, adaptive mobility, and precise handling or manipulation capabilities. These robots are engineered not only for static environment but also for dynamic and complex operational environments. Their design ensures stable, flexible, and highly efficient performance — supporting tasks like automated inspection, intralogistics, and maintenance, often with minimal human intervention. In 2024, we ranked first in the mobile manipulation robotic industry in terms of revenue in China, with a market share of 7.1%.

Key Features of Our Robots

The key features of our robots include:

- *High-precision and reliable SLAM navigation*. We employ an innovative "semi-tightly coupling" framework, integrating lidar scanning, visual feature observation, odometry, and IMU data. This enables precise estimation of the robot's pose and the construction of high-accuracy maps. In addition, we leverage SLAM, a computational technology used by robots to build a map of an environment while simultaneously determining their location for navigation and spatial awareness. Our map presentation include multi-layer semantic features of the environment, providing robust perception in complex and dynamic scenarios and ensuring reliable localization for robots operating in unfamiliar environments.

- *Fleet-wide collaboration*. In flexible manufacturing environments, human workers and various types of robots work together to perform a variety of complex tasks across multiple product types. To address these varied needs, we provide customers with fleets of mobile manipulation robots offering different configurations and payload capacities. By applying evolutionary algorithms, we optimize task allocation and scheduling for the entire fleet. Our simulation platforms enable coordinated planning for more than 1,000 robots, and in real-world flexible manufacturing applications, we have effectively managed and scheduled over 100 robots of various types.

- *Advanced safety standard and certification*. Our robots utilize dual-loop safety control and conform to PLd safety level requirements, as well as CE and SEMI certifications, and EMC (electromagnetic compatibility) and ESD (electrostatic discharge) standards. All robotic sensors feature real-time health monitoring. The control system uses dual-core processing, with the motion and intelligence systems isolated from each other. This design ensures that, even if the motion system fails, the robot can still be brought safely to stop.

- *Software suite for full lifecycle management*. Throughout the entire lifecycle of our robots, including development, testing, deployment and operation, we have created a comprehensive and integrated software ecosystem. This ecosystem supports research and development, production, quality control, and deployment processes of our robots. Our software suite includes TOOLKIT for development, debugging, configuration, and diagnostics; RPA for automated production testing; PILOT for high-precision positioning and stand-alone applications; MOS for complex, high-precision operations; FLEET for collaboration across multiple robots; TMS for full-scale intralogistics management in industrial environments; and INS for digital intelligent inspection and spatial analysis.

Unified Intelligence of Our Robots

The unified intelligence of our robots refers to "MAIC", a generalized model with advanced algorithms. See "— Overview."

The following table sets forth detailed information about the four key modules of MAIC:

Module	Key functions	How this applies to our products	How our end-customer use this	Practical benefits	How this module interacts with other MAIC modules
YOUI fusion perception module	Processes multi-modal sensor data to enable the robot to perceive and locate itself within different environment.	Embedded as an independent algorithm module within each robot's onboard model.	No parameter configuration or maintenance is required on the device. Our engineers have pre-trained the models by capturing typical features of specific scenarios.	This module enables our robots to perceive changes flexibly, achieving better obstacle avoidance performance, and precise localisation in complex, dynamic environment.	YOUI fusion perception module underpins the other three modules, each of which relies on the positioning data and environmental semantic information it provides.
YOUI intelligent decision-making module	Decomposes complex tasks into sub-tasks and prioritizes them.	Embedded as an independent algorithm module within each robot's onboard model.	After deployment, users do not need to configure or fine-tune the module. Pre-trained across diverse task types and scenarios, the module acquires generalized understanding of complex tasks.	Enables robots to reason through and intelligently handle complex tasks in open-world environments.	Intelligent decision-making model utilizes the positioning and semantic information from the fusion perception module to process task commands issued by the users, providing the interaction module with an executable sequence of basic tasks.
YOUI interaction module	Controls the robot hardware, providing real-time control and status feedback for basic tasks.	Embedded as an independent algorithm module within each robot's onboard model.	The YOUI interaction module is capable of generalized control for different types of robots. Users do not need to configure or fine-tune the module for different scenarios.	Interaction module ensures real-time process control during task execution. It can respond to task anomalies within milliseconds, maximizing production safety.	Interaction module receives the sequence of tasks processed by the intelligent decision-making module, then controls the robots for real-time joint movement. It also monitors operations in real time and immediately reports anomalies back to the intelligent decision-making module for re-planning and decision-making.
YOUI fleet-wide collaboration module	Enables planning and scheduling for large-scale deployment of our heterogeneous robots.	Embedded as an independent algorithm module within each robot's onboard model.	The fleet-wide collaboration module establishes standardized task templates for different types of robots and tasks. After on-site configuration by engineers, users can monitor the overall operational status of our robots on site through this module.	Fleet-wide collaboration module is the key module for large-scale use of heterogeneous robots. It enables our solutions to meet diverse scenario requirements of our customers.	Fleet-wide collaboration module continuously collects and consolidates the operational status of the other three modules. It also simultaneously feeds task commands to the intelligent decision-making module, and provides path execution instructions to the interaction module. It uses robot positioning and environmental semantic data from the fusion perception module to enable coordinated scheduling for heterogeneous robots.

Various Adaptive Forms of Our Robots

While MAIC enables perception, decision-making and interaction of a robot, the robot body is responsible for executing specific physical actions, thereby accomplishing designated tasks. The robot bodies feature CBB architecture that simplifies robot configuration and integration, reduces the need to design and manufacture unique components for each robot model, streamlines procurement and inventory management, and decreases design complexity, standard modules, such as sensors, controllers, actuators, and end-effectors, can be used across multiple robot models or configurations, which in turn lowers R&D expenses and manufacturing costs. The CBB architecture also shortens on-site deployment cycles, facilitates after-sales maintenance, and ensures consistency and stability across mass production.

Regarding the compatibility of our industrial intralogistics robots and inspection and maintenance robots with software developed by third parties, both types of our robots are equipped with a comprehensive suite of Application Programming Interfaces (APIs), supporting third-party software integration and further development.

In terms of safety features, our robots incorporate error-prevention features during task execution, device interaction, and human-robot interaction. In addition, our robot's electrical system feature communication disconnection or failure monitoring, and our BMS monitors for abnormal conditions such as overvoltage, overheating, or overcurrent. Our robots also conform to advanced safety standards and have obtained CE and SEMI certifications. See "— Key Features of our Robots." Specifically, our industrial intralogistics robots comply with the SEMI S2, the universal guideline for semiconductor equipment, covering electrical, mechanical, and chemical risk controls to ensure personnel and environmental safety.

Our industrial intralogistics robots are deployed across major manufacturing processes and intralogistics processes, automating material and product transportation to enhance production efficiency and yield rates. In terms of other distinguishing technical specifications, our industrial intralogistics robots achieve a positioning accuracy of ±2mm and maintain material vibration levels as low as 0.1g during transport, meeting critical performance thresholds for semiconductor manufacturing environments where wafer integrity is paramount. Our systems support millisecond-level closed-loop control across perception, decision-making, and interaction, and our fleet management platform is capable of coordinating 500 units of heterogeneous robots simultaneously, enabling scalable deployment across large and complex customer facilities.

Robots for industrial intralogistics

We have independently developed the OW series and ATS series robots specifically for industrial intralogistics scenario, particularly for the semiconductors industry, all of which are self-developed. We have developed the L300, L1000, C1500, and CF1000 series robots for lithium battery and 3C industry. These robots share the same technical framework, software algorithms, and core components as the OW series robots, with adaptations and simplified applications tailored to the specific scenarios of these industries. These robots cover the whole process of production, including raw material manufacturing, wafer fabrication, and assembly and testing processes. Our robots can be used in cleanrooms up to ISO Class 3. During transportation and operations, vibration levels are as low as 0.1g, ensuring the safe and efficient handling of wafer materials. It reduces defect rates, improves throughput, and guarantees the quality of our customers' products.

Approximately 25% of our OW series robots require customization based on customers' specific operational requirements. The walking, charging, operating, safety, equipment interaction, and human-machine interaction functions of our OW series are standardized, with customization typically involving storage configurations and end-effector components such as gripper design, tailored to match the relevant handling targets and meet the unique demands of each customer's production environment. Approximately 30% of our ATS series robots require customization based on customers' specific operational requirements. The walking, charging, operating, and safety functions of our ATS series are standardized, with customization typically involving storage solutions such as the number and configuration of storage locations, and human-machine interaction interfaces, to integrate with customers' existing facility layouts and workflows.

Robot Series	Pictures	Introduction
OW12		The OW12 robot is designed for the 12-inch wafer fabrication process, enhancing automation to improve throughput and product yield. The robot type is suitable for ISO Class 3 cleanroom environments, with material vibration levels maintained below 0.3g during operation. It features standard 360-degree protection for safe human-robot coexistence. The OW12 robot is compatible with various 12-inch wafer carriers including FOUP, FOSB and Metal CST, enabling full process coverage.
OW8		The OW8 robot is designed for the 8-inch wafer fabrication process, handling loading, unloading and inter-equipment transport. It operates across cleanroom levels and between floors, meeting specialized environment requirements and reducing wafer breakage and contamination risks. It is suitable for ISO CLASS 3 cleanroom environments, maintaining material vibration levels below 0.3g. Its modular design enables quick reconfiguration for different carriers and storage needs. The OW8 robot is compatible with various 8-inch wafer carriers such as SMIF Pod, Box, RSP and CST.
OWC		The OWC robot is used in the front-end processes of semiconductor manufacturing and meets ISO Class 4 cleanroom requirements. It has omnidirectional mobility, enabling it to move forwards, backwards, along curves, and sideways in all directions. Equipped with a four-slot carrier, it operates stably in narrow aisles as small as 650 mm. It supports wireless recharging during materials loading/unloading for continuous 24/7 operation, with loading/unloading time of 25 seconds or less per action. Its key performance parameters are industry leading. The robot also supports multiple loading/unloading modes for various interface equipment requirements.
OWM		The OWM robot serves back-end semiconductor processes, automating transport and loading/unloading of carriers such as magazines and trays during packaging and testing. It flexibly adapts to site environments and equipment for rapid deployment, reducing secondary modifications and additional customer investment. Designed for high versatility, it provides cost-effective solutions meeting diverse back-end process requirements.

Robot Series	Pictures	Introduction
ATS6		The ATS6 robot is designed for diverse semiconductor wafer transport requirements. Its sealed structure with FFU ensures ISO Class 5 cleanroom requirements inside the compartment, even in non-cleanroom environments. It operates across different cleanrooms and handles complex scenarios such as using lifts, traveling down long corridors, and passing through air showers. It features efficient, compact design with high maneuverability for a wide range of production environments. The ATS6 robot is equipped with an intelligent warehouse management system for real-time material production tracing. It supports both fully autonomous and human-robot collaborative loading and unloading modes, and is configurable with various carrier storage options to meet diverse transport requirements.
ATS12		The ATS12 robot is designed for efficient transport of wafers and other materials within semiconductor cleanrooms. It carries 12 FOUPs (Front Opening Unified Pods) of 12-inch wafers at a time, meeting large-scale handling demands. Complying with ISO Class 4 cleanroom requirements, it achieves material vibration levels of no more than 0.1g under normal operating conditions. Equipped with an intelligent inventory management system enables real-time material production tracking. It supports fully autonomous and human-robot collaborative loading and unloading with selectable carrier storage options for specific operational scenarios.

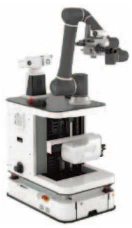
Robots for inspection and maintenance

Our inspection and maintenance robots are ARIS series, which includes various models such as switchroom operational robots, indoor wheeled robots, rail-guided robots, and outdoor wheeled robots, all of which are self-developed. The ARIS series uses advanced artificial intelligence (AI) recognition technology, allowing the robots to operate effectively in a wide range of environments, significantly improving both the safety and efficiency of inspection tasks.

By integrating additional intelligent sensors–such as cameras, acoustic sensors, gas sensors and partial discharge monitoring sensors–into the robots' core control platform, the system can analyze equipment operation and monitor the environment in real time. This enables the robots to swiftly and accurately detect abnormalities and safety risks.

When a problem is detected, the system automatically sends an alert through pop-up messages or warning sounds. Inspection reports compile and analyze findings to help operators quickly address potential risks. If necessary, the system allows immediate switching to remote control, further enhancing operational safety.

Approximately 10% to 25% of our ARIS series robots require customization based on customers' specific operational requirements, typically involving arm modules and components such as gripper design, environmental detection modules such as gas sensors and environmental data components, equipment condition monitoring components such as partial discharge detection and pan-tilt camera modules, and human-machine interaction interfaces such as operation panels and communication modules, tailored to meet the specific inspection requirements and facility configurations of individual customers.

Robot Series	Pictures	Introduction
Switchroom operational robots	 ARIS-HSR  ARIS-LSR  ARIS-FR	Switchroom operational robots are purpose-built for operating power distribution and control equipment within high- and low-voltage switchrooms and secondary equipment rooms, including potentially hazardous operations such as switching equipment between running mode and cold standby or maintenance. Through multi-degree-of-freedom robotic arms and proprietary movement mechanisms, the robots ensure operational safety and accuracy. Our systems support operations on 600V, 10kV and 35kV distribution cabinets, as well as secondary protection cabinets and data server cabinets. The KYN28A-12 10kV distribution cabinet supports multi-brand interoperability; the KYN61-40.5 35kV model is industry-exclusive; and the 600V drawer-type low-voltage cabinet is also uniquely supported. Our solution ranked first in the Ministry of Industry's "揭榜掛帥" initiative
Indoor wheeled robots	 ARIS-IDC  ARIS-MR	Indoor wheeled robots are tailored for indoor inspection in energy environments such as switchrooms, secondary equipment rooms and standardized data centers. Their functions include meter reading, equipment status recognition, temperature measurement, partial discharge detection, gas detection, and abnormal sound detection, all contributing to smarter and more digitalized enterprise management. Powered by proprietary AI recognition technology, they provide reliable digital support for equipment maintenance through data and trend analysis. The modular design, with a unified platform for IDC and MR versions, enables easy expansion across standardized indoor scenarios.

Robot Series	Pictures	Introduction
Rail-guided robots	 ARIS-TWE  ARIS-TW	Rail-guided robots are designed for linear inspections in coal transport corridors, urban utility tunnels, and belt or pipe conveyor machines, operating in dust-laden, enclosed and hazardous environments. They detect equipment defects, uncover safety hazards, and offer lifecycle predictions, covering key tasks such as monitoring wear in coal corridors, ensuring belt and pipe conveyor stability, and monitoring pipeline integrity. Their proprietary multi-degree-of-freedom drive and precise positioning system provide the highest explosion-proof rating and withstand harsh conditions, while modular add-ons like infrared thermal imaging, laser radar, and laser detection facilitate tailored abnormality detection. The robots share a centralized control platform with other monitoring devices and can be rapidly deployed via remote AI, addressing core industry challenges of long endurance, long-distance stable operation, harsh environment resilience and highly efficient inspection.
Outdoor wheeled robots	 ARIS-X310  ARIS-X320  ARIS-MS  ARIS-EX	Outdoor wheeled robots feature high obstacle-crossing capability, four-wheel drive and high protection ratings for efficient operation in outdoor substations, transformer stations, aluminum smelting plants and hazardous chemical production zones. Using 3D radar-based perception and mapping technology, they perform accurate and efficient inspections in vast or harsh outdoor settings. The MS robot, for example, is compact, lightweight, and can operate stably in confined and high-magnetic environments (up to 500Gs), meeting inspection needs of most domestic aluminum electrolysis cells. Its derivatives can withstand 1000kPa high-pressure environments and address nuclear power maintenance requirements, filling industry gaps. Modular design ensures easy adaptation to different outdoor applications, with quickly configurable motion control algorithms, supporting rapid deployment and stable operation.

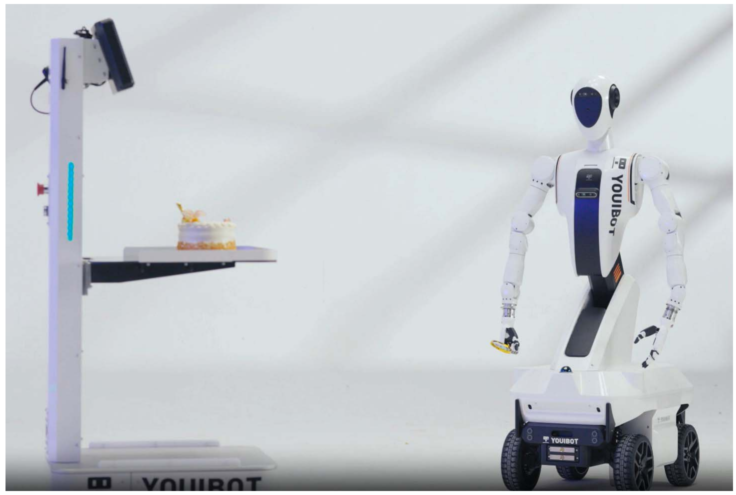
Humanoid robots

As of the Last Practicable Date, we launched two humanoid robots: XunXiao (巡霄) and LingShu (凌樞). Our humanoid robots are applied in inspection and maintenance solutions.

In March 2025, we launched our first wheeled humanoid robot, XunXiao (巡霄), the first release in our humanoid robot models. XunXiao (巡霄) is designed for large and complex indoor environments, offering long endurance and high flexibility. In the initial stage of commercialization, XunXiao (巡霄) is targeted at high-precision industrial scenarios, such as semiconductor Sub Fab and operation and maintenance of switchrooms.

XunXiao (巡霄) has been commercialized as of the Latest Practicable Date. It is specifically designed to perform complex operations on high-value materials. XunXiao (巡霄) features a wheeled humanoid structure and integrates multi-modal sensing with adaptive dual-arm collaboration technology. It can autonomously navigate complex environments and perform tasks with millimeter-level precision. This enables fully automated handling and management of delicate objects, significantly improving operational reliability and the level of intelligence in the workflow.

Set forth below is a picture of XunXiao (巡霄):



In August 2025, we launched an upgraded bipedal humanoid robot, LingShu (凌樞). Standing 1.66 meters tall and equipped with 33 joints, LingShu (凌樞) can execute complex tasks and move flexibly on terrains including gravel paths and grass. LingShu (凌樞) can achieve flexible and precise operations, supporting reliable and generalizable application in complex scenarios across a wide range of industrial environments. In terms of application scenarios, LingShu (凌樞) covers both industrial intralogistics and inspection and maintenance scenarios.

Set forth below is a picture of LingShu (凌樞):

Our Industry-Specific Software

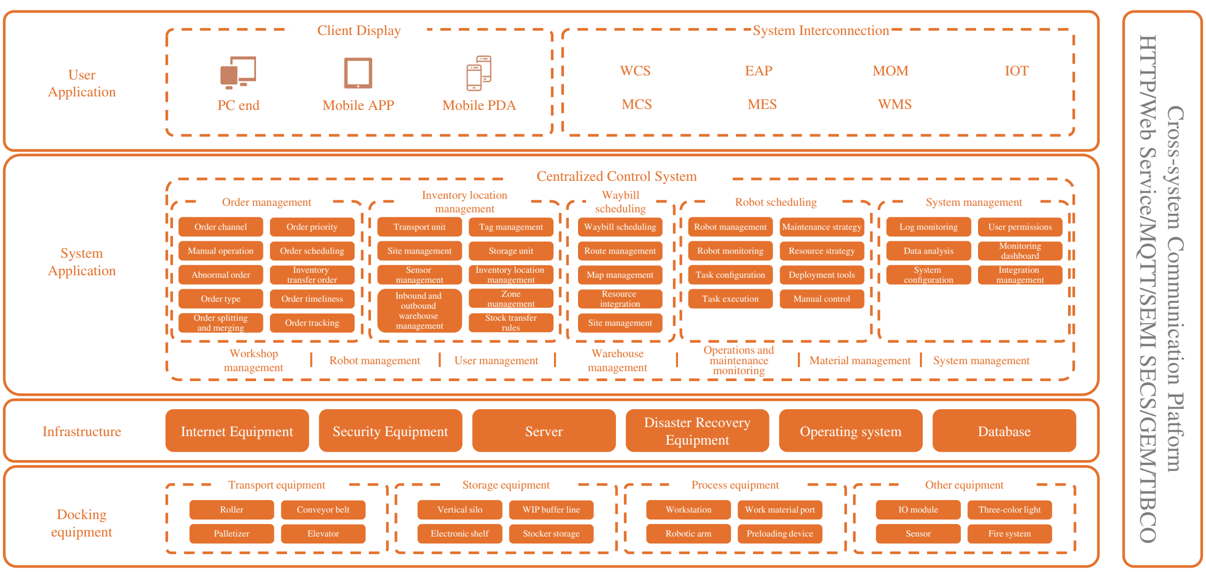
Our proprietary software suite is built to empower our robots to achieve smart and efficient management, deployment and coordination in industrial intralogistics scenarios and inspection and maintenance scenarios. We have two industry-specific software systems: YOUI TMS and YOUI INS. These systems are generally sold as a bundle with our robots and formed critical and integral parts of our robotic solutions. Our industry-specific software systems are compatible with robots from other manufacturers. Users must be continuously connected to our MAIC model using YOUI TMS and YOUI INS software systems in order to control and monitor our robots. All of our software systems are designed for continuous 24/7 operation, with server redundancy and disaster recovery strategies to ensure system availability and reliability. See "Risk Factors — Risks Related to Our Operations — Our technology infrastructure may experience unexpected system failure, interruption, inadequacy, security breaches or cyber-attacks." Our software systems are deployed offline and do not involve risks related to customer data transmission.

YOUI TMS

YOUI TMS is an industrial intralogistics management software system, designed for the management of our multiple heterogeneous robots in flexible manufacturing scenarios. It enables adaptive decision-making for complex tasks in the dynamic working environment, considering various factors, such as order flow, inventory status, equipment status, and the position or condition of robots.

It empowers intelligent and efficient managing of embodied AI robots in flexible manufacturing at large scale. It is specifically tailored for flexible manufacturing scenarios, as it is compatible with standard protocols, such as HTTP, Socket, and Web Service, as well as semiconductor industry-specific SEMI SECS/GEM. For hardware communication, the system supports Modbus, TCP, Profinet, EtherCAT, and others. Leveraging the advanced technologies, including evolutionary algorithms, deep learning, and reinforcement learning, it provides comprehensive functionalities, such as order management, robot management, equipment management, workspace configuration, and task allocation. It also offers seamless connectivity to customer's production system and robots, and supports multi-end and cross-platform access.

Set forth below is the system structure of YOUI TMS:



Our YOUI TMS includes several standard functional modules, such as workshop management, user management, storage location management, map monitoring, order management, system management, robot management, and operations dashboards. These modules offer all standard functionalities and can be used directly in each project without customized development. Standard modules constitute around 70% of the total functions. The percentage is calculated based on the number of standard modules out of the total number of functional modules.

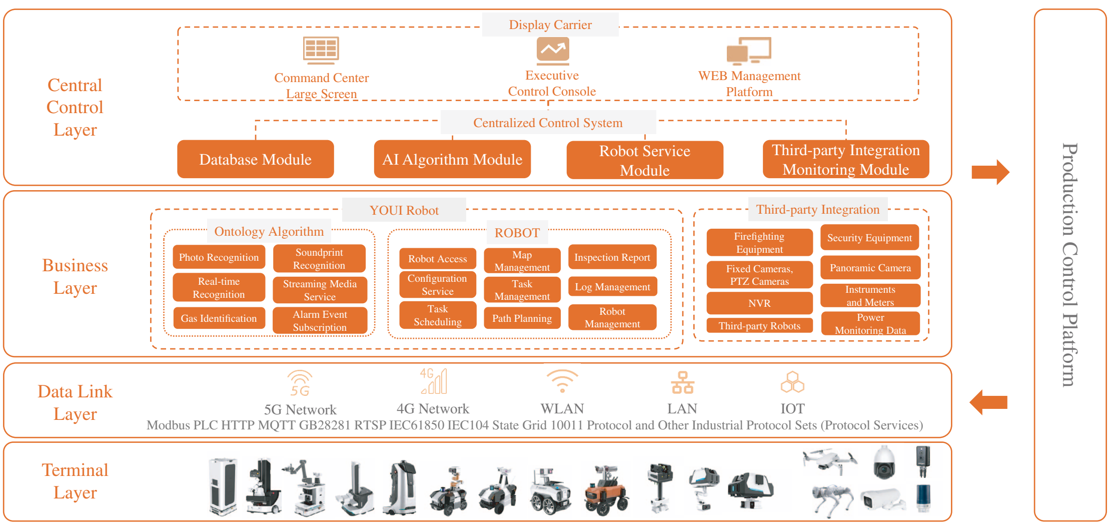
Customization of YOUI TMS is mainly applied in two areas: (i) integration with customers' upstream systems, as different industries and end customers have unique system designs requiring case-by-case adaptation of communication protocols; and (ii) operations dashboard statistical reports, as each customer has specific requirements for monitoring robots in the field based on their unique business scenarios and workflow. Customization modules make up about 30% of total functions. The percentage is calculated based on the number of customization modules out of the total number of functional modules.

All core modules of the YOUI TMS, including order management, robot management, equipment management, workspace configuration, and task allocation, are developed in-house.

YOUI INS

YOUI INS, is developed with digitalization and intelligent operation as its primary goals. Utilizing robots, a variety of sensors, and video surveillance equipment as carriers, it adopts advanced technologies such as deep learning, edge computing, and information analytics. The system enables unified access and management for various devices, provides a three-dimensional visual management interface, and supports expert-assisted decision-making as well as equipment pre-warning and alerting functionalities. This empowers enterprises to realize comprehensive, smart operation and maintenance across complex inspection and maintenance scenarios.

Set forth below is the system structure of YOUI INS:



Our YOUI INS software are generally standardized, with customizable features such as parameter settings, module toggles, interface customization, and API integration for customers to adjust software functions to better adapt to their own business processes.

All core modules of the YOUI INS, including ontology algorithm module, robot management and third-party device management are developed in-house.

The following table sets forth additional information about our YOUI TMS and YOUI INS software systems:

	Key functions	How this applies to our products	How our end-customer use this	Practical benefits
YOUI TMS	YOUI TMS connects our solutions to customers' upstream systems, focusing on parsing and organizing order information received from the customers. Its key applications include order disassembly, execution sequence management, and integration with on-site equipment. YOUI TMS features major standard modules such as workshop management, user management, inventory location management, map monitoring, order management, and system management.	YOUI TMS is primarily applied with our fleet-wide collaboration module. YOUI TMS receives and analyzes production orders from upstream systems, then sends task instructions to the fleet-wide collaboration module, which controls the robots to perform specific tasks.	Users view the operational dashboard interface, which displays real-time robot information, task completion data and the status of all on-site tasks. YOUI TMS builds models for factories, workshops and equipment, allowing flexible configuration according to business needs. Its low-code business process editing feature enables users to quickly program and debug robot task workflows based on their specific requirements.	YOUI TMS serves as the sole external-facing system connecting customers' systems and ours, converting business order data into execution language for our robots. It is sold as part of our robotic solutions and plays a critical linking role in every solution.
YOUI INS	YOUI INS is a comprehensive software management system designed for our inspection and maintenance robots. The system enables unified access and management for various devices, provides a three-dimensional visual management interface, and supports expert-assisted decision-making as well as equipment pre-warning and alerting functionalities. It integrates core functions such as task management, robot control, real-time alerts, data analysis, and issuance of operation permits.	YOUI INS integrates heterogeneous robots and IoT devices via open APIs and standard protocols, links with access control and elevators, and connects to ERP/EAM systems for seamless data exchange and closed-loop operations.	Users can rapidly deploy the YOUIS INS system by following three standardized steps: device modeling and integration, strategy configuration and activation and task execution and monitoring. Typical industry application scenarios include: • Aluminum and magnesium manufacturing: for key equipment such as rectifier units and casting production lines, users can directly use preset thresholds, with alerts pushed immediately when an abnormal condition occurs.	During the Track Record Period, YOUI INS had been deployed in approximately 100 projects. It increases efficiency by replacing up to 70% of the inspection personnel, and thus optimize the cost for its users. It enhances safety and proactive risk control by preventing incidents in high-risk environment, providing a solid foundation for predictive inspection and maintenance.

Key functions	How this applies to our products	How our end-customer use this	Practical benefits
		• Energy and power industry: users can configure the necessary sensor hardware and create corresponding templates, enabling one-click inspections; users can select robots equipped with different sensors for deep diagnostics and data collection in complex areas such as turbine rooms and high-voltage distribution rooms. • Chemical industry: in industries with high safety risks, users can specific tasks such as gas leak monitoring. The system analyzes sensor data in real time to ensure early detection and reporting of potential hazards.	

Our Solutions

During the Track Record Period, our robotic solutions were applied in industrial intralogistics scenario and inspection and maintenance scenario.

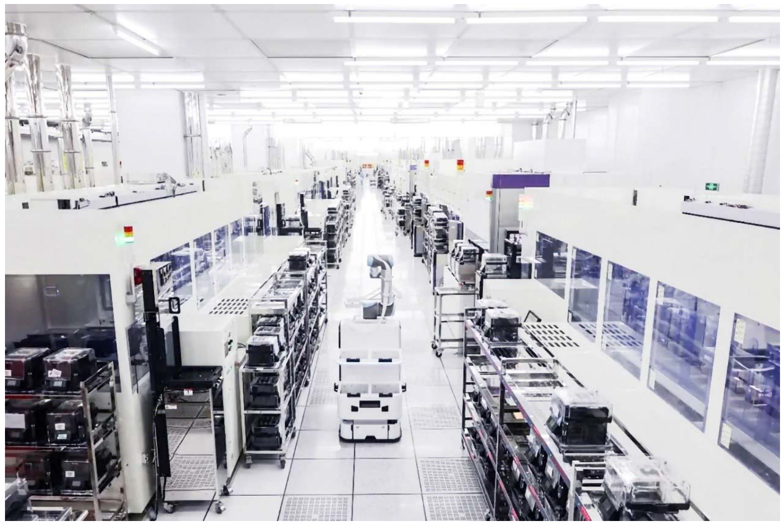
Industrial Intralogistics Solutions

During the Track Record Period, we delivered industrial intralogistics solutions to customers in the semiconductor, lithium battery, 3C and other manufacturing industries, automating material and product transportation across major manufacturing and intralogistics processes.

Semiconductor production demands high standards of cleanliness, precision, and consistency. Traditionally, manual operations played a significant role in many key processes, but the reliance on human workers can introduce errors that result in defects or non-compliant products. Wafer processing takes place in cleanroom environments, where operators must adhere to strict protocols to minimize contaminants such as skin flakes or hair, yet residual contamination risk remains. Wafers are also high-value and easily damaged, requiring millimeter-level handling accuracy that is difficult to guarantee with manual handling.

Our solution covers material transportation in and among major processes of semiconductor production, including substrate preparation, epitaxy, fabrication, packaging, and testing. By automating these processes, we achieve consistent, highly accurate execution, significantly reducing the likelihood of defects and improving overall product quality. Robots inherently generate less particulate contamination compared to human operators, and our robots feature vibration control as low as 0.1g, notably reducing the risk of wafer breakage.

Similarly, besides the semiconductor industry, we also provide tailored industrial intralogistics solutions to lithium battery and 3C and other manufacturing companies, covering their major production and intralogistics processes. Our solutions reduce reliance on manual labor, enhance production efficiency and yield rates, and minimize risks to workers. The following images illustrate how our robots perform the tasks:



Transporting materials in a wafer fabrication plant

Human-robot collaboration

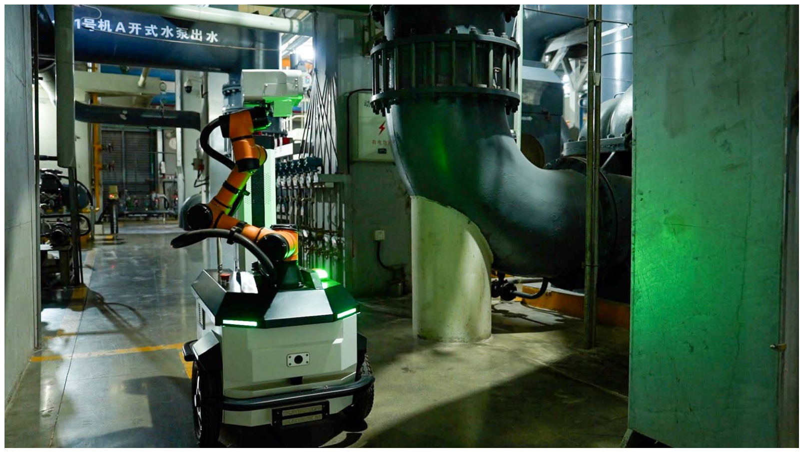
Inspection and Maintenance Solutions

We provide comprehensive inspection and maintenance solutions primarily for energy and chemical and public utilities industries. Such facilities are often situated in remote or environmentally challenging regions, or present risks such as radiation, electrical hazards, or exposure to corrosive substances. To ensure proper operation of such facilities, our customers are required to conduct regular inspections, monitor operational data, and promptly report any abnormalities of these facilities.

Traditionally, inspection and maintenance tasks for energy companies rely heavily on human personnel, which not only demands substantial labor resources in remote areas, but also exposes workers to considerable safety risks. In addition, repetitive manual tasks can result in human error, potentially causing operational interruptions or safety incidents.

Our inspection and maintenance solutions generally include automated patrols, abnormal situation alerts, and real-time monitoring services at such high-risk facilities. Our solutions minimize the need for manual intervention while ensuring consistent accuracy in routine operations, thereby improving both the safety and efficiency of these facilities.

The following images illustrate how our robots perform certain tasks:



Inspecting the facility

Conducting switching operation

OUR CORE TECHNOLOGICAL COMPETENCIES

Our core technologies include robotic localization and navigation technology based on multi-sensor data fusion, large-scale fleet management technology, robotic controller, VLA model based on VLM and reinforcement learning, data-driven intelligent inspection and maintenance technology, and integrated logistics management technology for flexible manufacturing processes. Leveraging these core technologies, we continuously iterate our existing solutions while developing new ones, resulting in a comprehensive service portfolio throughout the Track Record Period.

1. Robotic localization and navigation technology based on multi-sensor data fusion:

(a). In the localization process, we consolidate data from lidar, vision systems, inertial navigation, and other sensors to extract semantic features of the environment, improving the accuracy and robustness of long-term robot localization.

(b). In environmental perception, we combine dense point cloud data and object semantic information to perceive environmental changes in real time, enabling online map updates in complex dynamic scenes, dynamic map expansion in unfamiliar areas, reduced maintenance costs during prolonged operation, and enhanced localization robustness.

2. Large-scale fleet management technology:

(a). By integrating multiple types of robots with different capacities, intralogistic tasks are managed dynamically and uniformly. Using a range of multi-dimensional strategies, we are able to continuously adjust the sequencing and allocation of tasks — including combining or splitting tasks — so that the most suitable robot is always assigned to each transport task. This approach further enhances the efficiency and cadence of in-factory logistics operations.

(b). By employing heuristic multi-agent path planning algorithms, we achieve task decomposition, path coordination, and motion synchronization for multiple types of robots. The system provides millisecond-level response and optimal allocation of global resources, task flows, and robot states, resulting in highly efficient, flexible, and reliable group operations.

(c). The system is built on a distributed computing framework and real-time communication protocols. It supports standardized data protocols such as VDA5050 and SEMI SECS/GEM, offering excellent compatibility with diverse robotic hardware and low network bandwidth requirements. This enables coordinated control of over one thousand heterogeneous robots.

3. Robotic controller:

We have developed a universal controller based on a "unified intelligence + adaptive forms" architecture, known as the RCC (robot central controller). Continuously optimized through extensive real-world deployments, the RCC is at the forefront of industry technology and offers the following key advantages:

(a). Strong AI computing power and integrated mobility-operation coordination. The RCC is compatible with a wide variety of robotic forms and includes high-performance computing modules, supporting rapid on-device deployment and efficient AI model inference. Designed for complex mobile manipulation scenarios, it enables real-time coordination between autonomous movement and precise manipulator operations, achieving intelligent collaboration among "hand, eye and foot" subsystems.

(b). Industrial-grade reliability and broad compatibility. The RCC adopts a multi-core heterogeneous architecture featuring a dual-core mechanism of "central processing unit (main brain) and microcontroller unit (safety brain)", significantly enhancing system stability and functional safety.

It offers a comprehensive range of industrial bus interfaces supporting mainstream protocols such as CAN, EtherCAT, and Modbus, ensuring rapid, stable integration of diverse robotic equipment in demanding industrial environments.

4. VLA model based on VLM and reinforcement learning:

(a). Under an "end-edge" collaborative architecture, the end device manages real-time control and feedback of atomic tasks, while the edge device handles perception interaction and complex task inference. This closed-loop cycle of perception, planning, decision, and control, significantly improves efficiency and success rates for long-range tasks.

(b). By integrating multi-modal data, such as vision, language, touch, and motion commands, we enable end-to-end task inference and reinforcement learning-based training of action commands. This allows the agent to autonomously complete complex tasks based on environmental perception and high-level instructions, achieving zero-shot generalization in unfamiliar scenarios.

5. Data-driven intelligent inspection and maintenance technology:

By integrating robotic edge computing, deep learning, and large language model technologies, we have developed a collaborative "device-edge" processing mechanism. Edge devices — including robots and smart sensors — process real-time data independently and rapidly at the device side, enabling swift responses to abnormal events (such as equipment alarms, environmental anomalies, or improper operations).

On the server side, aggregated device data undergoes secondary verification, with in-depth analysis of interconnections between related devices to build a local knowledge base model, providing customers with precise and reliable recommendations for equipment maintenance and operations.

6. Integrated logistics management technology for flexible manufacturing processes:

Based on large language models and retrieval-augmented generation (RAG), we have created a vertical industry intralogistics management model tailored to flexible manufacturing. This system manages the entire intralogistics process, including order scheduling, dispatch management, robot coordination, and dynamic task allocation. It enables the development of high-precision AI models that address major industry challenges.

COMMERCIALIZATION

We operate under a business model that leverages our industry expertise and strong R&D capabilities to commercialize industrial embodied AI robotic solutions in various industrial scenarios and the expertise we develop while serving our customers in real-world industrial settings.

The table below sets out a summary of how our industrial embodied AI robotic solutions fall within acceptable sectors of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules:

Specialty Technology Products	Relevant Specialist Technology Industry Sector	Function Analysis	Major Customer and Customer Demand Driver
Industrial intralogistics robots	Robot technology/IoT technology/Smart product designs	Our robot employs an algorithm that can be used to consolidate data from both visual and radar sources to represent spatial features in multiple dimensions, achieving reliable millimeter-level positioning in complex and dynamic environments in industrial intralogistics scenarios. Adopted on our OW12, OW8, OWC, OWM, ATS6, and ATS12 robots. We utilize omnidirectional drive technologies to enhance the robots' maneuverability in narrow spaces and improve operational efficiency on both sides. Adopted on our OWC, ATS6, and ATS12 robots. By integrating visual recognition and localization technologies with multi-joint manipulator control techniques, we enable precise motion and flexible grasping capabilities in our robots. Adopted on our OW12, OW8, OWC, OWM robots.	Major Customers: we have a diversified customer base across various industries such as semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries. Our customers are mainly manufacturers that apply our robotic solutions directly in their factories. Customer Demand Driver: according to Frost & Sullivan, driven by synergistic advancements in hardware and software, embodied AI robots have become a key force in upgrading manufacturing and other industrial sectors. Their adoption is accelerating in response to industrial intelligence growth and robust downstream demand from sectors. By deploying robotic solutions at scale and enabling collaborative operations among them, factories can achieve automated, intelligent, and flexible production processes.
Inspection and maintenance robots (including humanoid robots)	Robot technology/IoT technology/Smart product designs	Our robot employs an algorithm that can be used to consolidate data from both visual and radar sources to represent spatial features in multiple dimensions, achieving reliable millimeter-level positioning in complex and dynamic environments in inspection and maintenance scenarios. Adopted on various types of robots such as indoor wheeled robots, rail-guided robots and outdoor wheeled robots. We use wireless charging to eliminate the risk of leakage at the source and enhance the fundamental safety of the robots. Mostly used on our rail-guided robots designed for coal transportation corridors.	
MAIC generalized model	AI solutions/robot technology	MAIC is our self-developed industrial embodied AI model. By integrating the three modules of perception, decision-making and interaction for the individual robots, with the cluster coordination module at the collective level, it serves as the "brain" that directs robotic operations in various industry-specific scenarios.	

Specialty Technology Products	Relevant Specialist Technology Industry Sector	Function Analysis	Major Customer and Customer Demand Driver
		Equipped with sophisticated algorithms, MAIC enables robots to possess perception, decision-making, and interaction capabilities, allowing coordinated operation of multiple robots. We develop whole-body joint control algorithms based on reinforcement learning, enabling the MAIC generalized model to achieve real-time control over multiple types of robot bodies.	
Industry-specific software (YOUI TMS and YOUI INS)	AI solutions/robot technology	YOUI TMS integrates intelligent sophisticated algorithms to achieve multiple-objective optimization. The algorithm is tailored for high-concurrency order management, enabling management of multiple heterogeneous robots, while optimizing path planning and order assignment. YOUI INS incorporates deep learning technologies to achieve advanced semantic understanding of objects and robust automated reading of metering devices. By leveraging the strong reasoning capabilities of large models, the system diagnose fault for analysis and tracking of accumulated data, which enables proactive fault prediction and early risk mitigation under the inspection and maintenance scenarios.	

Our industry consultant, Frost & Sullivan, confirms that based on the information above, our industrial embodied AI robotic solutions fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules because our specialty technology products are built around the development and deployment of embodied AI robots together with proprietary AI model and industry-specific software for automation processes, which align with the definition of robot technology, which includes the engineering of robots, computer software and machines for the improved performance of tasks and/or automation processes.

Based on the above, our Directors are of the view that our industrial embodied AI robotic solutions fall within an acceptable sector as defined under Chapter 18C of the Listing Rules because we principally engaged in the engineering of robots and computer software for the improved performance of industrial tasks and automation processes, including autonomous material handling and inspection operations.

Based on the above analysis and the aforementioned view of Frost & Sullivan, nothing has come to the Sole Sponsor's attention that would cause it to reasonably cast doubt on the Directors' view as stated above.

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

Revenue Growth

We achieved sustained business growth but were loss-making during the Track Record Period. Our revenue increased from RMB107.7 million in 2023 to RMB339.7 million in 2025. Our revenue growth was attributed to the increased market acceptance and expanded customer base for our industrial embodied AI robotic solutions. Additionally, we launched our humanoid robots for our solutions in 2025, recording sales in the same year to support revenue growth in the long-term.

Despite our rapid growth, our revenue had yet been able to fully cover the various costs and expenses incurred during the Track Record Period. In 2023, 2024 and 2025, we had net losses of RMB260.0 million, RMB200.2 million and RMB384.3 million, respectively, representing 241.5%, 78.5% and 113.1% of our total revenue, respectively. Our adjusted net loss under non-IFRS measure amounted to RMB131.4 million, RMB81.2 million and RMB106.0 million in 2023, 2024 and 2025, respectively. Our net losses were primarily due to being in the ramp-up phase, where our efforts were concentrated on product innovation, technological advancement and scaling up mass production, and continuous expansion of customer base. We incurred R&D expense of RMB67.4 million, RMB62.4 million and RMB83.0 million in 2023, 2024 and 2025, respectively. Relying on our dedicated R&D activities, we have built a comprehensive and advanced product portfolio. We have achieved mass production of substantially all of our robotic solutions. As a result of the foregoing, our net losses as a percentage of total revenue had decrease in general.

We prioritize long-term market potential over immediate profitability and will continue to strengthen our perceptual intelligence technologies, expand product applications, enlarge production scale and expand our global presence. Accordingly, we may continue to incur net losses and net operating cash outflow in the foreseeable future.

Path to Profitability

Stable revenue growth

Rapid growth of global embodied AI robotic industry and increasing penetration into different sectors

According to Frost & Sullivan, the global market size of embodied AI robotic industry is expected to increase from RMB82.0 billion in 2024 to RMB367.4 billion in 2030, with a CAGR of 30.7% from 2025 to 2030. The global market size for mobile manipulation robotic solutions is also expected to grow from RMB9.2 billion in 2024 to RMB156.9 billion by 2030, with a CAGR of 59.5% from 2025 to 2030. According to Frost & Sullivan, in 2024, we ranked fourth in the mobile manipulation robotic industry in terms of revenue globally, with a market share of 2.8%. In the same year, we ranked first in the mobile manipulation robotic industry in terms of revenue in China, with a market share of 7.1%. We believe our proven track record, continuous product innovation and in-depth understanding of customers' industries position us to capture this market potential and achieve sustained revenue growth.

Technological upgrade and product iteration to diversify our product mix

We plan to further optimize our products for adaptability, accuracy and efficiency to enhance our competitive edge.

- Adaptability: Our robots must operate reliably as factory environments evolve without requiring costly and time-consuming map rebuilds. We have achieved this through the development of a dynamic perception algorithm integrating visual and laser sensors to perceive changes in real time, supporting automatic extension and supplementation of existing maps without manual remapping, significantly reducing adoption barriers and maintenance costs.

- Accuracy: A proprietary sensor fusion algorithm combining visual and laser data ensures precise positioning even as workplace conditions change, maintaining consistent operational performance critical in high-precision processes such as wafer handling where errors can result in product defects.
- Efficiency: Our hardware innovations directly address the specific operating conditions of our target customers. Our robot body cleanliness design, through innovative selection of mechanical transmission materials including adjusting the hardness and composition of coated wheels, enables our robots to operate in cleanrooms up to ISO Class 3, meeting the contamination control requirements of semiconductor manufacturers. Our robot body anti-magnetic design, through upgrading of electronic components to block magnetic infiltration, enables reliable performance in high-magnetic-field environments such as electrolytic cell inspections in aluminum smelting plants.

These enhancements enable flexible deployment across industries and scenarios with higher operational reliability. To further expand our revenue sources to improve operating results, we intend to apply the following strategies:

- We plan to strengthen R&D of core components compatible with our "unified intelligence + adaptive forms" industrial embodied AI system, such as high-precision sensors, robotic core controllers, vision controllers and high-performance joint modules, to tightly couple hardware and software performance.
- We plan to enhance the modular design of our robots to expand their application scenarios with limited costs. We also plan to strengthen our technological infrastructure to better cover customers' needs, while penetrating our solutions into new application scenarios and sub-sectors. Details of major technological infrastructure enhancement are set forth below:
    - Robot body cleanliness design: Through innovative selection of mechanical transmission materials, such as adjusting the hardness and composition of coated wheels, our robots can operate in cleanroom up to ISO Class 3 cleanrooms, addressing semiconductor customers' cleanliness requirements.
    - Dynamic mapping enhancement: We have developed a complex environment dynamic perception algorithm integrating visual and laser sensors to perceive changes in real time, supporting extension and supplementation of existing maps. This lowers adoption barriers and reduces maintenance costs compared to traditional static mapping algorithms.
    - Robot body anti-magnetic design: We have upgraded the electronic components of our robots to block magnetic infiltration, enabling reliable performance in high-magnetic-field environments such as electrolytic cell inspections in aluminum smelting plants.
- We intend to strengthen the research and development of next-generation perception and interaction technologies based on multi-modal models, which enables our mobile manipulation robots to collaborate efficiently with humans in diverse application scenarios. We also plan to create a comprehensive software ecosystem that streamlines the training, development, and deployment of mobile manipulation robots.

Strengthening relationships with existing customers and attracting new customers to expand our sales network

We have established long-term relationships with over 400 renowned customers, including over 50 Fortune Global 500 companies, as of December 31, 2025.

We also intend to expand our customer base through targeted marketing. Our participation in offline campaign at the 2025 SEMICON Singapore exhibition achieved a customer conversion rate of 18.2%, calculated as the number of leads that converted into customers divided by the total number of leads generated. Our online campaigns in the first half of 2025 achieved a conversion rate of 48.4% with a customer acquisition cost per effective customer of approximately RMB1,800, calculated as total marketing expenses divided by the number of newly acquired customers during the period. Together with our solid existing customer base, we will continue to enlarge our customer base to drive our revenue growth.

Enhance penetration into international market

We have obtained multiple international certifications, evidencing that our robots have reached international standards. As of the Latest Practicable Date, our embodied AI robotic solutions have been deployed in the sites of leading market players across a number of industries, which include leading semiconductor foundries, leading power grid groups and leading energy groups. We believe that our presence in international market will enable us to take advantage of the development of global embodied AI robotic industry.

We plan to expand beyond Chinese mainland, with a focus on the Asia-Pacific region. Key initiatives include strengthening worldwide solutions delivery capabilities such as spare parts warehouse, growing our international sales team, and participating in international industry exhibitions and technical forums to build brand recognition and technological influence globally.

We believe our overseas expansion plan is effective and feasible. Our overseas revenue has grown from RMB5.9 million in 2023 to RMB21.4 million in 2025, with customers in Japan, Thailand and Germany during the Track Record Period. Demand for embodied AI solutions in our target overseas industries is growing. In terms of revenue, the market size of Asia-Pacific (excluding China) mobile manipulation robotic solution market is expected to grow from RMB2.8 billion in 2025 to RMB34.2 billion in 2030, with a CAGR of 65.0% from 2025 to 2030. Our target overseas industries such as semiconductor manufacturing, energy and chemical, operate to consistent technical and process standards globally, meaning our solutions developed and proven with leading PRC customers in those sectors are directly transferable to overseas counterparts without material product adaptation. In addition, We have also established a local subsidiary in Japan as a localized hub for the Japanese semiconductor manufacturing market, providing a proven operational model that we intend to replicate across other priority markets.

Strengthen talent acquisition to ensure the realization of innovation

We intend to attract and retain outstanding technical talent through competitive remuneration and equity and option incentive schemes. Specifically, we plan to: (i) strengthen our product development team, with a focus on recruiting experienced engineers; (ii) enhance R&D of next-generation perception and interaction technologies by recruiting capable engineers in relevant fields; (iii) support ongoing R&D of key components of our robots by recruiting additional engineers with relevant experience. See "Future Plans and Use of **[REDACTED]**."

We believe that attracting more talents directly strengthens our research and development capabilities, enabling us to upgrade our current products and expand our existing product mix. With enhanced innovation and technical expertise, we offer improved and diversified products to meet a broader range of customer needs. This approach will create new revenue streams and support the sustainable growth of our business.

Improving operating efficiency

Optimizing expenditure structure through continuous technology advancement

Our dedicated R&D efforts have optimized software and algorithm development, hardware design, production processes and deployment procedure, ultimately improving cost efficiency and gross margins. Additionally, our CBB architecture simplifies robot configuration and acquisition, making them readily accessible and versatile in a broad variety of industrial applications. By using standardized, interchangeable modules across product lines, we eliminate duplicate development, reduce manufacturing costs, simplify supply chain management through bulk purchasing of standard parts, and make product design more straightforward and reliable, reducing complexity and the risk of errors. Also, the CBB structure shortens on-site deployment cycles, and make after-sales maintenance much more convenient for our engineers. Because each module has been tested in advance and fits seamlessly with others, on-site adjustments are minimal. For after-sales services, engineers can easily identify and replace the specific faulty module without disassembling the entire robot. This speeds up repairs and lowers maintenance costs, providing greater convenience for customers.

Our specific plans to optimize our expenditure structure in the future and the corresponding basis are listed as below:

- *Reduce R&D expenditure and production costs*. We plan to leverage our CBB architecture to: (i) eliminate duplicate development by enabling our R&D team to reuse standardized modules; (ii) optimize supply chain management to reduce material variety, enabling bulk purchasing and effective inventory management, and thus lowering costs and reducing obsolete stock; (iii) lower design complexity an thus enable our engineers to spend more on other important task such as system error shooting. As product modularity deepens with each successive product generation, the per-unit R&D cost embedded in new products is expected to decline.
- *Shorten on-site deployment cycles*. We plan to achieve rapid integration by using the standardized CBB modules, which allows quick assembly during deployment, significantly reducing construction and debugging time. In addition, through advance testing and verification, we shorten the time for on-site deployment as only minimal overall debugging will be needed.
- *Achieve convenient after-sales operation and maintenance*. Standard CBB modules simplify and accelerate fault diagnosis and repair through fast module-level replacement, reducing the need for extensive retraining and lowering related maintenance costs.

Improve profit margin through economies of scale and improve manufacture efficiency through infrastructure update

During the Track Record Period, our gross profit margin improved steadily. To be specific, our gross profit margin amounted to 26.1%, 35.2% and 36.5% in 2023, 2024 and 2025, respectively. To achieve sustainable profitability, we aim to continue enhancing economies of scale through business expansion. We expect lower manufacturing costs resulting from economies of scale as demand for our solutions continues to grow. We also plan to introduce more automated production equipment and processes to boost production efficiency and capacity, further reducing the manufacturing costs for our robots. We also aim to streamline our supply chain management and maintain control over raw material costs and key component quality.

Enhancing Operating Leverage

We intend to enhance our administrative expenses and selling and marketing expenses as follows:

- *Research and development expenses*. Our research and development expenses were RMB67.4 million, RMB62.4 million, and RMB83.0 million in 2023, 2024 and 2025, respectively, representing 62.6%, 24.5% and 24.4% of our total revenue, respectively. Our research and development expenses as a percentage of revenue decreased significantly from 2023 to 2024, primarily due to the rapid increase in revenue and the achievement in economics of scale in line with our business growth and remained stable in 2025. Looking forward, our deepening CBB modularity means that each successive product generation requires proportionally less incremental R&D investment, improving the ratio of R&D spend to revenue output. We will continue to assess the effectiveness of our R&D projects and related expenditures aiming to further decrease the level of research and development expenses as a percentage of revenue.

- *General and administrative expenses*. Our general and administrative expenses were RMB52.7 million, RMB56.1 million and RMB87.3 million in 2023, 2024 and 2025, respectively, representing 49.0%, 22.0% and 25.7% of our total revenue, respectively. Our general and administrative expenses as a percentage of revenue decrease significantly 2024 is attributable to our effective cost control measures and the rapid growth in revenue over the same period. The increase in general and administrative expenses as a percentage of revenue from 2024 to 2025 was primarily due to **[REDACTED]** incurred in connection with the **[REDACTED]**, which are non-recurring in nature. We aim to further decrease to the level of general and administrative expenses as a percentage of revenue.
- *Selling and marketing expenses*. Our selling and marketing expenses were RMB53.9 million, RMB62.5 million and RMB77.2 million in 2023, 2024 and 2025, respectively, representing 50.0%, 24.5% and 22.7% of our total revenue, respectively. Our selling and marketing expenses as a percentage of revenue decreased from 2023 to 2025, primarily due to the rapid increase in revenue and the achievement in economics of scale in line with our business growth. We will continue to evaluate the effectiveness of our sales and market network, aiming to further decrease the level of selling and marketing expenses as a percentage of revenue.

RESEARCH AND DEVELOPMENT

Since our inception in 2017, we have been dedicated to developing industry-leading mobile manipulation robots and solutions, recognizing that comprehensive support from research and development is essential to achieve this goal. We understand that leading robots and solutions require holistic support in hardware, software and algorithms. In the design of our robots and solutions, we emphasize the deep integration and efficiency optimization of hardware, software and algorithms consistently.

R&D Team and Core Members

We believe our strong research and development capabilities are a core competitive strength. As of December 31, 2025, we had 141 research and development employees, representing 33.7% of our total employees. Our R&D team is led by three core members, Bian Xu, Xu Jin and Zhao Wanqiu, who play pivotal roles in guiding the strategic direction of our R&D initiatives. For their biographies, see "Directors and Senior Management." Our R&D personnel have an average work experience of around 7.5 years. Our research and development expenses were RMB67.4 million, RMB62.4 million and RMB83.0 million in 2023, 2024 and 2025, respectively.

We have established a comprehensive set of measures to retain core R&D personnel and to manage potential impact arising from the departure of key team members. Our retention strategy integrates competitive compensation, equity incentives, career advancement, employee engagement, and professional development. Specifically, key initiatives include parallel career progression pathways, an integrated and performance-driven rewards system, empowering and flexible working conditions, and contingency planning for critical personnel departures. To minimize business and technical risks caused by staff turnover, we focus on preliminary prevention. Prevention strategy primarily includes systematic knowledge management and documentation, robust succession planning, and the implementation of legal protections. In terms of our handover process, we communicate transparently with the team, formalize thorough transfer and documentation procedures, and manage seamless workload transition and onboarding for new personnel.

The salient terms of agreements with management and R&D staff are set out below:

- *Non conflict of interest*. During employment, the employee is prohibited from engaging in any form of employment, whether full-time or part-time, with third parties without our consent, especially in companies or roles that compete with our business.

- *Inventions arrangement*. All intellectual property, including inventions, designs, know-how and trade secrets developed during the term of employment, belong solely to us. The employee shall disclose these inventions promptly and ensure all rights are transferred to us.
- *Proprietary information arrangement*. All our proprietary information, including all business, technical and financial information, as well as customer and employee data, that the employee learns or develops during their employment, shall be kept confidential and only used for our business purposes.
- *Confidentiality*. Employees shall maintain the confidentiality of the employer's technical secrets, trade secrets and any confidential business information both during and after employment.
- *No competition*. We have the right to enforce a non-competition period of 12 to 24 months after the termination of employment. During this period, the employee is not allowed to work for competitors listed in the agreement, start competing businesses, or solicit our customers and suppliers

R&D Framework

We have established a systematic R&D framework for both our software and hardware products. The development of our software products follows the stages set out below.

- **Requirements Analysis:** Collecting market feedback and customer pain points, and defining the product's functional specifications, application scenarios and technical feasibility. This stage concludes upon review of the requirements specification document and confirmation of project initiation by the product committee. This stage typically takes three to six months.
- **System Design:** Determining the overall system architecture, hardware selection, software algorithm models and interface definitions between components. This stage concludes upon completion of the system architecture design review and proof-of-concept validation. This stage typically takes six to eight months.
- **Component Implementation:** Writing core code and conducting algorithm training, with unit testing carried out to verify that each component meets design specifications. This stage concludes upon internal development acceptance, typically taking six to fourteen months.
- **Integration and Testing:** Integrating all components and conducting system testing, reliability verification and stress testing to ensure stable hardware-software cooperation. This stage concludes upon sign-off by the quality assurance department. This stage typically takes approximately six months.
- **Acceptance and Release:** Conducting on-site field testing and customer acceptance to verify stable operation under real working conditions. This stage concludes upon receipt of required third-party certifications and formal market release. This stage typically takes one to two months.

The development of our hardware products, including robots and other components, follows the stages set out below.

- **Project Initiation:** Collecting market feedback and customer pain points, and defining product specifications and application scenarios. This stage concludes upon confirmation of project initiation by the product department. This stage typically takes three months.
- **Engineering Validation (EVT):** Developing functional prototypes and conducting technical feasibility and preliminary reliability verification. This stage concludes upon the prototype meeting core technical specifications and demonstrating capability for single-unit on-site testing. This stage typically takes six to nine months.

- **Engineering Sample (DVT):** In this stage, the design is refined based on findings from the EVT stage, and the product undergoes comprehensive testing covering functionality, electrical safety, mechanical performance, regulatory compliance and reliability. Standard certifications are also obtained during this stage. The stage is complete once the product has demonstrated that it is ready for limited delivery to customer sites and for batch production. This stage typically takes six to eight months.

- **Small-Batch Production (PVT):** Introducing complete production processes, quality inspection procedures and automated test equipment, completing small-batch production and quality inspection, and finalizing material procurement strategy. This stage concludes upon receipt of market release authorization. This stage typically takes three to five months.

- **Mass Production and Commercial Delivery:** Completing commercial project production and conducting ongoing optimization for cost reduction and quality improvement, with the Product Department periodically assessing market conditions to determine whether to initiate a product upgrade or retirement. This stage is ongoing following market release.

Our Ongoing R&D Projects

We are committed to investing in cutting-edge research and development to strengthen our technological strength across core areas of embodied AI. Set forth below are selective ongoing research and development projects as of December 31, 2025:

Project Name	Description	Application
VEC research and development project	VEC is a standalone computing board designed for all vision functions of robots, offered as a combined solution with a range of camera modules and computing boards. It primarily targets functional applications, such as intelligent obstacle avoidance based on visual semantic information, high-precision local visual positioning for mobile manipulation robots, and visual simultaneous localization and mapping (visual SLAM).	It is suitable for any scenario requiring improved vision-based positioning accuracy.
RCC.AI controller research and development project	To meet the growing demand for computing power in robots, we are developing a next-generation robot core controller based on domestic chips, featuring built-in 6 TOPS NPU capability. This has lowered reliance on imported robot components and significantly reduced the cost of controllers.	It is suitable for our major robot configurations, as well as the upcoming humanoid robot models.
PILOT 5.0 software development project	We restructured the single-robot system software architecture, redesigned the state machine, and unified the operating interface, significantly lowering the threshold for robot use and maintenance. The software integrates intelligent diagnosis, remote OTA (over-the-air updates), and map and road network drawing, creating a one-stop software ecosystem for robot development, debugging, deployment, and operation and maintenance.	It is suitable for our major robot configurations.

Project Name	Description	Application
Fleet 6.0 software development project	To enhance the platform-based design capabilities of the dispatching system, we have refactored the order engine, data reporting, and interface parsing modules. This restructuring fundamentally reduces the volume of custom code required, lowers usage costs, and improves delivery efficiency.	It is suitable for our major robot configurations.
Humanoid robot development project	We are developing embodied AI robots in multiple forms, including wheeled and bipedal models. We are conducting in-depth research into key components, such as lightweight robotic arms, joint motors, AI controllers, and dexterous hands. Our research focuses on whole-body coordinated control based on reinforcement learning and dexterous manipulation techniques based on VLA, enabling large-scale training and deployment of humanoid robots in industrial scenarios.	Humanoid robots are primarily deployed in flexible manipulation scenarios across intelligent manufacturing, inspection and maintenance operations.

We adhere to a research and development strategy of full self-development of core modules and ecosystem-based collaboration for non-core modules. During the Track Record Period, approximately 85% to 90% of our total R&D activities was conducted in-house, covering all core hardware and software modules that determine the performance, safety, and intelligence of our products, including our intelligent algorithms, core controllers, dispatch systems, and industrial software. The remaining approximately 10% to 15% of R&D activities are outsourced or conducted through external collaboration, which are strictly limited to non-core and standard functions such as the procurement and customization of standard supply chain components, integration of off-the-shelf software components (such as operating system-level drivers and general-purpose database middleware), and development of non-core functional modules such as standard data reporting tools and non-business-critical user interface components. No core R&D competencies or proprietary technologies are sourced externally.

PRICING

We generally do not sell robot hardware, software or other components as standalone products. Rather, they are bundled and offered as a comprehensive integrated solution comprising hardware, software systems, implementation services and possible ongoing support. The pricing of our integrated solutions is determined based on the cost structure and technical complexity of each project. Key factors considered in determining the pricing of each solution include (i) the scale and complexity of the deployment, (ii) the number and configuration of robots deployed, (iii) the software functionalities and AI model capabilities selected, (iv) the scope of implementation and deployment services, and (v) sector-specific compliance and certification requirements, which may command a premium in high-regulation sectors such as semiconductors.

We may also consider the competitive landscape in each industrial verticals, including the pricing strategies of competitors to keep our pricing strategies generally in line with the predominant industry norms. We also adopted a tiered pricing strategy based on the procurement volume and the length of collaboration with specific customers, while factoring in our cost structure. For high-regulation sectors such as semiconductors, strict compliance requirements significantly influence pricing, with solutions for these industries commanding a premium due to added certification value.

The fees charged for software are not collected as a one-off payment but are instead collected as part of the overall solution price in accordance with project milestones agreed with the customer. We are not obligated to provide ongoing upgrades or maintenance on such software to our customers. If additional functionality is required by a customer after the initial delivery, further charges will apply for these new features.

To manage the impact of potential price fluctuations or shortages of key components and raw materials, we have adopted the following measures: (i) we maintain relationships with multiple qualified suppliers for key components, reducing reliance on any single source and ensuring alternative supply options in the event of regional or global shortages; (ii) we enter into long-term strategic agreements with core suppliers that incorporate pre-agreed price ranges or price-lock mechanisms, thereby mitigating volatility in key component costs; and (iii) we utilize our ERP system in conjunction with sales planning to conduct rolling demand forecasts, and maintain appropriate safety stock levels for high-risk materials through strategic pre-procurement to buffer against short-term supply disruptions.

DATA SECURITY AND PRIVACY

We are headquartered in the PRC and sell our robotic solutions and robots to end-users. In delivering these solutions, we may maintain the business contact information from customers, channel partners, or suppliers, or process other business information that does not contain personal information, to the extent necessary for facilitating our transactions with them and obtain their prior consent before proceeding primarily by way of requiring customers to explicitly agree to our privacy policy via an online checkbox or through their voluntary disclosure of information during business interactions. in accordance with the relevant laws and regulations on data privacy and security. We may collect personal information from contact persons at our customers. This information typically includes names, email addresses, phone numbers, company names, addresses, departments, and job titles, and we collect and use this information to facilitate business communications and fulfill contractual obligations. Regarding cross-border data transfer scenarios, our activities involve: (i) inputting overseas business contact information and business requirements into our unified management system hosted in China; and (ii) granting overseas employees access to the aforementioned information they have input, subject to strict access controls, for business communication. Furthermore, all personal information collected within the PRC is stored locally in the PRC, and we are not involved in any cross-border transmission of such data collected from the PRC, nor do we share the aforementioned information with any third parties. We have taken measures to maintain the confidentiality of such information to ensure regulatory compliance. We also set up an access control system for personal information in our internal system so that it cannot be viewed without proper authorization or exported in bulk. We set up firewalls to prevent information loss or leakage caused by cyber-attacks. In addition, we from time to time examine the security of our data storage system. We strictly restrict the range of data that our employees are authorized to access based on their title and function. We have entered into confidentiality agreements with our employees to prevent improper use or disclosure of information.

Regarding overseas business, as sales and service fulfillment are handled primarily by our cooperative local distributors, these local distributors are the primary entities responsible for complying with local data security and privacy laws and regulations. While we cannot guarantee that our third-party business partners will fully comply with all applicable data security and privacy laws and regulations, we have established distributor management procedures to oversee their compliance. These procedures include conducting training sessions that cover data security and privacy protection, performing periodic compliance reviews, and taking measures such as issuing reminders, suspending cooperation, or disqualifying distributors as circumstances warrant.

In addition, we continue to pay close attention to the legislative and regulatory developments in cybersecurity and data protection and conduct routine cybersecurity and data protection compliance check and rectification to keep pace with regulatory development. In particular, we have established a comprehensive set of internal cybersecurity and data protection rules and policies. We have also formulated the overarching data security management policy, user personal information protection management policy and network security management policy, which provide the principal management rules on cybersecurity and data protection. Our commitment to data security is further validated through the ISO/IEC 27001 certification, issued by ACM and recognized by IAF and IAS, which assures that our practices meet international information security management standards.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material data leakage or data loss, nor did we experience any material unauthorized use of customers' or channel partners' personal information.

Continuous Compliance with Data Laws and Regulations

On December 28, 2021, the Cyberspace Administration of China (the "CAC") and several other PRC authorities jointly issued the Measures for Cybersecurity Review (網絡安全審查辦法), which became effective on February 15, 2022. The Measures for Cybersecurity Review provides that a critical information infrastructure operator purchasing network products and services, and platform operators carrying out data processing activities that affect or may affect national security, must apply for cybersecurity review. The Measures for Cybersecurity Review also provide that a platform operator with more than one million users' personal information aiming to list abroad must apply for cybersecurity review. According to the Regulations on Network Data Security Management (網絡數據安全管理條例) promulgated by the State Council of the People's Republic of China on September 24, 2024 which came into force on January 1, 2025, network data processors carrying out network data processing activities that affect or may affect national security shall conduct national security reviews in accordance with relevant state regulations.

Our Directors and our PRC Legal Advisor are of the view that the Cybersecurity Review Measures, if implemented in current form, are not applicable to our Group and will not have material adverse impact on our business operations or the proposed **[REDACTED]**, as the relevant PRC authorities are unlikely to identify us as a critical information infrastructure operator based on the following reasons:

(1). as of the Latest Practicable Date, we had not received any notice or determination from relevant PRC authorities identifying us as a critical information infrastructure operator;

(2). our business does not and will not involve the operation of critical information infrastructure as defined under the Security Protection Regulations for Critical Information Infrastructure (關鍵信息基礎設施安全保護條例), which, in case of destruction, loss of function or leak of data, may result in serious damage to the national security, the national economy and the people's livelihood and public interests; and

(3). as of the Latest Practicable Date, we had not encountered any incident of data or personal information leakage, violation of data protection and privacy laws and regulations, or investigation or other legal proceeding that may materially and adversely affect our business operation.

We had not been subject to any litigation, arbitration or material administrative penalty in relation to data and privacy protection during the Track Record Period and up to the Latest Practicable Date. In addition, as advised by our PRC legal advisor, we have complied with the applicable PRC laws and regulations in respect of network and data security, and privacy protection in all material aspects, and there are no material violations of current laws and regulations or material flaws that would have a material adverse impact on the **[REDACTED]**, during the Track Record Period and up to the Latest Practicable Date. We believe that, as a result of our strict internal control and compliance efforts, our business operations are in compliance with current data security laws and regulations in markets where we operate in all material aspects.

INTELLECTUAL PROPERTY

Intellectual property lays the foundation for our solutions. We acquire patents through in-house development. As of the Latest Practicable Date, we had 241 patents registered with the State Intellectual Property Office of the PRC, including 43 invention patents and 140 utility model patents. Additionally, we have one overseas patents related to our solutions and around 130 patent applications both domestically and internationally. As of the Latest Practicable Date, we had 25 trademarks registered with the China Trademark Office. We also had 77 software copyrights, 3 copyrights of artwork and mainly owned one registered domain names.

The table below lists certain material patents for our core technologies in relation to our Specialist Technology Products. We were the registered owner of these patents as of the Latest Practicable Date. For details of our material intellectual property rights, see "Appendix VI" in this document.

No.	Patent name	Place of registration	Patent number	Core technology involved	Major functions/applications
1	An operating method and system for an intelligent robot in a power switchroom	China	ZL 201911238578.X	Robot scheduling and motion control, path planning algorithm, and image recognition algorithm based on deep learning	Power transmission or disconnection operations of high and low voltage switchgear in the electric power and energy industry
2	Path planning method, path planning device, management system, and storage medium	China	ZL 202110271767.8	Path planning algorithm, cross-map directed weighted graph construction, cross-map path planning method	Multi-robot motion planning and path navigation across multiple floors in industrial intralogistics scenarios
3	Inspection robot and inspection method	United States	US11766788	Inspection robot that includes a control cabinet and an execution mechanism, with six degrees of freedom and moves via wheel sets driven by motors	Applied to inspection robots to improve operational stability, detection accuracy and working efficiency
4	Wafer box handling robot	China	ZL 202110189522.0	A wafer box handling robot comprising automatic guidance, a supporting device, and a carrying device	Applied to wafer box handling in warehouses and production workshops, enhancing the universality and efficiency of material picking and placement, and improve the efficiency and reliability of transportation

No.	Patent name	Place of registration	Patent number	Core technology involved	Major functions/applications
5	Wafer box carrying device and wafer box handling robot	China	ZL 202120379250.6	A wafer box carrying device equipped with multiple supporting platforms on both sides of a vertically extending section.	Applied to wafer box handling in warehouse and production workshop, enhancing the operational efficiency and reliability of the robots
6	Clamping device and wafer box handling robot	China	ZL 202120378471.1	A clamping device with two opposing support handles	Applied to wafer box handling in warehouses and production workshops, with streamlined structures, reasonable costs
7	Robot positioning method, positioning device, management system, and storage medium	China	ZL 202110627563.3	Directed weighted graph positioning algorithm, KD-Tree-based nearby position search, derailment detection and position correction	Core technologies for indoor robot positioning, enabling accurate localization before navigation
8	Robot scheduling method, apparatus, and storage medium	China	ZL 202210374057.2	A machine equipped with a fully automated management technology system that uses a path planning algorithm	A fully automated management technology system for task planning, calculation, comparison, allocation and execution
9	Robot manipulator control method, electronic device, and storage medium	China	ZL 202410764848.5	One-time positioning, feature object recognition and robotic arm visual grasping	Applied in semiconductor and 3C loading and unloading scenarios, saving visual imaging time and improving work cycle efficiency
10	Robot movement path detection method and mobile platform	China	ZL 202210193098.1	Application of a distance-measuring device to acquire distance data while the mobile platform is in motion	Universal technology, suitable for multiple robot models that enable improvement in the efficiency and accuracy of detecting obstacles, enhancing the safety of autonomous movement

We seek to safeguard our proprietary technology and processes, in part, by entering into confidentiality and intellectual property agreements with our employees, consultants, advisers, and suppliers. Specifically, we have entered into agreements with our senior management, key members of our R&D team, and other employees who have access to trade secrets or confidential information about our business. These agreements include clauses addressing confidentiality, non-competition, and intellectual property, ensuring that all inventions, trade secrets, developments, and other processes generated by employees during their employment are recognized as our intellectual property. Furthermore, these agreements assign to us any ownership rights that employees may claim in those works, thereby protecting our proprietary assets.

Additionally, we require our suppliers to adhere to our strict code of conduct, which includes confidentiality provisions, non-disclosure obligations, and commitments to fair and ethical business practices, ensuring that the integrity of our confidential data and trade secrets is preserved throughout our supply chain.

We also protect the confidentiality of our data and trade secrets by maintaining robust physical security at our premises and implementing stringent physical and electronic security measures for our information technology systems. Despite any measures taken to protect our data and intellectual property, unauthorized parties may attempt to or successfully gain access to and use information that we regard as proprietary. See "Risk Factors — Risks related to our operations — We may not be able to protect our intellectual property rights globally, and our ability to compete could be harmed if our intellectual property rights are infringed by third parties" in this document.

During the Track record Period and up to the Latest Practicable Date, we did not have any material disputes or any other pending legal proceedings of intellectual property rights with third parties. Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, to the best of our knowledge, we were not aware of any material instances of infringement on third parties' intellectual property.

SALES AND MARKETING

Our Sales Network

We employ a multi-faceted sales approach to reach a broad customer base, utilizing offline networks. During the Track Record Period, we distributed our solutions through direct sales and channel partners. The number of our customers each year increased from 169 in 2023 to 184 in 2024 and further increased to 205 in 2025. During the Track Record period, we commenced business relationship with 121, 110 and 130 new customers in 2023, 2024 and 2025, respectively. The following table sets forth a breakdown of our revenue by sales network for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue						
Direct sales	49,824	46.3	152,085	59.7	216,511	63.7
Channel partners	57,847	53.7	102,807	40.3	123,174	36.3
Total	107,671	100.0	254,892	100.0	339,685	100.0

The table below sets forth the breakdown of the sales volume measured by order number by sales network for the years indicated.

	Year ended December 31,		
	2023	2024	2025
Direct sales	85	163	217
Channel partners	148	146	185
Total	**233**	**309**	**402**

Note:

(1) Sales volume, defined as the number of orders, reflects the total number of orders placed in the given year. Revenue is recognized over time when the agreed recognition point is reached.

The following table sets forth a breakdown of our gross profit and gross profit margin by sales network for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB in thousands, except for percentage)					
Direct sales	7,570	15.2	49,042	32.3	83,834	38.7
Channel partners	20,568	35.6	40,583	39.5	40,302	32.7
Total	**28,138**	**26.1**	**89,626**	**35.2**	**124,136**	**36.5**

Movement of Customers

The following table sets forth the total number of our customers by type and their movements for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Direct sales			
Customers at beginning of year	59	76	99
Increase/(decrease) in customers	17	23	21
Customers at end of year	76	99	120
Channel partners			
Customers at beginning of year	66	93	85
Increase/(decrease) in customers	27	(8)	0
Customers at end of year	93	85	85
Total			
As of the beginning of the period	125	169	184
Net increase/(decrease) in customers	44	15	21
As of the end of the period	169	184	205

Note:

(1) Addition of new customers refers to customers whom confirmed acceptance of delivery of at least one purchase order during the relevant period.

(2) Terminated customers refer to customers whom confirmed acceptance of delivery of at least one purchase order in the immediately preceding period but did not confirmed acceptance of any order with us during the relevant period.

The following table sets forth the total number of customers and their movements by industries for the periods indicated.

			For the Year Ended December 31,		
			2023	2024	2025
Industrial Intralogistics Solutions	Semiconductors	Customers at beginning of year	18	32	38
		Increase/(decrease) in customers	14	6	0
		Customers at end of year	32	38	38
	3C and other manufacturing	Customers at beginning of year	61	71	70
		Increase/(decrease) in customers	10	(1)	(21)
		Customers at end of year	71	70	49
	Lithium Battery	Customers at beginning of year	2	6	7
		Increase/(decrease) in customers	4	1	3
		Customers at end of year	6	7	10
Inspection and Maintenance Solutions	Public Utilities Industries	Customers at beginning of year	15	25	23
		Increase/(decrease) in customers	10	(2)	12
		Customers at end of year	25	23	35
	Energy and Chemicals	Customers at beginning of year	29	35	46
		Increase/(decrease) in customers	6	11	27
		Customers at end of year	35	46	73

Movement of Projects

The following table sets forth the total number of projects and their movements for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
As of the beginning of the period	84	95	93
Addition of new projects	175	246	281
Completed projects	164	248	277
As of the end of the period	95	93	97

Note:

(1) Where a customer places multiple purchase orders under the same project, each purchase order is counted as a separate order.

The average value for completed projects for 2023, 2024 and 2025 were RMB0.7 million, RMB1.0 million and RMB1.2 million, respectively.

The following table sets forth the total number of projects and their movements by industries for the periods indicated.

		For the Year Ended December 31,		
		2023	2024	2025
Industrial Intralogistics Solutions	Projects at beginning of year	55	52	43
	Additions of new projects	104	138	142
	Completed projects	107	147	129
	Projects at end of year	52	43	56

		For the Year Ended December 31,		
		2023	2024	2025
Inspection and Maintenance Solutions	Projects at beginning of year	29	43	50
	Additions of new projects	71	108	139
	Completed projects	57	101	148
	Projects at end of year	43	50	41

The following table sets forth the outstanding contract value by business segment as of the years indicated by each business segment.

	As of December 31,			As of the Lastest Practicable Date
	2023	2024	2025	
	(RMB in thousands)			
Industrial intralogistics solutions	198,805.2	223,039.7	261,056.4	274,482.8
Inspection and maintenance solutions	69,051.0	76,369.9	92,620.3	132,840.9
Total	**267,856.1**	**299,409.7**	**353,676.7**	**407,323.7**

The following table sets forth the total contract value by business segment for the years indicated by each business segment.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Industrial intralogistics solutions	164,117.4	192,136.1	269,851.3
Inspection and maintenance solutions	82,182.3	135,690.8	167,648.4
Total	**246,299.7**	**327,826.9**	**437,499.7**

Note:

(1) Total contract value refers to the aggregate value of contracts we entered into during the year.

The following table sets forth details of our completed and ongoing benchmark projects during the Track Record Period.

Project Overview	Product Sold	Project Scale Value	Application Scenario	Status
We provide an intralogistics automation solution for the lithography process segment of a global leading CIS chip manufacturer, enabling automated material handling across its chip fabrication facility.	Industrial intralogistics solutions	RMB8.7 million	Semiconductor	Completed
We provide an intralogistics automation solution for the advanced packaging logistics of a global leading OSAT manufacturer, supporting seamless material flow across its advanced packaging production lines.	Industrial intralogistics solutions	RMB9.9 million	Semiconductor	Ongoing

Project Overview	Product Sold	Project Scale Value	Application Scenario	Status
We provide digital intelligent hardware equipment and integrated system solutions for a newly built 2×1,000MW coal-fired intelligent power plant of a leading domestic energy generation company, enabling automated inspection and maintenance across typical scenarios including coal conveying corridors, main plant buildings and Electrical rooms.	Inspection and maintenance solutions	RMB24.8 million	Energy and chemical	Ongoing

Direct Sales

In 2023, 2024 and 2025, we served 76, 99 and 120 direct sale customers, respectively. For key terms of service agreements that we enter into with our customers, please see "— Customers — Key terms of agreements with our customers" in this section.

During the Track Record Period, we had a sales and marketing team, coupled with effective marketing strategies, which played a crucial role in successfully commercializing our embodied AI robotic solutions.

To encourage and incentivize our sales force, we have implemented a compensation structure that includes a fixed component as well as a performance-based component and also set performance targets for our sales team. We generally evaluate the performance of our sales team members on a quarterly basis and pay out performance-based compensation accordingly.

When entering new geographic markets, our sales personnel will actively present our products to potential customers. In addition, we often collaborate with local marketing agencies or directly approach potential customers to demonstrate our technological capabilities and the advantages of our robotic solutions. We also engage new customers through online and offline marketing campaigns or industry events, such as seminars and expos.

Our sales team enjoy extensive industry experience and in-depth understanding of our robotic solutions. As of December 31, 2025, our sales and marketing team consisted of 72 employees.

Channel Partnership

During the Track Record Period, our channel partners primarily included traditional distributors and system integrators ("integrators"). Such channel partners generally resell our solutions to their customers. In particular, integrators generally integrate robots into broader robotic solutions by additional components, software systems and other services with specialized design, engineering and programming resources. While these additional components are not supplied by us, they are integrated alongside our robots to form complete solutions optimized for specific industry verticals and operational workflows. Customization by integrators is common and often essential to meet end customers' specific requirements. Customization may also involve modifications to communication protocols, integration of additional sensors, refinement of workflow logic, or incorporation of customer-specific safety or localization features. In practice, certain channel partners may perform the functions of both a distributor and an integrator, undertaking commercial distribution as well as after-sale services.

We believe that by engaging channel partners, we are able to leverage their experience and knowledge of the target local markets as well as their existing sales networks and resources, which can help us expand our market reach over a wider geographical area and achieve deeper market penetration than if we were to proceed with direct sales and marketing alone, without having to incur substantial sales and marketing costs. As confirmed by Frost & Sullivan, channel partnership is common in industrial embodied AI robotic industry. In 2023, 2024 and 2025, there were 93, 85 and 85 channel partners, respectively.

Our relationship with our channel partners is a buyer and seller relationship whereby our channel partners acquire ownership of, and we recognize revenue upon transfer of control of, the products delivered to them. Product returns or exchanges are permitted only in limited circumstances such as quality defects. During the Track Record Period and up to the Latest Practicable Date, we did not have any product returns from the channel partners. When selecting channel partners, we consider, among other factors, business qualifications, network coverage, creditworthiness, cash flow conditions, logistics capabilities, compliance standards, past performance and customer management capacity. We consider various factors in renewing agreements with channel partners, including their qualifications, sales and marketing capabilities, sales network, financial resources, customer resources and synergies with our brand. Our channel partners are permitted to engage sub-distributors. However, as we operate a project-based business model under which title to and risk in the products pass to the channel partner upon delivery and acceptance, we do not have a direct contractual relationship with, and do not actively manage or oversee, any sub-distributors engaged by our channel partners.

The risk of channel stuffing across the distribution chain is nonetheless inherently limited by our project-based business model, whereby products are delivered and deployed in response to specific end-customer project requirements, resulting in no inventory accumulation at the channel partner or sub-distributor level. We further mitigate this risk by: (i) permitting product returns from channel partners only under extremely limited circumstances, such as product quality defects; and (ii) maintaining ongoing communication with them to align order volumes with actual end-customer demand.

In circumstances where end-customers of our integrator customers have established procurement standards or specific technical requirements for their facilities, such end-customers may be directly involved in the selection of our products, typically by issuing technical specification sheets or procurement lists that specify particular product models or brand requirements. However, end-customers are not involved in the commercial arrangements between our integrator customers and us, including contract execution, delivery, invoicing and product acceptance, all of which are exclusively between the relevant integrator customer and use.

To the best of our Directors' knowledge and belief, all of our channel partners during the Track Record Period were Independent Third Parties. During the Track Record Period, Beijing Shengji Power Technology Co., Ltd. (北京生機動力科技有限公司) ("Shengji Power") was our Joint Venture, and we also appointed a Director to Shengji Power. During the same period, Shengji Power was also our channel partner. In addition, Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd. (平高新松電力智能裝備(河南)有限公司) ("Pinggao Xinsong") is one of our associates. We appointed a vice general manager to Pinggao Xinsong's management team. Pinggao Xinsong was also our channel partner. Except for the equity investments in Shengji Power and Pinggao Xinsong, we do not provide any advance or financial assistance to any channel partner. We seek to establish and build a long-term and close relationship with our channel partners. For details of Shengji Power, see Note 14 to the Accountants' Report as set out in Appendix I to this document. We had an ongoing business relationship of approximately two to three years on average with our channel partners during the Track Record Period. During the Track Record Period and up to the Latest Practicable Date, we did not have any material complaints, disputes, claims or litigations with our channel partners.

The following table sets forth movement in the number of our channel partners for the years indicated.

	Year Ended December 31,		
	2023	2024	2025
Number of channel partners at the beginning of the year	66	93	85
Number of new channel partners	70	46	46
Exit of existing channel partners(1)	(43)	(54)	(46)
Number of channel partners at the end of the year	93	85	85

Note:

(1) The number of channel partners varied during the Track Record Period due to the composition of our channel partners. In addition to long-term distributors, our channel partners also included integrators. These integrators tend to engage with us when they have specific project needs. Consequently, if an integrator who worked with us in a previous year or period and confirmed acceptance of our products does not enter into a new contract and confirmed acceptance of our products in a given year or period, it is recorded as having exited as a channel partner in the given year or period.

The reason for the exit of existing channel partners during the Track Record Period was primarily that some integrators did not procure from us during certain year or period due to temporary fluctuation of business needs.

To avoid potential cannibalization among channel partners, we require channel partners to provide us with the information of the end customer they are approaching in advance. If multiple channel partners approach the same customer, we choose to work with only one of them, thereby minimizing the risk of overlapping sales efforts. As of the Latest Practicable Date, we were not aware of any competition among our channel partners that would have a material and adverse impact on our operations.

Agreements With Channel Partners

Key terms of the channel partnership agreements are summarized as follows:

Key Terms	Description
Term	The duration of our agreements is typically one year. We shall determine whether to renew based on the distributor's sales performance one month before the agreement expires.
Right to use our trademark	We authorize our channel partners to use our trademarks within the duration and scope of agreements only for the purpose of selling the products.
Designated sales scope	Our channel partners are generally only permitted to sell our products in a predetermined geographic area.
Price	We provide channel partners with suggested prices of our solutions but do not contractually mandate or enforce such prices. The pricing suggestion are determined among other factors, the relevant sales region and the cooperation model with the integrator customers, including which party is responsible for delivery and after-sales services.

Key Terms	Description
Sales performance and targets	Subject to negotiation, we may impose an annual minimum sales target on our channel partners. We are authorized to terminate the channel partnership relationship unilaterally if the distributor fails to meet the target.
Payment	We generally require our channel partners to (i) make full payment in advance before product delivery or (ii) in milestone payments, with the down payment ranging from 10% to 50% of the total contract value, depending on the specific terms agreed with each channel partner. We generally use milestone-based payment arrangement with payments made in several stages such as delivery, acceptance and warranty expiry. We generally offer contractual credit terms of 30 to 120 days for each payment stage.
Product return or exchange	We generally do not allow product return or exchange. We allow product return or exchange under limited circumstances such as quality defects. We do not provide any separate product return window following acceptance.
Product liabilities	We bear liability for defects in product quality, while liability arising from improper use is generally borne by the users.
Warranty period	Our warranty period is generally one year. During the warranty period, for any product quality issue, we offer free repair services for any product quality issue.
Termination	Either party may terminate this agreement by giving three months' prior written notice to the other party. If the distributor fails to place any order for a continuous period of three months or more, we are entitled to terminate this agreement at our sole discretion by giving written notice to the distributor.

Marketing

We employ a comprehensive marketing and branding strategy by utilizing various channels to reach potential customers, including offline and online marketing campaigns and events, content marketing, partner marketing, social media and public relations:

- Online channels. We leverage major online platforms and our official website as primary digital touchpoints for prospective customers both domestically and internationally.
- Offline channels. We participate in industry exhibitions, forums and trade shows, and conduct direct customer visits and face-to-face meetings to develop and strengthen existing business relationships.
- Bidding process. Where customers' procurement processes require competitive bidding, we participate in tender procedures and adapt to customers' specific internal requirements throughout project development. During the track record period, we achieved an average bidding success rate of approximately 28.7%.

In terms of overseas customers, we maintain relationships through a combination of online engagement and selective offline interactions, primarily adopting a distributor model:

- Online engagement. We engage overseas customers and distributors primarily through Google, LinkedIn and our official website.
- Offline engagement. We participate in international industry exhibitions and forums, supplemented by targeted offline visits to support key relationships.
- Geographical distribution of sales and marketing team. For most of the overseas regions, we operate through a distributor model. Our channel partners serve as the primary channel to reach end-user customers in their respective overseas markets, with our marketing team engaging them principally through online communication and occasional offline visits. We have additionally established a dedicated sales team in Japan to support local marketing efforts.

CUSTOMERS

During the Track Record Period, our major customers include leading companies in high-tech manufacturing and energy industries. For the years ended December 31, 2023, 2024 and 2025, sales to our largest customer contributed to 10.5%, 7.2% and 20.4% of our revenue during the respective period. For the same periods, our five largest customers in each year contributed to 28.3%, 29.9% and 35.8% of our total revenue, respectively. We believe that any concentration risk among our five largest customers was not significant given their respective contribution to our total revenue set out in the table below. During the Track Record Period, none of our Directors or their associates or any of our existing Shareholders had any interest in any of our five largest customers, all of which were Independent Third Parties.

The following table sets forth the background information of our five largest customers for each year during the Track Record Period.

For the Year Ended December 31, 2023

Customers	Customer Type	Revenue Contribution	Percentage of Total Revenue	Background	Solutions Provided by Us	Year of Commencement of Business Relationship	Credit Term and Payment Method
		(RMB'000)	*(%)*				
Customer A	End customer	11,300.3	10.5	A losted high-tech enterprise focused on integrated circuit manufacturing, primarily engaged in wafer foundry, chip packaging, and testing services with a registered capital of RMB7,046.6 million	OW8 robot, FLEET, YOUI TMS	2021	90 to 120 days, bank transfer
Customer B	End customer	5,371.6	5.0	A large state-owned energy enterprise mainly engaged in the coal-electricity-transport-chemical industry chain with a registered capital of RMB132,094.7 million, and it owns subsidiaries listed on Shanghai Stock Exchange	ARIS-TWC robot, ARIS-X320 robot, ARIS-HSR robot, YOUI INS, PILOT, MOS	2022	90 to 120 days, bank transfer
Customer C	Integrator	4,883.3	4.5	A semiconductor and consumer electronics intelligent manufacturing equipment company, specializing in semiconductor packaging and testing equipment, with a registered capital of RMB75.0 million	OWM robot, FLEET, YOUI TMS	2021	Up to 30 days, bank transfer

Customers	Customer Type	Revenue Contribution	Percentage of Total Revenue	Background	Solutions Provided by Us	Year of Commencement of Business Relationship	Credit Term and Payment Method
		(RMB'000)	*(%)*				
Customer D	End customer	4,478.3	4.2	A listed global leader in intelligent manufacturing for consumer electronics with a registered capital of RMB7,247.4 million	L300 robot, FLEET, YOUI TMS	2021	90 to 120 days, bank transfer
Customer E	Integrator	4,434.2	4.1	A high-tech enterprise in the field of industrial automation, specializing in the design and integration of automated production lines and industrial robot application solutions with a registered capital of RMB53.0 million	L1000 robot, FLEET, YOUI TMS	2023	Up to 30 days, bank transfer
Total		30,467.7	28.3				

For the Year Ended December 31, 2024

Customers	Customer Type	Revenue Contribution	Percentage of Total Revenue	Background	Solutions Provided by Us	Year of Commencement of Business Relationship	Credit Term and Payment Method
		(RMB'000)	*(%)*				
Customer D	End customer	18,348.0	7.2	A listed global leader in intelligent manufacturing for consumer electronics and has a registered capital of RMB7,247.4 million	L300 robot, FLEET, YOUI TMS	2021	90 to 120 days, bank transfer
Customer F	End customer	16,507.1	6.5	A high-tech enterprise specializing in intelligent power equipment with a registered capital of RMB150.0 million	ARIS-TWE robot, ARIS-X310 robot, YOUI INS, PILOT, MOS	2022	90 to 120 days, bank transfer
Customer G	End customer	14,262.2	5.6	A new technology enterprise, primarily engaged in coal mining and processing with a registered capital of RMB10,000.0 million	ARIS-TWC robot, YOUI INS, PILOT, MOS	2022	90 to 120 days, bank transfer
Customer H	End customer	14,166.2	5.6	A technology industry group spanning multiple sectors, including semiconductor displays and new energy photovoltaics listed on Shenzhen Stock Exchange and has a registered capital of RMB20,800.0 million	OWM robot, FLEET, YOUI TMS	2022	90 to 120 days, bank transfer
Customer I	End customer	12,745.5	5.0	A listed Chinese global leader in air pollution control with has a registered capital of RMB1,270.0 million	C1500 robot, CF1000 robot, L1000 robot, FLEET, YOUI TMS	2023	Up to 30 days, bank transfer
Total		76,029.0	29.9				

For the Year Ended December 31, 2025

Customers	Customer Type	Revenue Contribution	Percentage of Total Revenue	Background	Solutions Provided by Us	Year of Commencement of Business Relationship	Credit Term and Payment Method
		(RMB'000)	*(%)*				
Customer J	End customer	69,194.2	20.4	A listed Tianjin company with a registered capital of RMB1,930.4 million, primarily engaged in the research, development, and manufacturing of lithium-ion batteries	C1500 robot, CF1000 robot, L1000 robot, FLEET, YOUI TMS	2022	60 to 90 days, bank transfer
Customer K	Integrator	14,170.0	4.2	A listed Shenzhen company with a registered capital of RMB50.0 million, primarily engaged in electromechanical and electronic equipment, involving new energy equipment research and development	C1500, robot CF1000 robot, L1000 robot, FLEET, YOUI TMS	2022	30 days, bank transfer
Customer D	End customer	13,842.8	4.1	A listed global leader in intelligent manufacturing for consumer electronics with a registered capital of RMB7,247.4 million	L300 robot, FLEET, YOUI TMS	2021	90 to 120 days, bank transfer
Customer L	Integrator	13,020.7	3.8	A listed Shenzhen company with a registered capital of RMB5.0 million, specializing in industrial robot integration applications and turnkey engineering	OW12 robot, FLEET, YOUI TMS	2023	0 to 30 days, bank transfer
Customer M	End customer	11,240.0	3.3	A listed company with a registered capital of RMB859.5 million, primarily engaged in electronic forensics, big data, cybersecurity, and digital government services	ARIS-TWC robot, YOUI INS, PILOT, MOS	2025	30 to 65 days, bank transfer
Total		121,467.7	35.8				

Except as disclosed above, none of our other Directors, their respective associates or any shareholder who, to the knowledge of such Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, has any interest in any of our top five customers in each year during the Track Record Period.

Key Terms of Agreements with Our Customers

Below set forth key terms of our service contracts with our customers:

Key Terms	Description
Product specification	We set forth the model type, specification, quantity, price and other details in the agreement.
Scope of service	We will dispatch our engineers to install and test the robots, and set up relevant software on site after the delivery of the robots. We will provide necessary technical training to the customers in relation to the usage of the robots and software.
Pricing	We charge our customers fees based on the types of products and complexity of the services they procure.

Key Terms	Description
Payment	Payment is generally settled in installments upon achieving milestones of the agreement. The proportion of down payments varies significantly from contract to contract, ranging from 10% to 90% of the total contract value, depending on the specific terms agreed with each customer. We generally offer contractual credit terms of up to 120 days for each payment stage.
Warranty period	Generally, we provide warranty period of one year after acceptance. During the warranty period, we will provide technical support via telephone or online consultation. During the warranty period, we offer free repair services for any product quality issue.
Product return or exchange	We generally do not allow product return or exchange. We allow product return or exchange under limited circumstances such as quality defects.
Product liabilities	We bear liability for defects in product quality, while liability arising from improper use is generally borne by the users.
Termination	In the event of default (such as either party failing to perform the obligations as agreed), either party may terminate the agreement and/or charge the defaulting party a percentage of the contact value as liquidated damages. Generally, customers are not allowed to cancel order unless encountering force majeure.

The lead time between the receipt of customer orders and customer acceptance of our products was generally between 250 and 300 days.

Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, there were no material product recalls, product defects, product returns, product liability claims, warranty expenses or customer complaints that materially and adversely affected our business. According to our PRC Legal Advisor, under the PRC Product Quality Law and the PRC Civil Code, we could be liable to compensate for physical injuries or damage to property resulting from our product defects or malfunctions and bear tort liability as a manufacturer or product seller. Besides, our product sales contracts typically contain the following provisions regarding legal liability arising from product defects or malfunction: should any product defects be identified during the acceptance inspection period or warranty period, we are obligated to promptly repair or replace the affected ones. Failure to resolve such issues in a timely manner may constitute a breach of contract, potentially resulting in contractual liabilities. We may be liable for compensation of any losses incurred by the counterparty or any third party due to such product defects or malfunctions. Based on the foregoing, our PRC Legal Advisor is of the view that in the event of product defects or malfunctions, our potential legal liabilities would primarily fall within the stipulations of the contract terms and the scope of applicable PRC laws and regulations disclosed above. According to Frost & Sullivan, such insurance coverage is in line with the market practice.

SUPPLIERS

Our suppliers primarily consist of (i) providers of components and accessories for the development and production of our robots, and (ii) third-party manufacturers to produce our robotic controllers and other components and parts necessary for building up our robots. We typically engage reputable suppliers to ensure the quality of supplied good and/or services. Factors that may affect our selection mainly include technological expertise, product quality, qualifications and credentials, market reputation and price.

For the years ended December 31, 2023, 2024 and 2025, purchase from our largest supplier in each year contributed to 13.1%, 7.8% and 8.2% of our cost of sales during the respective periods. For the same periods, purchase from our five largest suppliers in each year contributed to 33.2%, 23.2% and 19.4% of our total purchases, respectively.

The following tables set forth details about our suppliers in each year during the Track Record Period:

For the Year Ended December 31, 2023

Suppliers	Purchase Amount by Us	Percentage of Total Purchase Amount	Background	Major products/ services purchased by us	Year of Commencement of Business Relationship	Credit Term
	(RMB'000)	*(%)*				
Supplier A	23,455.7	13.1	An unlisted Dongguan company with a registered capital of RMB16.8 million, specializing in providing manufacturing enterprises with hardware products required for precision processing and intelligent production	Machined parts and sheet metal parts	2021	60 days for monthly settlement; 180 days for bank acceptance bill
Supplier B	12,138.0	6.8	An unlisted Suzhou company with a registered capital of RMB5.0 million, specializing in the sale of intelligent equipment and smart control systems	LiDAR and sensors	2022	30 days monthly settlement; 180 days for bank acceptance bill
Supplier C	11,061.9	6.2	An unlisted Qingdao company with a registered capital of RMB10.0 million, specializing in the sale of industrial automation equipment and customized complete machinery sets, focused on providing hardware required for automated production solutions	Actuation modules	2023	Milestone-based payment; 180 days for bank acceptance bill
Supplier D	7,646.0	4.3	An unlisted Wuhan company with a registered capital of RMB11.3 million, specializing in the sale of industrial sensors and intelligent measurement and control devices, as well as supporting inspection and control products in the field of industrial automation	Actuation modules	2022	Milestone-based payment; 180 days for bank acceptance bill
Supplier E	5,042.8	2.8	An unlisted Shenzhen company with a registered capital of RMB1,000 million, specializing in the sale of warehouse robots and intelligent warehouse management systems, supplying complementary charging equipment and accessories for warehouse robots	Storage modules	2021	Milestone-based payment; 180 days for bank acceptance bill
Total	59,344.4	33.2				

For the Year Ended December 31, 2024

Suppliers	Purchase Amount by Us	Percentage of Total Purchase Amount	Background	Major products/ services purchased by us	Year of Commencement of Business Relationship	Credit Term
	(RMB'000)	*(%)*				
Supplier F	15,878.7	7.8	An unlisted Guangzhou company with a registered capital of RMB30.0 million, focusing on the manufacturing of industrial inspection robots	Actuation modules	2022	Milestone-based payment; 180 days for bank acceptance bill
Supplier B	12,832.1	6.3	An unlisted Suzhou company with a registered capital of RMB5.0 million, specializing in the sale of intelligent equipment and smart control systems	LiDAR and sensors	2022	30 days monthly settlement; 180 days for bank acceptance bill
Supplier G	6,263.2	3.1	An unlisted Shanghai company with a registered capital of USD5.0 million, who primarily engaged in the sale of collaborative robots, related end-effectors and supporting products	Robotic arms	2021	Delivery upon receipt of payment; 180 days for bank acceptance bill
Supplier H	6,123.5	3.0	A listed Shanghai travel company with a registered capital of RMB50.0 million, who has core business centers on selling international travel products, air ticket and hotel booking services	Business travel services	2023	30 days for monthly settlement; bank transfer
Supplier I	6,106.2	3.0	An unlisted Suzhou company with a registered capital of RMB10.0 million, who primarily engaged in the sale of smart hardware and artificial intelligence application products	Actuation modules	2023	Milestone-based payment; 180 days for bank acceptance bill
Total	47,203.7	23.2				

For the Year Ended December 31, 2025

Suppliers	Purchase Amount by Us	Percentage of Total Purchase Amount	Background	Major products/ services purchased by us	Year of Commencement of Business Relationship	Credit Term
	(RMB'000)	*(%)*				
Supplier G	22,463.2	8.2	An unlisted Shanghai company with a registered capital of USD5.0 million, primarily engaged in the sale of collaborative robots, related end-effectors and supporting products	Robotic arms	2021	Payment upon receipt of order; 180 days for bank acceptance bill
Supplier J	8,903.9	3.2	An unlisted Anhui company with a registered capital of RMB116.8 million, specializing in intelligent warehousing solutions for production processes, with main products including intelligent warehousing equipment, intelligent handling equipment, material visual registration, inspection and inventory systems, and mobile IoT storage terminals	Actuation modules	2023	Milestone-based payment; 180 days for bank acceptance bill

Suppliers	Purchase Amount by Us	Percentage of Total Purchase Amount	Background	Major products/ services purchased by us	Year of Commencement of Business Relationship	Credit Term
	(RMB'000)	*(%)*				
Supplier K	8,787.6	3.2	An unlisted Suzhou company with a registered capital of RMB20.0 million, primarily engaged in providing intelligent warehousing solutions for production processes, with main products including intelligent warehousing equipment, intelligent handling equipment, material visual registration and inspection and inventory systems, and mobile IoT storage terminals	Structural modules	2025	Milestone-based payment; 30 days; bank transfer
Supplier B	7,495.9	2.7	An unlisted Suzhou company with a registered capital of RMB5.0 million, specializing in the sale of intelligent equipment and smart control systems	LiDAR and sensors	2022	30 days monthly settlement; 180 days for bank acceptance bill
Supplier L	5,817.8	2.1	An unlisted Shenzhen company with a registered capital of RMB50.0 million, with business scope covering property management, housing rental management, and motor vehicle parking services	Property leasing	2022	12 days; bank transfer
Total	53,468.4	19.4				

As of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who owned or to the knowledge of the Directors had owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year during the Track Record Period.

We may enter into contracts with our suppliers and place purchase orders with them on case-by-case basis. The following table sets forth the key terms of our contracts with suppliers of raw materials, components and parts:

Key Terms	Description
Product quality requirements	The supplier shall provide us with samples that meet our quality standards, and to ensure that the quality of subsequent deliveries is consistent with that of the approved samples.
Delivery	The supplier must deliver the goods on time to our designated location. If the delivery is delayed, the supplier shall promptly notify us and arrange for the alternative shipment method as selected by us. Any additional transportation expenses incurred shall be borne the supplier.
Payment	The supplier must provide a VAT invoice before we make payment. Specific payment terms vary depending on the type of materials and/or components to be procured. Suppliers either settle with us on monthly basis with a credit term of up to 120 days or on milestone basis with 10% to 40% of the total contract amount typically paid as a down payment upon placement of the order.
Warranty	The supplier typically offers a one-year warranty from the date of product acceptance. During this period, the supplier is responsible for providing free repairs and replacements.

Key Terms	Description
Confidentiality	The supplier shall bear the obligation of confidentiality for our confidential information obtained during the performance of the agreement.
Termination	We have the right to terminate the agreement if the supplier fails to deliver within the agreed timeframe.

We engage third party manufacturers for the manufacturing and/or design of some components and parts. The key terms of such agreements are set forth below:

Key Terms	Description
Principal rights and obligations of the parties involved	The parties indicate the specifications and configuration requirements for components or parts in the agreement.
Payment and delivery	Payment is generally settled in installments upon achieving milestones of the agreement.
Warranty	The supplier typically offers a one-year warranty from the date of product acceptance. During this period, the supplier is responsible for providing free repairs and replacements.
Quality control	Contract manufacturers conduct production and quality control based on the product technical specifications we provide (if any). In addition, contract manufacturers are responsible for process quality control at all stages of production, as well as all testing and rework before the final products are delivered to us. The manufacturer shall assign experienced engineering and technical personnel to our site for installation and related commissioning. The installation and commissioning work shall be completed within two weeks and must meet the requirements and standards stipulated in the contract, ensuring the proper functioning of the components and/parts.
Confidentiality	The manufacturer shall bear the obligation of confidentiality for our confidential information obtained during the performance of the agreement.
Termination	We have the right to terminate the agreement if the supplier fails to deliver within the agreed timeframe

OVERLAPPING OF CUSTOMERS AND SUPPLIERS

According to Frost & Sullivan, it is common for companies in the embodied AI industry to have overlapping customers and suppliers. To satisfy the evolving demands of customers , market players in the industry often procure products or services from peers to deliver comprehensive solutions. As a result, it is common for upstream and downstream enterprises within the industry to engage in transactions with each other as both suppliers and customers.

For the years ended December 31, 2023, 2024 and 2025, Customer C of our five largest customers were also our suppliers, respectively. Customer C was among our five largest customers in 2023, and it was also our supplier during the Track Record Period. During the Track Record Period, we primarily provided industrial intralogistics solutions to Customer C, and our purchases from Customer C consisted primarily of robotic components and accessories. In 2023, 2024 and 2025, revenue from Customer C amounted to RMB4.9 million, nil and RMB8.4 million, respectively, representing 4.5%, nil and 2.5%, respectively, of our total revenue for the respective periods. In 2023, 2024 and 2025, purchases from, or cost of sales attributable to, Customer C amounted to nil, nil and RMB0.8 million, respectively, representing nil, nil and 0.3%, respectively, of our total purchases, for the respective periods. In 2023, 2024 and 2025, our gross profit from sales to Customer C amounted to RMB0.9 million, nil and RMB1.7 million, respectively. In the same periods, our gross profit margin of sales to Customer C was 17.6%, nil and 19.6%.

Customer L was among our five largest customers in 2025, and it was also our supplier during the Track Record Period. During the Track Record Period, we primarily provided industrial intralogistics solutions to Customer L, and our purchases from Customer L consisted primarily of robotic components, accessories and deployment service. In 2023, 2024 and 2025, revenue from Customer L amounted to nil, RMB1.2 million and RMB13.0 million, respectively, representing nil, 0.5% and 3.8%, respectively, of our total revenue for the respective periods. In 2023, 2024 and 2025, purchases from Customer L amounted to nil, RMB0.3 million and RMB4.5 million, respectively, representing nil, 0.1% and 1.6%, respectively, of our total purchases for the respective periods. In 2023, 2024 and 2025, our gross profit from sales to Customer L amounted to nil, RMB0.3 million and RMB1.6 million, respectively. In the same periods, our gross profit margin of sales to Customer L was nil, 23.5% and 12.4%, respectively.

Supplier B was among our five largest suppliers in 2023, 2024 and 2025, and it was also our customer during the Track Record Period. During the Track Record Period, we primarily purchased LiDAR and sensors from Supplier B, and our sales to Supplier B consisted of industrial intralogistics solutions. In 2023, 2024 and 2025, purchases from Supplier B amounted to RMB12.1 million, RMB12.8 million and RMB7.5 million, respectively, representing 6.8%, 6.3% and 2.7%, respectively, of our total purchases for the respective periods. In 2023, 2024 and 2025, revenue from Supplier B amounted to nil, nil and RMB4.8 million, respectively, representing nil, nil and 1.4%, respectively, of our total revenue for the respective periods. In 2023, 2024 and 2025, our gross profit from sales to Supplier B amounted to nil, nil and RMB0.3 million, respectively. In the same periods, our gross profit margin of sales to Supplier B was nil, nil and 6.6%, respectively.

During the same period, Supplier F of our five largest suppliers were also our customers. Supplier F was among our five largest suppliers in 2024, and it was also our customer during the Track Record Period. During the Track Record Period, we primarily purchased actuation modules from Supplier F, and our sales to Supplier F consisted of inspection and maintanence solutions. In 2023, 2024 and 2025, purchases from Supplier F amounted to nil, RMB15.9 million and RMB0.5 million, respectively, representing nil, 7.8% and 0.2%, respectively, of our total purchases, for the respective periods. In 2023, 2024 and 2025, revenue from Supplier F amounted to RMB26.6 thousand, nil and nil, respectively, representing 0.0%, nil, and nil, respectively, of our total revenue for the respective periods. In 2023, 2024 and 2025, our gross profit from sales to Supplier F amounted to RMB26.6 thousand, nil and nil, respectively. In the same periods, our gross profit margin of sales to Supplier F was 100.0%, nil and nil.

Supplier K was among our five largest suppliers in 2025, and it was also our customer during the Track Record Period. During the Track Record Period, we primarily purchased structural modules from Supplier K, and our sales to Supplier K consisted of industrial intralogistics solutions. In 2023, 2024 and 2025, purchases from Supplier K amounted to nil, nil and RMB8.8 million, respectively, representing nil, nil and 3.2%, respectively, of our total purchases for the respective periods. In 2023, 2024 and 2025, revenue from Supplier K amounted to RMB14.2 thousand, RMB782.6 thousand and RMB37.6 thousand, respectively, representing 0.01%, 0.3% and 0.01%, respectively, of our total revenue for the respective periods. In 2023, 2024 and 2025, our gross profit from sales to Supplier K amounted to RMB4.4 thousand, RMB335.0 thousand and RMB29.6 thousand, respectively. In the same periods, our gross profit margin of sales to Supplier K was 31.0%, 42.8% and 78.7% respectively.

Our Directors are of the view that our sales to and purchases from Customer C, Customer L, Supplier B, Supplier F and Supplier K are conducted in the ordinary course of business under normal commercial terms and on an arm's length basis after due and careful consideration. The salient terms of the transactions with Customer C, Customer L, Supplier B, Supplier F and Supplier K are similar to those with our other customers and suppliers, which our Directors consider normal commercial terms. Our Directors confirm that, during the Track Record Period, the products we purchased from Customer C, Customer L, Supplier B, Supplier F and Supplier K were not subsequently sold back to any of the same entities. Our sales and purchases with overlapping customers and suppliers were not interconditional with each other. None of our Directors or their respective associates or any Shareholder holding more than 5% of our issued share capital held any interest in any of Customer C, Customer L, Supplier B, Supplier F or Supplier K during the Track Record Period.

PRODUCTION

We formulate production schedules and plans according to the market demand, taking into consideration the level of our stock and utilization rates of our production facilities. We have implemented a set of internal production and operation policies to promote our compliance with applicable national and international industry standards. We carry out regular inspections to assess the conditions of our production facilities and conduct necessary repairs and maintenance. We have also introduced and implemented a stringent reporting system to all the accidents and malfunction of the equipment and keep all the relevant records.

Our Production Processes

We have established an end-to-end integrated system covering "Production Planning — Material Management — Production Execution — Quality Control — Packaging and Delivery." This system enables comprehensive data recording and management throughout the entire process, as well as responsibility allocation and tracking at each stage.

1. **Production planning**: We develop production schedules based on key project milestones under a "bi-weekly rolling and monthly review" model. Bi-weekly meetings clarify delivery details for the next four weeks, covering supplier material delivery windows, semi-finished product production priorities and finished goods warehousing schedules. Monthly meetings review plan achievement rates, analyze deviations and implement corrective measures to improve planning accuracy.

2. **Material management**: We procure components and raw materials based on confirmed production schedules, keeping a buffer stock of critical materials to avoid production delays, while avoiding excess stockpiling that would tie up working capital unnecessarily.

3. **Production execution**: Our robots are assembled across three types of production lines depending on the product: (a) semi-automated lines, where machinery handles repetitive tasks while skilled workers complete precision steps; (b) single-piece flow lines, where each robot moves through the assembly process one at a time to ensure quality at every stage; and (c) flexible customized lines, for bespoke product configurations requiring tailored assembly sequences. Assembly begins with the pre-assembly of individual functional modules (such as the mechanical arm, drive system and navigation unit), which are then integrated into the complete robot body. Critical processes such as precision component fitting and performance testing are fully automated to minimize human error. Industrial intralogistics robots such as OW12 involve nine pre-assembly module steps taking approximately 97 hours, with total production execution and quality control taking approximately 280 hours. Inspection and maintenance robots such as ARIS-HSR involve six pre-assembly module steps taking approximately 67 hours, with total production execution and quality control taking approximately 190 hours.

4. **Quality control**: Once fully assembled, each robot undergoes a comprehensive series of checks. Quality control is a core part of our production processes, encompassing Final Quality Control (FQC) during production, random spot checks through In-Process Quality Control (IPQC), periodic and random In-Process Operation Control (IPOC) inspections, and Outgoing Quality Control (OQC) checks before shipping. Outgoing products undergo secondary verification of packaging, labeling, and quantities, along with 100% re-inspection to ensure all products delivered to customers meet our stringent quality standards. Duration of this step varies depending on specific product type, and usually ranges from 20 hours to 57 hours.

5. **Packaging and delivery**: We maintain a comprehensive shipping checklist covering product — order matching, packaging integrity and logistics accuracy, jointly reviewed by the warehouse, project and quality departments prior to each dispatch. For overseas shipments, additional export packaging requirements apply, including moisture-proofing, anti-drop measures and customs labeling.

The above production process generally applies to all of our robot products. However, due to differences in the number of modules and the complexity of module assembly, different models of robots vary in the time and steps engaged during production execution and quality control. The differences mainly concentrated in the pre-assembly of integrated modules within the production execution stage.

Our Production Facility

During the Track Record Period, we had three production facilities located in Huzhou, Hefei and Shenzhen. Our production facilities are designed with production lines tailored to the characteristics of various robots. We have a cleanroom at our facility in Hefei that meet the requirement for semiconductor industry. In addition, the factory includes an integrated module processing and testing area, a semi-finished product pre-assembly area, a semi-finished product functional testing and inspection area, a final assembly area, a final system debugging and inspection area, a quality inspection area, and a warehousing and logistics area. As we continue to expand our business scale, we plan to establish new production lines to accommodate the growing demand.

The following table sets forth the details of our production capacity, production volume and utilization rate during the Track Record Period:

	Year Ended December 31,								
	2023			2024			2025		
	Production Capacity[(1)]	Production Volume	Utilization Rate[(2)]	Production Capacity[(1)]	Production Volume	Utilization Rate[(2)]	Production Capacity[(1)]	Production Volume	Utilization Rate[(2)]
Facilities									
Hefei									
Industrial intralogistics solutions	—	—	—	—	—	—	1,200	788	65.6%
Inspection and maintenance solutions	—	—	—	—	—	—	—	—	—
Huzhou									
Industrial intralogistics solutions	250	194	77.6%	1,000	665	66.5%	340	280	82.3%
Inspection and maintenance solutions	50	44	88.0%	200	153	76.5%	360	300	83.3%
Shenzhen[(3)]									
Industrial intralogistics solutions	160	89	55.6%	—	—	—	—	—	—
Inspection and maintenance solutions	40	17	42.5%	—	—	—	—	—	—
Total	500	344	68.8%	1,200	818	68.2%	1,900	1,368	72.0%

Notes:

(1) The production capacity for each period is calculated based on the hourly capacity of the relevant production lines and the working hours for that period. During the Track Record Period, working hours are calculated as eight hours per day multiplied by the number of working days (based on approximately 250 working days per year).

(2) Utilization rate is calculated by dividing production volume by the production capacity for the same period.

(3) Our Shenzhen production base ceased production in the first half of 2023 and our Huzhou production base commenced production in the latter half of 2023.

Outsourced Processing

During the Track Record Period, we outsourced the manufacturing of our self-developed controllers to third-party manufacturers, with certain other components produced through OEM arrangements, including sheet metal parts, machined metal parts and plastic parts. In 2023, 2024 and 2025, the cost we incurred for outsourced manufacturing amounted to RMB8.6 million, RMB6.5 million and RMB14.2 million, respectively. All outsourced parts and components are produced strictly in accordance with our technical specifications, including manufacturing and quality inspection requirements

LOGISTICS AND INVENTORY MANAGEMENT

We leverage our own warehouse for storing work-in-progress, finished robots and certain components and raw materials, and we engage third-party logistics service providers for delivery services. Robots that have passed quality inspections are delivered by the logistics service providers from our production facility directly to our customers or to locations specified by our customers.

Our inventories and contract costs include raw materials, work-in-process, finished goods and contract costs. Our inventory turnover days during the Track Record Period primarily reflected our customized business model, which involves long lead times. In view of this, we have implemented targeted measures to enhance the effectiveness of our inventory management.

- **Productization, modularization and standardization of key components.** We have continued to increase the productization, modularization and standardization of our key components through the implementation of our CBB architecture, which consolidates and rationalizes components across our product lines, reduces the number of distinct parts required and improves overall inventory utilization.

- **Agile, demand-driven production approach.** While our business remains primarily produce-to-order given the customized nature of our solutions, we have adopted a prudent and gradual shift towards a more agile, demand-driven approach that combines forecast-based production for certain standardized components with strategic material procurement, enabling us to reduce lead times and carry less raw material and work-in-progress inventory.

- **Enhanced production management and delivery efficiency.** We have strengthened our production management processes to improve delivery efficiency and quality, reduce work-in-progress inventory levels and accelerate finished goods turnover, including through standardized delivery planning and execution processes.

- **Comprehensive inventory management system.** We have established a comprehensive inventory management system covering inventory storage, acceptance and dispatch, inventory status monitoring and inventory counting, enabling systematic tracking of inventory movements and timely identification of slow-moving items.

As of December 31, 2023, 2024 and 2025, our inventories and contract costs were RMB130.9 million, RMB99.9 million and RMB49.9 million, respectively. As a result of our enhanced inventory management policy, as of December 31, 2025, a majority of our inventories is aged within one year. Additionally, during the Track Record Period, our inventory turnover days significantly decreased from 532.0 days in 2023 to 251.4 days in 2024, and further decreased to 125.1 days in 2025. According to Frost & Sullivan, our inventory turnover days during the Track Record Period were comparable to industry peers. See "Financial Information — Discussion of certain key balance sheet items — Inventories and contract costs." We have a strict inventory control policy to monitor our inventory levels to minimize obsolete inventory. Through close coordination with our customers and suppliers, we are committed to carrying less raw materials and in-process products and lowering our inventory risk.

QUALITY CONTROL

We are committed to maintaining the highest level of quality in our robots and have established a robust quality control system covering all stages of our operations, from production to after-sales services. During the Track Record Period, we outsourced the manufacturing of our self-developed controllers to third-party manufacturers, and have certain components produced through OEM services. We also procured some components and parts from third parties. We then assembly the controller, components and parts into robots at our factories. Our management system complies with ISO9001, ISO27001, ISO45001 and ISO14001 standards.

We maintain a dedicated testing and quality control department, responsible for establishing standardized inspection protocols across the supply chain, monitoring the quality of incoming components and conducting sample testing at the procurement stage. We generally require our suppliers to provide warranties of 12 to 24 months and enter into quality assurance agreements with them.

We typically provide a 12-month warranty from completion of the relevant solutions, covering defects or failures below our contractual quality standards, during which repair or replacement services are provided at no charge. Post-warranty maintenance services may be provided for a reasonable fee. We did not experience any material product recalls, sales returns or legal claims arising from product safety or quality issues during the Track Record Period and up to the Latest Practicable Date.

COMPETITION

The industrial embodied AI robotic industry is highly competitive, characterized by rapid technological changes, shifting user preferences and frequent introduction of new products and services. We face competition from existing participants in the development and commercialization of industrial embodied AI robotic solutions, as well as potential new entrants — including established technology companies with substantial financial resources, sophisticated technological capabilities and broad distribution channels. For additional details regarding the competitive landscape, see "Industry Overview" in this document.

We expect competition to continue to intensify with the introduction of new technologies and entry of new market participants, some of whom may have greater resources, longer operating history or broader customer bases and relationships than us. We also face competition for highly skilled personnel, including management, research and development and sales and marketing staff. Our growth depends in part on our ability to retain existing personnel and attract additional qualified talent. For details, see "Risk Factors — Risks related to our research and development — If we fail to recruit, retain and motivate key employees, especially our senior management and R&D team, we could lose the innovation, collaboration and focus that contribute to our business" in this document.

EMPLOYEES

As of December 31, 2025, we had 419 full-time employees, including 141 research and development personnel, accounting for 33.7% of the total, all of which were based in the PRC. The following table sets forth the number of our employees by function:

Function	Number of employees	As a percentage of our total number employees
Sales and marketing	72	17.2%
Research and development	141	33.7%
Production	36	8.6%
General and administrative	90	21.5%
Project implementation and services	80	19.1%
Total	419	100.0%

We believe the high-quality talent pool is one of our core strengths. We adopt high standards and strict procedures in our recruitment to ensure the quality of new hiring and use various methods for our recruitment, including campus recruitment, online recruitment, job fair, internal recommendation and recruiting through hunting firms, to satisfy our demands for different types of talents. We also provide regular and specialized training tailored to the needs of our employees in different departments. New employees will receive orientation training. Our employees can also improve their skills through on-the-job training and mutual learning among colleagues. At the same time, we offer employees dual career development paths in both management and professional specializations, and we are willing to empower new talent, creating broad opportunities for employees to grow.

During the Track Record Period, we had not made social insurance and housing provident fund contributions for some of our employees in full primarily due to difficulties in determining contribution bases caused by fluctuating monthly salaries, as well as the responsible staff's insufficient understanding of laws and regulations governing full contributions, and certain of our subsidiaries engaged third-party human resource agencies to pay social insurance and housing provident funds for certain of our employees primarily because some of our employees working in different cities across the nation prefer their social insurance and housing provident funds to be paid at their respective resident places for convenience of utilizing such benefits locally. The shortfall of social insurance and housing provident fund contributions amounted to RMB3.9 million, RMB4.2 million and RMB4.9 million in 2023, 2024 and 2025, respectively.

Under the Social Insurance Law, an employer that engages third-party human resource agencies to pay social insurance premiums or fails to make social insurance contributions in full may be ordered to pay the outstanding amount within a prescribed time limit, together with a late payment penalty at a daily rate of 0.05%; failure to remedy within such time limit may result in a fine of one to three times the outstanding amount.

Under the Regulations on Management of Housing Fund, an employer that engages third-party human resource agencies to pay housing provident funds, or fails to register and establish a housing provident fund account, may be ordered to rectify such non-compliance within a prescribed time limit, failing which a fine of not less than RMB10,000 nor more than RMB50,000 may be imposed. Where an employer is overdue in, or underpays, housing provident fund contributions, it may be ordered to make payment within a prescribed time limit, and failure to do so may result in an application to a People's Court of the PRC for compulsory enforcement.

During the Track Record Period, no material administrative action, fine or penalty had been imposed by the relevant regulatory authorities with respect to our social insurance, nor had we received any order or been informed to settle the under-contributions. As advised by our PRC Legal Advisor, on the basis that (i) the applicable laws and regulations and the execution and supervision requirements of local government do not materially change, (ii) anonymous telephone consultations with relevant government authorities in certain jurisdictions where our domestic subsidiaries operate indicate that they generally do not initiate proactive audits or require supplementary payments unless prompted by employee complaints, and (iii) we have not received any notices from the relevant government authorities regarding employees' objections or complaints concerning the contribution of social insurance or housing provident funds, as of the Latest Practicable Date, the likelihood that we will be subject to a material administrative penalty by the relevant competent social insurance authorities and be required to pay the outstanding amount is remote. As such, our Directors believe that such non-compliance would not have a material and adverse effect on our business and results of operations.

We have taken the following internal control measures to prevent future occurrences of the above non-compliance:

- *Human Resource Management Policies.* Enhance our human resources management policies, which explicitly require social insurance and housing provident fund contributions to be made in full in accordance with applicable local requirements;
- *Training.* Strengthen the training of our personnel, including training on various compliance-related topics for our employees;
- *Increasing awareness of developments in the law.* Regularly keep abreast of the latest developments in PRC laws and regulations relating to social insurance and housing provident funds;
- *Internal control measures.* Establish an internal control team to monitor our ongoing compliance with the social insurance and housing provident fund contributions regulations and oversee the implementation of any necessary measures; and
- *Consultation.* Consult with our PRC legal counsel on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant regulatory developments; and actively communicate with relevant social insurance and housing fund local authorities to ensure we have the most updated information about the relevant laws and regulations concerning social insurance and housing provident fund.

As of the Latest Practicable Date, we were in the process of rectification with the following rectification timeline: (i) for social insurance and housing provident funds made through third-party agencies, we plan to terminate our cooperation with third-party agencies in the next financial year and arrange for our human resources department to handle the relevant contributions; and (ii) for insufficient contribution amounts, we plan to fully rectify during the social insurance and housing provident fund contribution base adjustment period in the next financial year, subject to local government's notice.

We believe we maintain a good working relationship with our employees, and we have not experienced any material labor dispute or any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date.

AWARDS AND RECOGNITIONS

During the Track Record Period and up to the Latest Practicable Date, we had received awards and recognition in respect of our products, technology and innovation, significant ones of which are set forth below:

Year	Award/Recognition	Awarding Institution/Authority
2025	Provincial Manufacturing Single Champion Enterprise of Guangdong Province 2025 (2025年廣東省省級製造業單項冠軍企業)	Department of Industry and Information Technology of Guangdong Province (廣東省工業和信息化廳)
2025	Annual Best Solution Award in the Semiconductor Industry (半導體行業年度最佳解決方案獎)	Semiconductor Investment Alliance (半導體投資聯盟)
2025	Excellent Innovative Achievement in Power Robots 2025 (2025年度電力機器人優秀創新成果)	EPTC Power Robot Expert Working Committee (EPTC電力機器人專家工作委員會)
2025	Top 10 Application Scenarios for Embodied AI Industry (具身智能行業十大應用場景)	2025 Tech Innovators Summit (2025科技創變者大會)
2025	2025 60 Most Investable Companies in the Robotics Industry Golden Flint Award (2025機器人產業最具投資價值企業TOP60•金燧石獎)	Investor.com, Shenzhen Angel Fund of Funds, Shenzhen Angel Investment Association (投資家網、深圳天使母基金、深圳市天使投資協會)
2024	2024 Outstanding Innovation Achievement Award for Power Utilities Robotics (2024年度電力機器人優秀創新成果獎)	EPTC Power Utilities Robotics Expert Working Committee (EPTC電力機器人專家工作委員會)
2024	Outstanding Enterprise Contribution Award for Industry Standards Development in China's Mobile Robotic Sector (中國移動機器人行業標準建設傑出貢獻企業獎)	Mobile Robotic Industry Alliance (移動機器人產業聯盟)
2024	"Golden Inspection Award" for Technological Innovation in Intelligent Operation Robot Case Study ("金巡獎"智能操作機器人技術創新案例)	National Power Inspection Technology Innovation Application Selection Committee (全國電力巡檢技術創新應用評選組委會)

Year	Award/Recognition	Awarding Institution/Authority
2023	DIA Honorable Mention Award – OW Wafer Handling Robot (DIA佳作獎-OW晶圓搬運機器人)	China Design Intelligence Award Selection Committee (中國設計智選大獎組委會)
2023	Shenzhen Intelligent Robot Application Demonstration Model Case (深圳市智能機器人應用示範典型案例)	Shenzhen Municipal Bureau of Industry and Information Technology (深圳市工業和信息化局)
2023	National "Specialized, Refined, Characteristic, and Innovative ('Little Giant')" Enterprise (國家專精特新"小巨人")	Bureau of Industry and Information Technology (工業和信息化局)
2022	A'Design Award	A'Design Award in Italy

INSURANCE

We consider our insurance coverage adequate, as we have in place all the mandatory insurance policies required by PRC laws and regulations and in accordance with the commercial practices in our industry. Our employee-related insurance consists of pension insurance, maternity insurance, unemployment insurance, work-related injury insurance and medical insurance, as required by PRC laws and regulations.

In line with general market practice, we do not maintain any business interruption insurance or product liability insurance, which are not mandatory under PRC laws. We do not maintain key man life insurance, insurance policies covering damages to our information technology systems or any insurance policies for our properties. See the section headed "Risk Factors — Risks related to our operations — We may not have sufficient insurance coverage to cover our business risks" in this document. During the Track Record Period and up to the Latest Practicable Date, we did not make any material insurance claims in relation to our business.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Governance

We incorporate ESG considerations into our business operations and long-term strategic planning. We have established the Working Rules of the ESG Committee of the Board of Directors for Hefei Youibot Robotics Co., Ltd. (《合肥優艾智合機器人股份有限公司ESG委員會工作細則》), which standardize the ESG governance structure and responsibilities, ESG risk management processes, and key ESG management areas. The ESG Committee, as a specialized working body established by the Board of Directors, is primarily responsible for identifying and evaluating emerging ESG-related trends, risks, and opportunities; developing ESG strategies and objectives; regularly assessing ESG performance; reporting ESG progress and the effectiveness of ESG policies, systems, and controls to the Board annually; and providing recommendations on related matters.

In the future, we plan to further enhance our ESG management capabilities. We will comply with Appendix C2 to the Listing Rules, Environmental, Social and Governance Reporting Code (the "ESG Code"), and publish annual ESG reports. Regular meetings and training sessions will be conducted to ensure Our Board and Management remain informed of ESG developments and to facilitate the effective implementation of ESG initiatives.

Risk Management

We actively evaluate our operations and industry trends, reference domestic and international ESG standards and policies, and incorporate stakeholder feedback to identify and assess the likelihood and potential impact of ESG-related risks. We report ESG-related risks and opportunities to the Board of Directors to ensure both the Board and management have a comprehensive understanding of the Company's ESG risk exposure. During the Track Record Period and as of the Latest Practicable Date, we have not been subject to any significant administrative penalties for violations of environmental, labor, or safety regulations, nor have we incurred any significant capital expenditures or compliance costs related to climate and environmental protection. Within the expected time horizon, we do not anticipate any material ESG-related compliance expenditures.

Environmental Responsibility

We strictly adhering to national and local environmental protection laws and regulations in the countries where we operate. We have obtained ISO 14001 Environmental Management System certification.

Addressing climate change and energy management

We aim to continuously reduce greenhouse gas (GHG) emissions and improve GHG data management. By 2030, we aim to reduce operational (Scope 1 and Scope 2) GHG emission intensity and overall energy consumption intensity both by 5%, using 2024 as the baseline year. To reduce greenhouse gas emissions, we have implemented the following measures:

- Monitor energy usage in production facilities and office areas, track energy consumption patterns, and adjust energy management strategies promptly.
- Require employees to turn off electronic devices and area lighting during non-working hours, and encourage them to prioritize low-carbon transportation options for business travel.
- Promote the greenhouse gas inventory and continuously expand the scope of greenhouse gas inventory.

	For the year ended December 31,		
	2023	2024	2025
Electricity Consumption		*(kWh)*	
Electricity Consumption	382,597.8	471,722.1	611,601.8
Electricity intensity (kWh/million revenue)	3,553.4	1,850.7	1,800.5
GHG Emissions		*(tons of CO_2 equivalent)*	
Total GHG emission (Scope 1 & Scope 2)	**205.3**	**253.1**	**328.2**
GHG emission intensity (tCO_2e/million revenue)	1.9	1.0	1.0
Scope 1	—	—	—
Scope 2	205.3	253.1	328.2
Scope 3	639.4	703.5	922.5

Note 1: Our business operations do not involve Scope 1 GHG emission. Scope 2 calculations include purchased electricity used at the production facilities and office areas.

Note 2: Since 2023, we have been advancing Scope 3 GHG inventory efforts, collecting business travel carbon emissions data from suppliers, and plan to progressively expand the coverage of Scope 3 GHG emissions.

Water resource management

We also focus on the potential impact of our operations on water resources, continuously optimizing water management to ensure compliant water withdrawal and improve water use efficiency. In our daily operations, we monitor and record water usage at our production facilities and offices while promoting green office practices to enhance employees' water conservation awareness. We have set goals to continuously reduce water consumption and promote a water conservation culture. By 2030, we aim to achieve a 5% reduction in water consumption intensity, taking 2024 as the baseline year.

	For the year ended December 31,		
	2023	2024	2025
Water consumption (cubic meters)	2,859.0	3,118.8	4,379.4
Water consumption intensity (cubic meters/million revenue)	26.6	12.2	12.9

Pollution and waste management

We have established policies including the Wastewater Discharge Management Regulations (《廢水排放管理規定》) and Waste Management Regulations (《廢棄物管理規定》) in compliance with relevant laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we have fully complied with all applicable laws and regulations regarding wastewater discharge and waste disposal.

The primary pollutants and waste we handle include household garbage, packaging materials, domestic sewage, etc. Our operations do not involve air pollutant emissions. We have established targets for continuously reducing pollution and emissions, and will further set reasonable measurable goals in the future, based on our specific circumstances. During the Track Record Period and up to the Latest Practicable Date, we disposed of a total of 34 pallets of general waste and 129 kg of electronic waste.

To effectively reduce pollution and waste, we have implemented the following measures:

- Wastewater management: Sewage is treated to meet discharge standards via sedimentation before being directly discharged into the municipal sewage pipeline for centralized treatment. Emission testing is conducted jointly with the Environmental Protection Bureau's monitoring station to ensure compliant discharge.
- General waste management: Implement separate collection and centralized management, requiring each department to dispose of waste in designated locations according to regulations, with administrative departments coordinating its transfer to specialized agencies for processing. Recyclable waste is processed by recycling companies or reused internally;
- Hazardous waste management: We strictly regulate the transportation and storage of hazardous waste and engage certified suppliers for its removal and disposal. Waste electronic components are handled in strict compliance with the hazardous waste management procedures, stored separately in designated areas using specialized containers with proper labeling, subsequently transferred and disposed of in a centralized manner.

Social Responsibility

Products and services

We continuously enhance the quality management of our products and services by implementing management systems such as the Production Process Inspection Standards (《生產制程檢驗規範》) and Finished Product Inspection Standards (《成品檢驗規範》) to ensure product quality throughout the entire process. We have obtained ISO 9001 Quality Management System certification. During the Track Record Period and up to the Latest Practicable Date, we have not been involved in any material accidents, compensation, or fines related to product quality and safety, nor have there been any product recalls due to safety or health reasons.

We have taken the following measures:

- Establish a comprehensive quality management system, promote quality management system certification, continuously optimize quality management-related processes, and mitigate major quality risks;
- Conduct Incoming Quality Control (IQC) inspections to ensure raw material quality meets standards;
- In production, we conduct regular inspections and finished product checks, maintaining detailed records to ensure the functionality and appearance quality of the products meet all requirements. For non-conforming products, we will handle them according to the relevant regulations.

Employment management

We have established systems and standards such as the Employee Handbook (《員工手冊》), Labor Relations Management Policy (《勞動關係管理制度》), Recruitment Management Policy (《招聘管理制度》), and Compensation Management Policy ((《薪酬管理制度》)) to enhance the management of recruitment, training, performance evaluation, and compensation and benefits.

We strictly prohibit any form of child labor or forced labor. We sign labor contracts with employees in compliance with the law and provide social insurance and housing fund contributions. We uphold the principles of openness, fairness, and impartiality, providing equal opportunities in recruitment, career development, and promotion. We do not use race, religion, gender, age, marital status, or health status as criteria for hiring or promotion. We determine employee compensation based on individual comprehensive capabilities, potential, and performance, balancing the company's needs with employees' long-term development.

We ensure our employees' right to statutory and welfare holidays, and provide benefits such as meal and transportation allowances. We establish channels for employee feedback to gather input and suggestions, fostering a positive work environment.

We compile statistics on the number of employees by gender and age. As of December 31, 2025, we had 419 employees. For 2023, 2024 and 2025, our female employees accounted for 20.5%, 19.7% and 20.5% respectively. As of December 31, 2025, 29.4% of our management staff were women. We regularly monitor our employee turnover rates. As of December 31, 2025, our employee turnover rate was 14.1%.

Health and safety

We establish multiple systems, including the Safety Management System (《安全管理制度》), and setting various health and safety objectives such as zero fatalities and serious injuries, zero major fire accidents, zero major equipment accidents, and zero occupational disease incidence among employees. We have obtained ISO 45001 Occupational Health and Safety Management System certification. During the Track Record Period and up to the Latest Practicable Date, we have not experienced any significant health-related claims, penalties, or incidents.

We have taken the following measures:

- Establish a cross-departmental work safety inspection team and create an emergency management mechanism with "hierarchical management and departmental accountability";
- Develop a safety checklist and conduct regular inspections of machine and equipment operation, electrical wiring aging, and workplace protective measures;
- Develop emergency response plans and conduct regular practical drills to improve the ability to handle emergencies;

- Define safety responsibility indicators and evaluation criteria for each position, establish a corresponding reward and penalty system, and assign responsibilities to individuals;
- Strengthen safety training and awareness programs.

Supply chain management

We have established policies such as the Supplier Performance Management Regulations (《供應商績效管理規定》) and Supplier Red Line Management Regulations《供應商紅線管理規定》. Based on the "Supplier Audit Checklist (《供應商審核清單》), we conduct regular multi-dimensional assessments of supplier capabilities and assist suppliers in addressing areas needing improvement. If a supplier fails to meet the required standards after corrective actions, we will immediately terminate all related cooperation with them.

We prioritize the ESG performance of our suppliers by setting requirements for environmental control, workplace safety, labor practices, and business ethics. We have developed the Supplier ESG Code of Conduct (《供應商行為準則》) based on existing supplier management regulations and relevant laws to systematically define suppliers' sustainability responsibilities and compliance obligations. We regularly assess their compliance with these standards and incorporate ESG-related clauses into agreements such as the Purchase Agreement (《采購協議》), Quality Assurance Agreement (《質量保證協議》), and Integrity Agreement (《廉潔協議》). This collaborative approach ensures sustainable development across our supply chain.

Social Welfare

We actively participate in community welfare initiatives to drive community development. We are committed to children's development, organizing various themed activities for youth and children to help create "child-friendly neighborhoods". We also focus on environmental protection, collaborating with company volunteers to conduct tree-planting initiatives in our communities to preserve the ecosystem.

Compliance and Business Ethics

We strictly comply with the laws and regulations in all operational locations and target markets, and are committed to establishing a comprehensive compliance governance system. We maintain a zero-tolerance stance against bribery and corruption, and have established multiple internal policies to combat corruption, bribery, unfair competition, and money laundering.

We have taken the following measures:

- Conduct regular anti-corruption audits to identify and assess potential high-risk areas, and follow up on the completion of relevant corrective measures.
- We have established mechanisms to collect suggestions and misconduct reports from employees, third parties and other stakeholders, and strictly protect the personal information and security of whistleblowers.
- Regularly organize awareness training on compliance and business ethics for employees, directors, supervisors, and senior management.

PROPERTIES

Our R&D headquarter locates in Shenzhen, China. As of the Latest Practicable Date, we did not have any self-owned property, and we leased seven properties in the PRC and Japan with an aggregate gross floor area of 22,289.60 square meters. The leased properties are primarily used as office premises, with some were used as factories.

As of the Latest Practicable Date, among our six leased properties in China, two lease agreements had not been registered with relevant authorities. The failure to register the above lease agreements was primarily due to (i) differences in lease registration policies and practices across localities in the PRC, and the fact that, in the relevant localities, such types of leases are presently outside the scope of the local lease registration system and (ii) inconsistencies between the leased purpose and the property's title purpose. To minimize the potential negative impact of the above lack of registration of lease agreements, we will continue to maintain regular communications with such lessors seeking their cooperation to complete a late filing of the relevant leases. In parallel, we are concurrently evaluating alternative premises in the surrounding areas. In the event that registration cannot be completed and further regulatory rectification is required, we are in a position to effect a timely relocation to the compliant alternative site.

As advised by our PRC Legal Advisor, the non-registration of lease agreements will not affect the validity of the lease agreement and will not lead to any risks of relocation from those leased properties, but the relevant local housing administrative authorities can require us to complete registrations within a specified timeframe and we may be subject to a fine of between RMB1,000 and RMB10,000 for any delay in making registration for each of these lease agreements. In the event that we are required to relocate from such leased property, given the nature of our operation, we believe that it would not be difficult for us to identify and relocate to an alternative premise and relocation would not result in any material disruptions to our business. Although we may incur additional relocation costs, our Directors are of the view that this would not have any material impact on our business, financial position and results of operations. During the Track Record Period and up to the Latest Practicable Date, we had not been required by the relevant local housing administrative authorities to complete the registrations, nor been penalized or fined by the relevant authorities. Our Directors and PRC Legal Advisor are of the view that such incidents will not have any material adverse impact on our business and results of operations.

As of December 31, 2025, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets. According to Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report.

LICENSES, APPROVALS AND PERMITS

During the Track Record Period and as of the Latest Practicable Date, as advised by our PRC Legal Adviser, we had obtained all material licenses and permits required for our business operations in the PRC, and such licenses and permits had remained in full effect.

Industry-Specific Standards

A range of industry-specific standards, definitions, and classifications apply to the research, development, and manufacture of our robots and relevant technologies.

Applicable standards

The principal national and industry standards applicable to our key Specialist Technology Products include:

Standards, certifications and requirements	Definition of the standards, certifications and requirements	Basis of determination	Our compliance with the standards, certifications and requirements
ISO 3691-4:2023 — Industrial Trucks Safety Requirements and Verification — Part 4: Driverless Industrial Trucks and their Systems	This standard is the core safety standard for mobile manipulation robots in industrial environments. It specifies safety functional requirements for driverless industrial vehicles, including personnel detection, speed monitoring, braking systems and operating mode switching. It mandates safety-related control systems achieve PL d or PL e, and is a key harmonized standard under the EU Machinery Directive (2006/42/EC), making CE certification a prerequisite for European market entry.	This standard applies to us as our mobile manipulation robots, including the OW series, ATS series and L series, are designed for deployment as driverless industrial vehicles in industrial environments. Compliance with this standard is also a market requirement for European market entry, and ongoing product development and design are guided by this standard.	All of our mobile manipulation robots exported to Europe fully satisfy the safety standard requirements of ISO 3691-4. Our OW series, ATS series, P series, L series and other products designed for semiconductor applications also satisfy the safety standard requirements of ISO 3691-4. Our control system adopts a dual-channel redundant architecture conforming to Category 4, with the main controller and safety monitoring controller operating independently of each other, ensuring that no single-point failure will result in the loss of safety functions.
ISO 13849-1:2023 — Safety of Machinery Safety-Related Parts of Control Systems — Part 1: General Principles for Design	This standard is the the core foundation for achieving functional safety in mobile manipulation robots, directly determining the safety level of robot control systems. It provides a risk-based methodology for designing safety-related parts of control systems (SRP/CS), defining five performance levels (PL ae). Key safety functions on mobile manipulation robots typically require PL d or PL e. It specifies control system structural categories (B, 1, 2, 3, 4) and quantitative metrics including MTTFd, diagnostic coverage (DC) and common cause failure (CCF).	This standard applies to us as our robots incorporate safety-related parts of control systems requiring functional safety assessment, and compliance is a market requirement for European market entry. Ongoing product development and design are guided by this standard.	The safety function designs of all robot products exported to Europe and our OW series, ATS series, P series, L series and other products designed for semiconductor applications fully satisfy the requirements of ISO 13849-1, Two key functions, navigation and obstacle avoidance and robotic arm movement achieve a safety level of PLd. Our control system adopts a dual-channel redundant architecture conforming to Category 4, with the main controller and safety monitoring controller operating independently of each other, ensuring that no single-point failure will result in the loss of safety functions.

Standards, certifications and requirements	Definition of the standards, certifications and requirements	Basis of determination	Our compliance with the standards, certifications and requirements
GB/T 44589-2024 — Technical Requirements for Adaptive Capability of Robots	This standard is China's first national-level technical standard specifically addressing the "adaptive capability" of robots, filling the gap in standards for intelligent robotic operations in unstructured environments. It defines "adaptive capability" as a robot's ability to autonomously adjust trajectories, applied forces or operational strategies in response to environmental changes in unstructured or semi-structured environments, leveraging force-position collaborative control, to continuously and safely complete predetermined tasks. It applies to industrial, collaborative and mobile manipulation robots.	This standard applies to us as our mobile manipulation robots fall within the scope of industrial and mobile manipulation robots to which this national standard applies, and compliance is a market requirement for the PRC market. Ongoing product development and design are guided by this standard.	The joint modules of our mobile manipulation robots are equipped with high-precision torque sensors or current-loop torque sensing functions, ensuring that force control accuracy during contact operations satisfies Level A1 or above as defined by the standard. We have developed an adaptive grasping module based on the fusion of visual, force and position data, implementing the "pose deviation compensation" function specified in the standard. Extensive sensors are deployed at the end-effectors of our robotic arms to fully perceive environmental changes during operations, ensuring operational compliance and safety.
SEMI S2 — Safety Guidelines for Semiconductor Manufacturing Equipment	SEMI S2 is the universal guideline for semiconductor equipment, covering electrical, mechanical, and chemical risk controls to ensure personnel and environmental safety.	This guideline applies to our industrial intralogistics robots as they are deployed in semiconductor manufacturing environments where SEMI S2 compliance is a standard market and customer requirement. Ongoing product development and design are guided by this guideline.	Our industrial intralogistics robots comply with SEMI S2, covering electrical, mechanical, and chemical risk controls to ensure personnel and environmental safety.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising from the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention. See "Risk Factors — Risks related to our operations — We, our directors, management, employees and shareholders and their affiliates may be subject to lawsuits, contract disputes, employment-related controversies, and other legal and administrative proceedings or fines, which could have a material adverse effect on our business, results of operations, financial condition and reputation" in this document.

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any material legal, arbitral or administrative proceedings, 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.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

RISK MANAGEMENT AND INTERNAL CONTROL

We have implemented a comprehensive framework of risk management measures, internal control policies, and procedures that we deem suitable for our business operations. Our commitment extends to the continual enhancement and refinement of these policies to align with evolving business needs. In addition, we regularly assess the effectiveness and adequacy of our risk management policies and their implementation to ensure that they remain robust and effective.

For the **[REDACTED]**, we engaged an independent internal control consultant to perform an internal control review of our internal control system in accordance with AATB1, which covered corporate governance level and business process level.

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.

All our employees have entered into employment agreements with us containing confidentiality and non-competition clauses. We also require employees to adhere to higher professional ethical standards. We provide all employees with an employee handbook which includes a code of conduct that each employee must adhere to.

Financial Reporting Risk Management

We have adopted a comprehensive framework of accounting policies covering financial reporting management, budget control, treasury operations, financial statement preparation, and the management of finance personnel. The finance department conducts regular reviews of management accounts and financial data to ensure adherence to procedures and timely identification and mitigation of potential risks, thereby strengthening internal controls and enhancing transparency and accountability within our financial reporting framework.

Credit Risk Management

We seek to maintain strict control over our outstanding receivables and have implemented a policy to minimize credit risk. We maintain regular communication with our customers, address potential payment issues proactively, and conduct detailed risk assessments. Our finance department conducts regular reviews of overdue accounts and recoverability of our outstanding balances, prioritizing high-value or long-overdue balances, and when appropriate, provides for impairment of these trade receivables.

Audit Committee and Board Oversight

We have established an Audit Committee to oversee the implementation of our risk management policies, review our financial reporting process and supervise our internal control system on an ongoing basis. See "Directors and Senior Management — Board of directors." We have also established an internal audit department responsible for reviewing the effectiveness of our internal controls, identifying control failures and weaknesses, and reporting any material issues to the Audit Committee and Board of Directors on a timely basis.

Tariff Policy Monitoring

During the Track Record Period, the vast majority of our procurement was sourced from mainland China. We did not procure any materials from the U.S.. Our sales outside Chinese mainland during the Track Record Period were limited, consisting primarily of sales to Germany, Japan, and Thailand, which accounted for 5.5%, 5.8%, and 6.3% of total revenue in 2023, 2024, and 2025, respectively. We did not have any direct sales to U.S. customers, and to the best of our knowledge, no indirect sales to U.S. customers, nor do we expect any in the near future.

Our Directors are of the view that U.S. tariff policies did not have any material adverse impact on our business or financial performance during the Track Record Period and up to the Latest Practicable Date, having considered the following: (i) we had no procurement from, or direct or indirect sales to, the U.S.; (ii) the vast majority of our revenue was derived from domestic sales in mainland China; (iii) we received no feedback from customers indicating that U.S. tariff policies materially affected their demand for our products; and (iv) we did not experience any material adverse changes in order volume, or selling prices as a result of U.S. or other overseas tariff policies.

BOARD OF DIRECTORS

Our Board of Directors comprises seven Directors, including four executive Directors and three independent non-executive Directors. The powers and duties of our Board include determining our business and investment plans, devise management and governance policies and exercising other powers, functions and duties as conferred by the Articles. The table below sets out the key information of our Directors:

Name	Age	Time of joining our Group	Time of appointment as Director	Existing position(s) in our Group	Roles and responsibilities	Relationship with other Directors and senior management
Executive Directors						
Mr. Zhang Zhaohui (張朝輝)	33	May 16, 2017	May 16, 2017	Founder, executive Director, chief executive officer and chairman of the Board	Responsible for the strategic planning, business direction and overall management of our Group	Party acting in concert with Dr. Bian, Mr. Zheng, Mr. Zhao, Mr. Xu and Ms. Mei
Dr. Bian Xu (邊旭)	33	May 16, 2017	June 26, 2019	Founder, executive Director and chief technology officer	Responsible for the management of the overall R&D and technology planning of our Group	Party acting in concert with Mr. Zhang, Mr. Zheng, Mr. Zhao, Mr. Xu and Ms. Mei
Mr. Zheng Hao (鄭昊)	46	January 1, 2018	November 25, 2020	Executive Director and deputy general manager	Responsible for the overall management and daily operation of our Group	Party acting in concert with Mr. Zhang, Dr. Bian, Mr. Zhao, Mr. Xu and Ms. Mei
Ms. Mei Wanqing (梅婉箐)	36	February 24, 2020	July 27, 2023	Executive Director and chief strategy officer	Responsible for the strategic planning, management, equity investment and financing, and other capital matters of our Group	Party acting in concert with Mr. Zhang, Dr. Bian, Mr. Zheng, Mr. Zhao and Mr. Xu
Independent Non-executive Directors						
Mr. Wang Xin (王欣)	59	September 10, 2025	September 10, 2025	Independent non-executive Director	Responsible for providing independent advice to our Board	None
Dr. Yu Zhenzhong (于振中)	46	September 10, 2025	September 10, 2025	Independent non-executive Director	Responsible for providing independent advice to our Board	None
Ms. Chiu Mun Wai (招敏慧)	55	September 10, 2025	September 10, 2025	Independent non-executive Director	Responsible for providing independent advice to our Board	None

Executive Directors

Mr. Zhang Zhaohui (張朝輝), aged 33, is our founder, executive Director, chief executive officer and chairman of the Board. Mr. Zhang founded our Group in May 2017 and has been serving as a Director, the chairman of the Board and the chief executive officer since then. He is primarily responsible for the strategic planning, business direction and overall management of our Group.

In April 2021, Mr. Zhang received the OFweek 2020 China Robotics Industry Person of the Year Award (維科杯 • OFweek 2020中國機器人行業年度風雲人物獎) from the OFweek 2021 10th China Robotics Industry Conference (OFweek 2021 (第十屆)中國機器人產業大會). In April 2021, he was selected as a member of the Forbes 30 Under 30 Asia 2021. In October 2021, Mr. Zhang was also selected as a member of Hurun China Under 30s To Watch 2021 (2021胡潤U30中國創業領袖). In January 2022 Mr. Zhang, along with our Company, won the gold prize of the 7th China International "Internet +" College Students' Innovation and Entrepreneurship Competition (第七屆中國國際"互聯網+"大學生創新創業大賽) held by the Ministry of Education of the PRC. In September 2022, Mr. Zhang won the Best Science and Technology Innovation Award for Outstanding Young Entrepreneurs in the Guangdong-Hong Kong-Macao Greater Bay Area of 2022 (2022年粵港澳大灣區傑出青年企業家最佳科技創新獎) by the Guangdong-HK-Macao Bay Area Entrepreneurs Alliance (粵港澳大灣區企業家聯盟). In November 2022, Mr. Zhang was awarded 2022 Greater Bay Area Strategic Emerging Industries Youth Leader (2022年粵港澳大灣區戰略新 興產業青年領袖) by Shenzhen Strategic Emerging Industries Development Promotion Association (深圳市戰略性新興產業發展促進會) and Shenzhen Special Zone Daily (深圳特區報). In December 2022, he was selected into the 2021 "Science and Technology Innovation China" Youth Entrepreneurship List (2021"科創中國"青年創業榜) by the 2022 "Innovation China" Annual Conference (2022"科創中國"年度會議). In March 2023, he was awarded the 2022 Innovation and Entrepreneurship Talent Award (2022年度創新創業英才獎), an award jointly initiated by Chen Yidan Charity Foundation of Shenzhen (深圳市陳一丹公益慈善基金會) and the China Teacher Development Foundation (中國教師發展基金會) and supported by the Ministry of Education of the PRC. In August of the same year, he was awarded the Emerging Entrepreneurs Award of the Capek Prize 2022 (2022年度恰佩克第八屆年度新鋭企業家獎) by China Association for Mechatronics Technology and Application (中國機電一體化技術應用協會). In August 2024, Mr. Zhang was awarded 2024 Fortune China 40 Under 40 Most Promising Business Elites. In December 2024, Mr. Zhang won the honor of the Fifth Shenzhen New Generation Innovation and Entrepreneurship Person (第五屆深圳新生代創新創業風雲人物), which was awarded by the Shenzhen Enterprise Confederation (深圳市企業聯合會). In April 2025, Mr. Zhang won the title of Top 20 Outstanding Young Entrepreneurs of Shenzhen U45 Outstanding Young Entrepreneurs (深圳U45傑出青年企業家之"二十大卓越青年企業家") jointly awarded by Federation of Shenzhen Commerce (深商總會), Shenzhen General Chamber of Commerce (深圳市商業聯合會), Shenzhen Time-honoured Brands Association (深圳市老字號協會), Shenzhen SME Public Service Alliance (深圳市中小企業公共服務聯盟), Hong Kong Greater Bay Area Industry and Commerce Association (香港大灣區工商業聯合會), Guangdong-Hong Kong-Macao Greater Bay Area Industrial Synergy Development Association (廣東省粵港澳大灣區產業協同發展聯合會), Shenzhen Shenshang Charity Foundation (深圳市深商公益基金會), and Shenzhen Shenshang Research Association (深圳市深商研究會). In 2025, Mr. Zhang was awarded the honor of Top Ten Youth Role Models in Shenzhen which held by Shenzhen Fortune Online Network Co., Ltd. (深圳市財富在線網絡有限公司).

Mr. Zhang obtained his bachelor's degree in mechanical engineering and automation from Xi'an Jiaotong University (西安交通大學) in the PRC in July 2014. Mr. Zhang is currently pursuing his Ph.D. degree in mechanical engineering majoring in robotics at Xi'an Jiaotong University (西安交通大學) in the PRC.

Dr. Bian Xu (邊旭), aged 33, is our founder, executive Director and chief technology officer. He is primarily responsible for the management of the overall R&D and technology planning of our Group.

Dr. Bian joined our Group in May 2017 and has served as the executive Director and the chief technology officer of our Company since then.

Dr. Bian received the award of Forbes China 30 Under 30 in 2021. Dr. Bian received the silver award of the main track from the Fourth China "Internet+" College Students Innovation and Entrepreneurship Competition (第四屆中國"互聯網+"大學生創新創業大賽) in October 2018. Mr. Bian received the golden award from the main track of the Seventh China "Internet+" College Students Innovation and Entrepreneurship Competition (第七屆中國"互聯網+"大學生創新創業大賽) in October 2021. Dr Bian was included in the 2022 CYZone (創業邦) "30 Entrepreneur Pioneers Under 30" (30位30歲以下創業先鋒). He has published six high-quality academic papers.

Dr. Bian obtained his bachelor's degree in mechanical engineering and automation in June 2015 from Xi'an Jiaotong University (西安交通大學) in the PRC, and obtained his Ph.D. degree in mechanical engineering at Xi'an Jiaotong University (西安交通大學) in the PRC in September 2025.

Mr. Zheng Hao (鄭昊), aged 46, is our executive Director and deputy general manager. He is primarily responsible for the overall management and daily operation of our Group.

Mr. Zheng joined our Group in January 2018 and has served as the executive Director since November 2020 and the deputy general manager since January 2018. Prior to joining our Group, he served as Incubator Chief Technology Officer at the headquarters of the Michelin (China) Investment Co., Ltd. (米其林(中國)投資有限公司), a subsidiary of Compagnie Generale des Etablissements Michelin, company listed on the Euronext Paris stock exchange (ML: XPAR) between April 2014 and December 2017, and the project manager (from 2004 to 2008) and the director of the CRM Service Business Unit (from 2009 to 2014) of Arvato Systems (Shanghai) Co., Ltd. (歐唯特信息系統(上海)有限公司) between March 2004 and March 2014.

Mr. Zheng obtained a bachelor's degree in accounting from China University of Mining and Technology (中國礦業大學) in the PRC in July 2001 and an executive master of business administration from China Europe International Business School (中歐國際工商學院) in the PRC in November 2024.

Ms. Mei Wanqing (梅婉箐), aged 36, is our executive Director and chief strategy officer. Ms. Mei is primarily responsible for the strategic planning, management, equity investment and financing, and other capital matters of our Company.

Ms. Mei joined our Group in February 2020 and has served as the executive Director since July 2023. Prior to joining our Group, Ms. Mei served as a corporate development manager of Shenzhen Da-Jiang Innovations Sciences and Technologies Ltd. (大疆創新科技有限公司) from November 2013 to January 2018, where she was primarily responsible for industry analysis on the drones and strategic investments. From January 2018 and June 2019, Ms. Mei worked as a strategic consultant of the office of the chief information officer of Ping An Technology (Shenzhen) Co., Ltd. (平安科技(深圳)有限公司), responsible for strategic analysis and industry research relating to the group's artificial intelligence business segment. In July 2025, Ms. Mei obtained the certificate of the Industry Master from the Master of Business Administration program of the Chinese University of Hong Kong. In December 2025, Ms. Mei obtained the award of 2025 Forbes China Ingenuity Women (2025福布斯中國女性創造力) and made into the 2025 Forbes China Returnee Ellte Top 100 List (2025福布斯中國青年海歸菁英100人).

Ms. Mei obtained a bachelor's degree in finance in December 2011 from University of Nebraska-Lincoln in the U.S. and her master of business administration in November 2020 from the Chinese University of Hong Kong.

Independent Non-executive Directors

Mr. Wang Xin (王欣), aged 59, was appointed as an independent non-executive Director in September 2025. Mr. Wang is primarily responsible for providing independent advice to the Board.

Mr. Wang is currently serving as director and the general manager of Beijing Century Pengxin Management Consulting Co., Ltd. (北京世紀鵬信管理諮詢有限公司). He worked at IBM (China) Company Limited (國際商業機器(中國)有限公司) from January 1993 to October 2003 (with his last position as the general manager of the China division of the government and public services department), Motorola (China) Electronics Ltd. (摩托羅拉(中國)電子有限公司) from October 2003 to July 2008 (with his last position as the general manager of the North Asia division of the government and enterprise mobility solutions department), served as the sales director of the North Asia division for professional wireless communications business and the general manager of Clarigo Technology (Shanghai) Co., Ltd. (凱益通信科技(上海)有限公司, formerly known as Shanghai Motorola Communication Products Trading Co., Ltd. (上海摩托羅拉通信產品貿易有限公司)) from April 2006 to July 2008, and deputy president and the general manager of the Great China public services department of Microsoft (China) Co., Ltd. (微軟(中國)有限公司) from July 2008 to September 2010. He served as president of Peter F. Drucker Academy in China, and partner of Beijing Qihe Tongchuang Management Consulting Partnership Enterprise (Limited Partnership) (北京七和同創管理諮詢合夥企業(有限合夥)). Mr. Wang served as adviser (from September 2010 to June 2015) and director (from January 2011 to June 2015) at Eastern Communications Co., Ltd. (東方通信股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600776), and director at Eastcompeace Technology Co., Ltd. (東信和平科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002017) from September 2010 to January 2022.

Mr. Wang Xin obtained his bachelor's degree in microelectronics from Beijing University of Technology (北京工業大學) in the PRC in July 1990 and his executive master in business administration from China Europe International Business School (中歐國際工商學院) in the PRC in September 2006 and his master of philosophy from Nottingham Trent University in the United Kingdom in July 2014.

Dr. Yu Zhenzhong (于振中), aged 46, was appointed as an independent non-executive Director in September 2025. Dr. Yu is primarily responsible for providing independent advice to the Board.

Dr. Yu is currently serving as dean of Hefei Intelligent Robot Institute (合肥市智能機器人研究院) in Anhui province of the PRC, general manager of Zhangjiagang Hagong Robot Technology Co., Ltd. (張家港哈工機器人科技有限公司) from October 2013 to July 2016, he worked in HRG Robot Limited (哈工大機器人集團有限公司) from January 2015 to July 2022 and in 2022, he was appointed as its co-president and chief engineer.

Dr. Yu obtained his Ph.D. degree in mechanical electronics engineering from Harbin Institute of Technology (哈爾濱工業大學) in the PRC in December 2010.

Dr. Yu was a director of Nantong Rongyi Automation Technology Co., Ltd. (南通榮益自動化科技有限公司) ("Nantong Rongyi") which was incorporated in the PRC prior to its business license being revoked. The principal business of Nantong Rongyi was research and development, production, and sales of intelligent service robots, mechatronic systems, automation control equipment and environmental protection equipment and sales of electronic components and computer consumables. The business license of Nantong Rongyi was revoked due to cessation of business operation and the company was subsequently deregistered on December 11, 2014. To the best of our Directors' knowledge, information and belief, there was no judgment or findings of fraud, dishonesty, any misconduct or wrongful act on the part of Dr. Yu involved in the revocation of the business license of the above company, and as of the Latest Practicable Date, there was no outstanding liability or ongoing claim or litigation against Dr. Yu in his capacity as a director prior to the revocation. Dr. Yu confirmed that this company was solvent at the time its business license was revoked.

Ms. Chiu Mun Wai (招敏慧), aged 55, was appointed as an independent non-executive Director in September 2025. Ms. Chiu is primarily responsible for providing independent advice to the Board.

Ms. Chiu is currently serving as independent non-executive director of Bama Tea Co., Ltd. (八馬茶業股份有限公司) a company listed on Hong Kong Stock Exchange (stock code: 6980), China Resources Pharmaceutical Group Limited (華潤醫藥集團有限公司) and China Communications Services Corporation Limited (中國通信服務股份有限公司). She joined KPMG in August 1991 and served as the partner of KPMG Huazhen LLP Shenzhen Branch (畢馬威華振會計師事務所(特殊普通合夥)深圳分所) from July 2005 to March 2018 and the deputy chief financial officer of SCPG Capital Company Limited from August 2018 to December 2019. From April 2011 to March 2017, Ms. Chiu was also a member of the Appeal Review Committee of the Shenzhen Stock Exchange (深圳證券交易所上訴覆核委員會).

Ms. Chiu obtained her bachelor's degree in law from Peking University (北京大學) in the PRC in July 1999 and master's degree in science, majoring in finance from Chinese University of Hong Kong in December 1999. Ms. Chiu has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants (香港會計師公會註冊會計師) since January 1995.

General Confirmations

Save as disclosed above and in this document, each of our Directors has confirmed that he/she has no other relationship with any other Directors and senior management of our Company and none of our Directors or senior management has held any other directorships in listed companies during the three years immediately preceding the date of this document.

Save as disclosed above, to the best knowledge of our Directors, there are no other matters relating to the appointment of our Directors that need to be brought to the attention of our Shareholders and there is no other information in relation to our Directors which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Each of our Directors has confirmed that he/she obtained legal advice on September 20, 2025 with regard to the requirements under the Listing Rules that are applicable to him/her as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange as set out in Rule 3.09D of the Listing Rules and he/she understood his/her obligations as a director of a listed issuer.

Each of our independent non-executive Directors has confirmed (i) his or her independence with regards to each of the factors as set out in Rule 3.13(1) to (8) of the Listing Rules and that there are no other factors that may affect his or her independence at the time of his appointment, (ii) he or she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his or her independence at the time of his or her appointment.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The table below sets out the key information of our senior management:

Name	Age	Time of joining our Group	Time of appointment as senior management	Existing position(s) in our Group	Roles and responsibilities	Relationship with other Directors and senior management
Mr. Zhang Zhaohui (張朝輝)	33	May 16, 2017	May 16, 2017	Founder, executive Director, chief executive officer and chairman of the Board	Responsible for the strategic planning, business direction and overall management of our Group	Party acting in concert with Dr. Bian, Mr. Zheng, Mr. Zhao, Mr. Xu and Ms. Mei

Name	Age	Time of joining our Group	Time of appointment as senior management	Existing position(s) in our Group	Roles and responsibilities	Relationship with other Directors and senior management
Dr. Bian Xu (邊旭)	33	May 16, 2017	May 16, 2017	Founder, executive Director and chief technology officer	Responsible for the management of the overall R&D and technology planning of our Group	Party acting in concert with Mr. Zhang, Mr. Zheng, Mr. Zhao, Mr. Xu and Ms. Mei
Mr. Xu Jin (許瑨)	31	May 16, 2017	June 1, 2024	Founder, chief product officer	Responsible for the product planning and management of our Group	Party acting in concert with Mr. Zhang, Dr. Bian, Mr. Zheng, Mr. Zhao and Ms. Mei
Mr. Zhao Wanqiu (趙萬秋)	31	May 16, 2017	November 1, 2024	Founder, chief embodied AI engineer	Responsible for the embodied AI products of our Group	Party acting in concert with Mr. Zhang, Dr. Bian, Mr. Zheng, Mr. Xu and Ms. Mei
Mr. Zheng Hao (鄭昊)	46	January 1, 2018	January 1, 2018	Executive Director and deputy general manager	Responsible for the overall management and daily operations of our Group	Party acting in concert with Mr. Zhang, Dr. Bian, Mr. Zhao, Mr. Xu and Ms. Mei
Mr. Wang Changqiu (王長秋)	41	September 6, 2022	September 9, 2022	Chief financial officer, Board secretary and joint company secretary	Responsible for the overall financial management and capital operations of our Group	None

Mr. Zhang Zhaohui (張朝輝), aged 33, is our founder, executive Director, chief executive officer and chairman of the Board. For Mr. Zhang's biography, please see "— Directors — Executive Directors" in this section.

Dr. Bian Xu (邊旭), aged 33, is our founder, executive Director and chief technology officer. For Dr. Bian's biography, please see "— Directors — Executive Directors" in this section.

Mr. Xu Jin (許瑨), aged 31, is our founder and chief product officer. He is mainly responsible for the product planning and management of our Group.

Mr. Xu co-founded our Group in May 2017 and has served as chief product officer since June 2024. Mr. Xu received the award of Forbes China 30 Under 30 in 2022.

Mr. Xu obtained a bachelor's degree in mechanical engineering and automation from Xi'an Jiaotong University (西安交通大學) in the PRC in June 2016. Mr. Xu obtained his master's degree in mechanical engineering from Xi'an Jiaotong University (西安交通大學) in the PRC in June 2019.

Mr. Zhao Wanqiu (趙萬秋), aged 31, is our founder and chief embodied AI engineer. He is mainly responsible for the research and development of the embodied AI products of our Group.

Mr. Zhao co-founded our Group in May 2017 and has served as the chief embodied AI engineer of institute of embodied AI robots of our Group since November 2024. He is a recipient of the 36 Under 36 Scientist-Entrepreneur (36Under36 科學家型創業者) award for 2024.

Mr. Zhao obtained a bachelor's degree in mechanical engineering and automation from Xi'an Jiaotong University (西安交通大學) in the PRC in June 2016. Mr. Zhao pursued his Ph.D. degree in mechanical engineering majoring in robotics at Xi'an Jiaotong University (西安交通大學) in the PRC from March 2018 to December 2023.

Mr. Zheng Hao (鄭昊), aged 46, is our executive Director and deputy general manager. For Mr. Zheng's biography, please see "— Directors — Executive Directors" in this section.

Mr. Wang Changqiu (王長秋), aged 41, is our chief financial officer, Board secretary and joint company secretary. He is mainly responsible for the overall financial management and capital operations of our Group.

Mr. Wang joined our Group in September 2022 and has served as the chief financial officer since September 2022, the Board secretary since July 2025 and the joint company secretary since September 2025.

Mr. Wang has nearly 21 years of experience in the management of financial operations. Prior to joining our Group, Mr. Wang served at Beihai Yinhe Industry Investment Co., Ltd. (北海銀河生物產業投資股份有限公司) from June 2004 to March 2006. From April 2006 to August 2017, he served at Huawei Technologies Co., Ltd. (華為技術有限公司). From October 2017 to November 2018, he served at Alibaba (China) Network Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司). From February 2019 to August 2020, he served as the chief financial officer at Kinji Group Co., Ltd. (勤基集團有限公司). From October 2020 to August 2022, he served as the deputy chief financial officer at Wingtech Co., Ltd. (聞泰科技股份有限公司).

Mr. Wang obtained a bachelor's degree in financial management from Southwestern University of Finance and Economics (西南財經大學) in the PRC in June 2004.

JOINT COMPANY SECRETARY

Mr. Wang Changqiu (王長秋), aged 41, was appointed as one of our joint company secretaries on September 19, 2025 with effect from the Listing Date. For Mr. Wang's biography, see "— Senior Management" of this section.

Ms. Leung Hoi Yan (梁愷欣) was appointed as one of our joint company secretaries of our Company on September 19, 2025 with effect from the Listing Date.

Mr. Leung is an assistant manager of the department of entity solutions at Computershare Hong Kong Investor Services Limited. She has over 14 years of experience in company secretarial services and corporate governance for listed companies in Hong Kong and currently she is the joint company secretary and company secretary for various companies listed on the Stock Exchange.

Ms. Leung holds a degree of bachelor of commerce with honors in accounting from Hong Kong Shue Yan University. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

Our Board has established the Audit Committee, the Remuneration Committee and the Nomination Committee, and delegated various responsibilities to these committees, which assist our Board in discharging its duties and overseeing particular aspects of our Group's activities.

Audit Committee

We have established the Audit Committee pursuant to Rule 3.21 of the Listing Rules with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "CG Code"). The Audit Committee consists of Dr. Yu Zhenzhong, Mr. Wang Xin and

Ms. Chiu Mun Wai. Ms. Chiu Mun Wai is the chairperson of the Audit Committee and has the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The primary duties of the Audit Committee are (i) to review the performance of the external auditors each year, and to make recommendations to the Board regarding their appointment, reappointment, removal, remuneration, and terms of engagement; (ii) to act as liaison among the company, the internal audit department, and the external auditors; (iii) to oversee the company's financial affairs and financial reporting, risk management, compliance management and internal control systems; (iv) to supervise the conduct of directors and senior management in performing their duties, and to make proposals to resolutions of the shareholders' meeting, including those regarding removal of directors or senior management who violate laws, administrative regulations, the articles of association of our Company; (v) to require directors or senior management to rectify any conduct that damages the interests of our Company; (vi) to propose and convene extraordinary general meetings of shareholders, and to convene and preside over shareholders' meetings when the Board fails to perform its statutory duty to do so; and (vii) to perform other duties and responsibilities as assigned by our Board and/or required by applicable laws and regulations (including the Listing Rules) from time to time.

Remuneration Committee

We have established the Remuneration Committee pursuant to Rule 3.25 of the Listing Rules with written terms of reference in compliance with the CG Code. The Remuneration Committee consists of Mr. Zhang Zhaohui, Mr. Wang Xin and Dr. Yu Zhenzhong. Mr. Wang Xin is the chairperson of the Remuneration Committee.

The primary duties of the Remuneration Committee are (i) to establish the assessment criteria for directors and senior management and to conduct their assessments; (ii) to formulate and review remuneration decision mechanisms, decision-making procedures, payment and clawback arrangements, as well as other remuneration policies and schemes for directors and senior management; (iii) to make recommendations to the Board on the remuneration of directors and senior management, compensation payments relating to loss or termination of office, dismissal, removal or appointment of executive directors and senior management, the formulation or amendment of equity incentive plans and employee share ownership schemes, as well as the fulfillment conditions for exercising rights of the incentive targets; and (iv) to perform other duties and responsibilities as assigned by our Board and/or required by applicable laws and regulations (including the Listing Rules) from time to time.

Nomination Committee

We have established the Nomination Committee pursuant to Rule 3.27A of the Listing Rules with written terms of reference in compliance with the CG Code. The Nomination Committee consists of Mr. Zhang Zhaohui, Ms. Chiu Mun Wai and Dr. Yu Zhenzhong. Mr. Zhang Zhaohui is the chairperson of the Nomination Committee.

The primary duties of the Nomination Committee are (i) to formulate the selection criteria and procedures for directors and senior management, to select and review candidates and their suitability and qualifications, and to make recommendations to the Board on appointment, re-appointment, removal of directors and senior management; (ii) to make recommendations to the Board at least annually regarding the size and composition of the Board, including its structure, number of members, and composition (with respect to skills, knowledge, and experience), and to make recommendations on any proposed changes to the Board to align with the company's strategy; (iii) to evaluate the independence of independent non-executive Directors; (iv) to develop, review and maintain Board diversity policies; and (v) to perform other duties and responsibilities as assigned by our Board and/or required by applicable laws and regulations (including the Listing Rules) from time to time.

BOARD DIVERSITY POLICY

Our Board has adopted a board diversity policy ("Board Diversity Policy"), which sets out the approach to achieve diversity on our Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Company's strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. 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. All Board appointments will be based on merit and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Our Board has a balanced mix of knowledge, skills and experience, including but without limitation robotics, artificial intelligence, business management, investment and accounting. Members of our Board have obtained degrees in various majors including robotics, engineering, accounting, finance and law. We have three independent non-executive Directors from different 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 two female Directors and five male Directors and expects to continue to maintain an appropriate gender mix in the Board upon **[REDACTED]**. 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 at our Board and senior management levels. Our Board Diversity Policy provides that our Board should not be a single gender board. We will also ensure that there is gender diversity when recruiting staff at mid- to senior- level so that we will have a pipeline of senior management and potential successors to our Board going forward to achieve and maintain gender diversity. It is our objective to maintain an appropriate balance of gender diversity with reference to the expectations of stakeholders and international and local recommended best practices.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After **[REDACTED]**, our Nomination Committee will review our Board Diversity Policy and its implementation from time to time to monitor its continued effectiveness and we will disclose the implementation of our Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives, in our corporate governance report on an annual basis.

CORPORATE GOVERNANCE

We aim to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders. In order to achieve this, we expect to comply with the CG Code after the **[REDACTED]**, save for Code Provision C.2.1 of the CG Code, which stipulates that the roles of chairman of the Board and chief executive officer should be separate and should not be performed by the same individual.

The role of chairman of our Board and the role of chief executive officer of our Company are both held by Mr. Zhang. In view of Mr. Zhang's experience, personal profile and substantial contribution to our Group since our establishment, and the fact that Mr. Zhang has assumed the role of chief executive officer of our Company since our incorporation, we consider it to be beneficial to the management and business development of our Group to have Mr. Zhang act as the chairman of the Board and continue his role as the chief executive officer of our Company after **[REDACTED]**. Our Board believes this arrangement with Mr. Zhang will provide a strong and consistent leadership to our Group.

While this would constitute a deviation from Code Provision C.2.1 of the CG Code, our Board believes that this structure will not impair the balance of power and authority between our Board and the management of our Company, given that: (i) there are sufficient checks and balances on our Board, as decisions to be made by our Board requires the approval of at least a majority of our Directors, and our Board comprises three independent non-executive Directors as required under the Listing Rules; (ii) Mr. Zhang and our other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among others, that they act for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of our Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Furthermore, the key business, financial, and operational policies of our Group as well as the overall strategic development goals of our Group are made collectively by our Board and senior management after thorough discussions.

Our Board will continue to evaluate and consider if dividing the roles of the chairman of our Board and the chief executive officer of our Company at an appropriate time is necessary, taking into account the circumstances of our Group as a whole.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and members of our senior management receive compensation from our Group in the form of salaries, bonuses and allowances.

The aggregate remuneration (including salaries, bonuses and allowances) paid or payable to our Directors for the three years ended December 31, 2025 was RMB3.8 million, RMB4.5 million and RMB4.4 million, respectively. Save as disclosed above, no amounts have been paid or are payable by any member of our Group to our Directors for the three years ended December 31, 2025.

The aggregate amount of salaries, bonuses and allowances paid or payable to our five highest paid individuals (excluding Directors) in respect of the three years ended December 31, 2025 was RMB7.7 million, RMB8.7 million and RMB8.5 million, respectively.

No remuneration was paid by us to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as compensation for loss of office in respect of the three years ended December 31, 2025. Further, none of our Directors had waived or agreed to waive any remuneration during the same periods.

Under the arrangement currently in force, the aggregate remuneration (including salaries, bonuses and allowance) of our Directors for the year ending December 31, 2026 is estimated to be approximately RMB5.07 million.

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will, following the **[REDACTED]**, receive recommendation from the Remuneration Committee, which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and performance of our Group.

EMPLOYEE INCENTIVE SCHEME

For further details of our Employee Incentive Scheme, see "Appendix VI — Statutory and General Information — D. Employee Incentive Scheme" for details.

DISCLOSURE UNDER RULE 8.10 OF THE LISTING RULES

Each of our Directors confirms that, as of the Latest Practicable Date, he/she did not have any interest in any business which competes or is likely to compete directly or indirectly with our business and requires disclosure under Rule 8.10 of the Listing Rules.

COMPLIANCE ADVISOR

We have appointed Rainbow Capital (HK) Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Advisor will advise our Company in the following circumstances:

- before the publication of any regulatory announcement, circular and financial report;
- where a transaction, which might be notifiable or connected transaction under the Listing Rules, is contemplated, including shares issues, sales and transfers of treasury shares and share repurchases;
- where our Company proposes to use the **[REDACTED]** from the **[REDACTED]** in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and
- where the Stock Exchange makes an inquiry of our Company regarding unusual movements in the price or trading volume of our H Shares under Rule 13.10 of the Listing Rules.

The term of the appointment shall commence on the Listing Date and end on the date on which our Company distributes our annual report in respect of our financial results for the first full financial year commencing after the **[REDACTED]** Date.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the Share Subdivision, the **[REDACTED]** and the Conversion of Unlisted Shares into H Shares, and assuming the **[REDACTED]** is not exercised, the following persons will have interests and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of our Company:

		Immediately following the [REDACTED] (assuming the [REDACTED] is not exercised)	
Name of Shareholder	**Nature of Interest**	**Number of Shares[1][2]**	**Approximate percentage of shareholding in the total share capital of our Company[3]**
Mr. Zhang	Beneficial owner	**[REDACTED]**	**[REDACTED]**%
	Interest of person acting in concert[4]	**[REDACTED]**	**[REDACTED]**%
Mr. Mei	Beneficial owner	**[REDACTED]**	**[REDACTED]**%
	Interest of person acting in concert[4]	**[REDACTED]**	**[REDACTED]**%
Dr. Bian	Beneficial owner	**[REDACTED]**	**[REDACTED]**%
	Interest of person acting in concert[4]	**[REDACTED]**	**[REDACTED]**%
Xi'an Youai	Beneficial owner	**[REDACTED]**	**[REDACTED]**%
	Interest of person acting in concert[4]	**[REDACTED]**	**[REDACTED]**%
SIG China	Beneficial owner[5]	**[REDACTED]**	**[REDACTED]**%

Notes:

(1) All interests stated are long positions.

(2) The number of Shares is presented based on the assumption that the Share Subdivision is completed.

(3) The calculation is based on the total number of **[REDACTED]** H Shares to be converted from Unlisted Shares in issue and **[REDACTED]** H Shares to be issued pursuant to the **[REDACTED]** (assuming that the **[REDACTED]** are not exercised).

(4) Pursuant to the Acting in Concert Agreement, Mr. Zhang, Mr. Mei, Dr. Bian and Xi'an Youai, among others, confirmed and agreed that, since February 24, 2020, they have acted and will continue to act in concert when exercising their shareholder rights as Shareholders of the Company or their voting power as a member of the Board (as the case may be) until December 31, 2027. Therefore, under the SFO, each of Mr. Zhang, Mr. Mei, Dr. Bian, and Xi'an Youai was deemed to be interested in the Shares held by each other. For further details related to the Acting in Concert Agreement, see "History, Development and Corporate Structure" in this document.

(5) As of the Latest Practicable Date, SIG China (Shanghai) Equity Investment Fund Partnership (Limited Partnership) (海納華(上海)股權投資基金合夥企業(有限合夥)) ("SIG China") was held as to (i) approximately 1.00% by SIG China Investments GP, LLC as its general partner and (ii) approximately 99.00% by SIG Pacific Holdings, LLLP. Each of SIG China, SIG Pacific Holdings, LLLP and SIG China Investments GP, LLC is ultimately beneficially owned by an individual who is a US citizen, an Independent Third Party. Therefore, under the SFO, such US citizen was deemed to be interested in the Shares held by SIG China in our Company.

Saved as disclosed herein, our Directors are not aware of any other person who will, immediately following the completion of the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised) and the Conversion of Unlisted Shares into H Shares, have any interest and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company.

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 capital of our Company was RMB24,380,426, comprising 24,380,426 Shares of nominal value of RMB1.0 each.

UPON COMPLETION OF THE SHARE SUBDIVISION AND THE [REDACTED]

Immediately following the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), the share capital of our Company will be as follows:

Number of Shares	Description of Shares	Approximate percentage of total issued share capital
[REDACTED]	H Shares converted from Unlisted Shares[(1)]	**[REDACTED]**%
[REDACTED]	H Shares to be issued under the **[REDACTED]**	**[REDACTED]**%
[REDACTED]	Total	100.00%

(1) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon **[REDACTED]**, see "History, Development and Corporate Structure — Capitalization of our Company".

Immediately after the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]** (assuming the **[REDACTED]** is exercised in full), the share capital of our Company will be as follows:

Number of Shares	Description of Shares	Approximate percentage of total issued share capital
[REDACTED]	H Shares converted from Unlisted Shares[(1)]	**[REDACTED]**%
[REDACTED]	H Shares to be issued under the **[REDACTED]**	**[REDACTED]**%
[REDACTED]	Total	100.00%

(1) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon **[REDACTED]**, see "History, Development and Corporate Structure — Capitalization of our Company".

SHARE CLASSES AND RANKING

Upon the completion of the Share Subdivision, the **[REDACTED]** and the Conversion of Unlisted Shares into H Shares, we would only have one class of Shares, H Shares as ordinary Shares in the share capital of our Company.

Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities (such as our certain existing shareholders the Unlisted Shares held by whom will be converted into H Shares according to the approval of with the CSRC), H Shares generally cannot be subscribed for by or traded between legal or natural PRC persons.

All dividend for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi. Other than cash, dividends could also be paid in the form of shares or a combination of cash and shares.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

Pursuant to the PRC Company Law and the Articles of Association, our Company may from time to time by special resolution of shareholders, among others, increase its capital or decrease its capital. For details of circumstances under which our Shareholders' general meetings are required, see "Appendix V — Summary of Articles of Association" in this document.

CONVERSION OF UNLISTED SHARES INTO H SHARES

Pursuant to the regulations prescribed by the securities regulatory authorities of the State Council, the Unlisted Shares may be converted into H Shares. Such converted Shares could be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares, any requisite internal approval process has been duly completed and all the filling procedures with the relevant regulatory authorities, including CSRC which requires administrative filing procedures for the conversion, trading and listing of such converted Shares, have been obtained. In addition, such conversion, trading and listing shall comply with the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. If any of the Unlisted Shares are to be converted, listed and traded as H Shares on the Stock Exchange, such conversion, listing and trading will need to be filed with the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange.

We will perform the following procedures for the Conversion of Unlisted Shares into H Shares after receiving the approval of the Stock Exchange: (a) giving instructions to our **[REDACTED]** regarding relevant share certificates of the converted H Shares; and (b) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS.

The Conversion of Unlisted Shares into H Shares will involve an aggregate of **[REDACTED]** Unlisted Shares held by **[REDACTED]** existing Shareholders (taking into account the Share Subdivision), representing approximately **[REDACTED]**% of total issued Shares of the Company as of the Latest Practicable Date and approximately **[REDACTED]**% of total issued Shares of the Company upon completion of the Share Subdivision and the Conversion of Unlisted Shares into H Shares and the **[REDACTED]** (assuming the **[REDACTED]** is not exercised).

Filing with the CSRC and Full Circulation Application

In accordance with the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請「全流通」業務指引》) and the Overseas Listing Trial Measures announced by the CSRC, H-share listed companies which apply for the conversion of domestic shares and unlisted foreign shares into H shares for listing and circulation on the Stock Exchange shall file the application with the CSRC according to the administrative filing procedures necessary for the Overseas Listing Trial Measures. An H-share listed company may apply for a "Full Circulation" separately or when applying for refinancing overseas. An unlisted domestic joint stock company may apply for "Full Circulation" when applying for an overseas initial public offering.

We [have] filed with the CSRC for, and received the filing notice from the CSRC dated [•] in relation to the **[REDACTED]** and the conversion of **[REDACTED]** Unlisted Shares (taking into account the Share Subdivision) into H Shares on a one-for-one basis upon **[REDACTED]**.

Listing Approval by the Stock Exchange

We [have] applied to the Stock Exchange for the approval for the granting of listing of, and permission to deal 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]**) and the H Shares to be converted from **[REDACTED]** Unlisted Shares (taking into account the Share Subdivision) on the Stock Exchange, which is subject to the approval by the Stock Exchange.

TRANSFER OF SHARES ISSUED PRIOR TO [REDACTED]

The PRC Company Law provides that in relation to the public offering of a company, the shares issued prior to the public offering shall not be transferred within a period of one year from the date on which the publicly offered shares are listed on any stock exchange. Accordingly, Shares issued by our Company prior to the **[REDACTED]** shall be subject to such statutory restriction and not be transferred within a period of one year from the Listing Date. See "History, Development and Corporate Structure — **[REDACTED]** Investments."

For details of the lock-up undertaking given pursuant to the PRC Company Law and the Listing Rules, see "History, Development and Corporate Structure — Lock-up Periods" and "**[REDACTED]** — **[REDACTED]** Arrangements and Expenses — Undertakings to the Stock Exchange pursuant to the Listing Rules."

REGISTRATION OF SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies, the domestic shareholders of unlisted shares shall handle share transfer registration in accordance with the relevant rules of China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司) (the "CSDC"), and H-share companies should submit relevant status reports to the CSRC within 15 days after the shares involved in the application completing the transfer registration in the CSDC.

GENERAL MANDATE TO ISSUE SHARES, SELL AND/OR TRANSFER TREASURY SHARES AND REPURCHASE MANDATE

Subject to the completion of the **[REDACTED]**, pursuant to the Shareholders resolutions of the Company, our Directors have been granted general unconditional mandates to allot, issue Shares, or sell and/or transfer Shares out of treasury that are held as treasury shares. See "Statutory and General Information — A. Further Information about Our Company — 5. Resolutions of our Shareholders" in Appendix VI to this document for further details.

You should read the following discussion and analysis in conjunction with our consolidated financial statements together with the accompanying notes as set forth in the Accountants' Report in Appendix I to this document. Our consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, which may differ in certain aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants' Report and not merely rely on the information contained in this section.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical events, current conditions and expected future developments, as well as other factors that 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. In evaluating our business, you should carefully consider the information provided in the sections headed "Risk Factors" and "Business" in this document.

OVERVIEW

We are an industrial embodied AI company, empowering various industries via robotics and shaping the future with human-robot symbiotic intelligence. We aim to advance intelligent transformation for industrial customers through mobile manipulation robots, including humanoid robots, and help our customers work towards efficient production. We provide industrial embodied AI robotic solutions based on our "unified intelligence + adaptive forms" ("一腦多態") architecture for various industries, such as semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries. Our solutions include a generalizable AI model and multi-form robots with perception, mobility and manipulation capabilities, and industry-specific software. Our solutions can be divided into two categories by application scenarios: industrial intralogistics solutions and inspection and maintenance solutions. As of the Latest Practicable Date, our industrial embodied AI robotic solutions had been adopted by customers covering leading semiconductor foundries, leading power grid groups and leading energy groups.

We achieved fast revenue growth during the Track Record Period. Our revenue increased from RMB107.7 million in 2023 to RMB254.9 million in 2024 and further increased to RMB339.7 million in 2025. We had net losses of RMB260.0 million, RMB200.2 million and RMB384.3 million in 2023, 2024 and 2025, respectively. During the same years, we recorded adjusted net loss (non-IFRS measure) of RMB131.4 million, RMB81.2 million and RMB106.0 million in 2023, 2024 and 2025, respectively. See "— Non-IFRS Measures."

BASIS OF PRESENTATION

Our historical financial information has been prepared in accordance with all applicable IFRS, issued by the IASB. The measurement basis used in the preparation of the historical financial information is the historical cost basis, except for certain financial assets measured at their fair value.

The preparation of our historical financial information in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Judgments made by our management in the application of IFRS that have significant effect on our historical financial information and major sources of estimation uncertainty are discussed in Note 3 to the Accountants' Report as set out in Appendix I to this document.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

The success and growth of our business depend on many factors. While each of these factors presents significant opportunities for our business, they also pose important challenges that we must successfully address to optimize our results of operations and sustain our growth.

Development of the global industrial embodied AI robotic industry and the growth of the underlying industries of our customers

We operate in the rapidly growing industrial embodied AI robotic industry. Our business, financial performance, results of operations and future growth are affected by the development of this market and the growth of the industries in which our customers operate.

According to Frost & Sullivan, the global embodied AI robotic industry in terms of revenue reached RMB82.0 billion in 2024 and is expected to continue growing at a CAGR of 30.7% from 2025 to 2030 to reach RMB367.4 billion in 2030. Accelerated adoption of robotic solutions in industrial settings may present growth opportunities, provided that we maintain our competitive positioning.

During the Track Record Period, our revenue was primarily generated from the provision of industrial embodied AI robotic solutions domestically and internationally, covering industrial intralogistics scenarios and inspection and maintenance scenarios. As of December 31, 2025, our solutions had been offered to over 400 leading enterprises in the semiconductors, energy and chemical, lithium battery, 3C and other manufacturing, and public utilities industries. Our results of operations are highly dependent on the development and performance of these underlying industries of our customers, which are subject to a wide range of factors, such as fluctuations in capital expenditures, regulatory changes, supply chain efficiencies and macroeconomic conditions. Our ability to improve the generalization capabilities of our robots and ability to adapt to sector-specific trends will be critical to sustaining long-term growth.

Our ability to enhance our solutions and develop new solutions

Our robotic solutions are subject to rapidly evolving technological advancements and customer demands. To maintain our position in the industrial embodied AI robotic industry and achieve sustainable growth, it is imperative that we continuously enhance our solutions to adapt to these changes in a timely and effective manner. Consequently, our ability to efficiently develop and launch advanced robot models, software systems, algorithms, is critical to our growth prospects.

Our R&D capabilities are the cornerstone of our ability to enhance and develop advanced robotic solutions. We have invested, and plan to continue investing, significant resources in our R&D efforts. During the Track Record Period, our R&D expenses were RMB67.4 million, RMB62.4 million and RMB83.0 million in 2023, 2024 and 2025, respectively. To remain competitive in the industrial embodied AI robotic industry, we will continue to invest in proprietary core technologies development, make ongoing product improvement, and build R&D talent recruitment. We remain committed to investing in areas including key components for embodied AI robots, such as core controllers, multimodal perception technology, wheeled and bipedal embodied AI robots, software for embodied AI robots. Additionally, while we strive for efficiency in our R&D efforts, it is important to acknowledge that similar initiatives in the robotic solution industry are often associated with uncertainties in both process and outcome. We may experience fluctuations in R&D expenses, and the results and returns on such investments may be unpredictable.

Our ability to retain existing customers and obtain additional customers

Our ability to reinforce relationship with existing customers and acquire new customers to broaden our customer base across both domestic and international markets, as well as effectively commercializing our robotic solutions, is crucial to our results of operations and continued growth.

For industrial intralogistics scenarios, we strategically focus on industrial sectors such as semiconductors, lithium battery, 3C and other manufacturing industries. These industries are characterized by complex processes, high precision requirements and rapid technological advancements, and demand intelligent robotic system that can operate autonomously and collaboratively in complex manufacturing scenarios. For inspection and maintenance scenarios, we strategically focus on industrial sectors such as energy and chemical and public utilities. These industries require intensive or repetitive operations in environments that are hazardous or physically challenging, and demand robots automatically carry out real-time monitoring, provide necessary warnings, and perform operations. During the Track Record Period, we carried out various promotional activities, including participating in key industry exhibitions, as well as advertising and brand marketing activities. In addition, we also incurred costs associated with our pre-sales and after-sales services. Our selling and marketing expenses amounted to RMB53.9 million, RMB62.5 million and RMB77.2 million in 2023, 2024 and 2025, respectively.

In domestic markets, we benefit from established customer relationships, localized service networks, and a deep understanding of regional industry needs. Meanwhile, overseas markets present substantial growth potential, driven by rising automation adoption in such markets, global supply chain reconfiguration, and increasing labor costs worldwide. Our commercialization capabilities are essential for penetrating both domestic and international markets further. Rapidly deployable robotic solutions to meet varying industry demand, competitive products with measurable impact on customers' operation, critical technological breakthroughs, and well-managed commercialization costs are critical to successfully commercializing our products and solutions.

Competition and pricing

We operate in an increasingly competitive industrial embodied AI robotic industry. We face competition with international and domestic players with diverse capabilities, some of which may have longer operating history, greater business scale and resources, higher market recognition and more effective pricing strategies than us. We believe factors including strong R&D capabilities, in-depth understanding of application scenarios, ability to automate manufacturing settings and process and tailor robotic solutions are critical to our competitiveness in this market. We believe we have enjoyed certain competitive advantages as a result of our strong R&D capabilities, and will continue our development strategies to increase our competitiveness.

Our pricing strategy directly affects our revenue generation, gross profit margins and overall profitability. The key factors influencing pricing of our solutions are as follows: (i) the number and types of robots provided, (ii) functionalities selected by our customers for software and models, (iii) provision of deployment services, (iv) complexity of technology involved and (v) product competitiveness. However, our financial results could be adversely affected if we are unable to maintain appropriate pricing levels due to increased competition, market saturation, or customer price sensitivity. Conversely, our ability to implement premium pricing for technologically advanced robotic solutions may enhance our revenue quality and profitability. The effectiveness of our pricing strategy will remain a critical determinant of our future financial performance.

Our ability to improve operational efficiency

Our ability to achieve profitability and sustainable growth depends in part on our management of cost of sales. In 2023, 2024 and 2025, our cost of sales was RMB79.5 million, RMB165.3 million and RMB215.5 million, respectively, accounting for 73.9%, 64.8% and 63.4% of our revenue for the same years, respectively. Changes in any major component of our cost of sales and our overall cost structure could have an impact on our gross profit and gross profit margin. For instance, our cost of inventories sold accounted for 78.5%, 85.2% and 89.0% of our cost of sales for 2023, 2024 and 2025, respectively. The procurement costs may fluctuate due to a number of factors beyond our control, such as supply chain disruptions and inflation, and we are susceptible to significant changes in the availability, price and standard of key raw materials. We have implemented cost management measures against such potential disruptions to our supply chain. In addition, our cost of sales and gross margin may, from time to time, be affected by the write-down of obsolete or slow-moving inventories.

Our business and results of operations are also significantly affected by our operating expenses, which primarily comprised research and development expenses, selling and marketing expenses, and general and administrative expenses during the Track Record Period. Our operating expenses ratio, defined as total operating expenses (consisting of research and development expenses, selling and marketing expenses, and general and administrative expenses) divided by total revenue, decreased from

161.6% in 2023 to 72.8% in 2025. Our research and development expenses, selling and marketing expenses, and general and administrative expenses may continue to increase as our business scale and together account for a significant portion of our revenue. For details of our measures to improve management of costs and expenses, see "Business — Business Sustainability and Path to Profitability."

General factors affecting the industries in which we operate

Our business and operating results are also affected by general factors affecting the industrial embodied AI robotic industry, which include:

- the overall economic conditions in markets where we operate;
- global acceptance and demand for embodied AI robots; and
- relevant laws and regulations, governmental policies and initiatives.

Any changes in any of these general factors may have a material impact on our business operations and results of operations.

MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of our historical financial information in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Judgments made by our management in the application of IFRS that have significant effect on our historical financial information and major sources of estimation uncertainty are discussed in Note 3 to the Accountants' Report as set out in Appendix I to this document.

Revenue and Other Income

We classify income as revenue when it arises from the sale of goods and the provision of services in the ordinary course of our business.

Further details of our revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

We are the principal for its revenue transactions and recognizes revenue on a gross basis. In determining whether we act as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the our ability to direct the use of and obtain substantially all of the remaining benefits from the products or services.

Revenue is recognized when control over a product or service is transferred to the customer at the amount of promised consideration to which we are expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

(a) Sales of industrial embodied AI robotic solutions

Industrial embodied AI robotic solutions involve design, production, deployment and commissioning of customized robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract. We determine that the promised goods and services in industrial embodied AI robotic solutions represent one performance obligation, because these promises are highly interdependent, and the customer is unable to derive significant benefits from the access to an individual promise for the intended purposes without receipt of the other goods or services.

Revenue from the sale of industrial embodied AI robotic solutions is recognized at point in time when the industrial embodied robotic solutions are accepted by the customers.

(ii) Revenue from other sources and other income

(a) Government grants

Government grants are recognized in the statement of financial position initially when there is reasonable assurance that they will be received and that we will comply with the conditions attaching to them.

Grants that compensate us for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(b) Interest income

Interest income is recognized using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

Inventories and Contract Costs

(i) Inventories

Inventories are measured at the lower of cost and net realizable value.

Cost is calculated using weighted average cost formula and comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable 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.

When inventories are sold, the carrying amount of those inventories is recognized as cost of sales in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as cost of sales in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as cost of sales in the period in which the reversal occurs.

(ii) Contract costs

Other than the costs which are capitalized as inventories, costs incurred to fulfill a contract with a customer are capitalized as an asset if all of the following criteria are met:

— the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

— the costs generate or enhances resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future;

— the costs are expected to be recovered.

Amortization of the capitalized contract costs are recognized in the statements of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Contract Assets and Contract Liabilities

A contract asset is recognized when we recognize revenue before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are reclassified to receivables when the right to the consideration becomes unconditional.

A contract liability is recognized when the customer pays non-refundable consideration before we recognize the related revenue. A contract liability is also recognized if we have an unconditional right to receive non-refundable consideration before we recognize the related revenue. In such latter cases, a corresponding receivable is also recognized.

Redemption Liabilities

A contract that contains an obligation to purchase our equity instruments for cash or another financial asset gives rise to a financial liability for the redemption amount, even if our obligations to purchase is conditional on the counterparty exercising a right to redeem. The redemption liability is measured at the highest redemption amount (on a present value basis) we could be required to pay from time to time. Any change in the carrying amount of the redemption liability arising from the remeasurement of the redemption amount is recognized in profit or loss. Then the carrying amount of the redemption liability is reclassified to equity upon a termination of the counterparty's redemption right.

The redemption liability is classified as current as we do not have the right at the reporting date to defer settlement of the liability for at least 12 months from the reporting date.

RESULTS OF OPERATIONS

The following table summarizes our results of operations for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Revenue	107,671	100.0	254,892	100.0	339,685	100.0
Cost of sales	(79,533)	(73.9)	(165,266)	(64.8)	(215,549)	(63.5)
Gross profit	28,138	26.1	89,626	35.2	124,136	36.5
Other net income	10,795	10.0	11,323	4.4	5,430	1.6
Selling and marketing expenses	(53,860)	(50.0)	(62,487)	(24.5)	(77,242)	(22.7)
General and administrative expenses	(52,746)	(49.0)	(56,051)	(22.0)	(87,314)	(25.7)
Research and development expenses	(67,425)	(62.6)	(62,398)	(24.5)	(83,023)	(24.4)
Provision of loss allowance on financial assets and contract assets	(4,792)	(4.5)	(8,281)	(3.2)	(11,948)	(3.5)
Finance costs	(1,526)	(1.4)	(2,979)	(1.2)	(5,214)	(1.5)
Share of (losses)/profits of an associate and a joint venture	(39)	—	(129)	(0.1)	226	0.1
Changes in the carrying amount of redemption liabilities	(118,539)	(110.1)	(108,840)	(42.7)	(249,384)	(73.4)
Loss before taxation	(259,994)	(241.5)	(200,216)	(78.5)	(384,333)	(113.1)
Income Taxation	—	—	—	—	—	—
Loss and total comprehensive income for the year	(259,994)	(241.5)	(200,216)	(78.5)	(384,333)	(113.1)

NON-IFRS MEASURES

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure) and adjusted net loss margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe these non-IFRS measures, when shown in conjunction with the corresponding IFRS measures, facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of items.

We believe these 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 adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS. We define adjusted net loss (non-IFRS measure) as net loss for the years adjusted by adding back (i) equity-settled share based payment expenses, (ii) changes in the carrying amount of redemption liabilities and (iii) **[REDACTED]**, and adjusted net loss margin (non-IFRS measure) as adjusted net loss (non-IFRS measure) divided by revenue. The adjustments have been consistently made during the Track Record Period.

The following table reconciles our adjusted net loss (non-IFRS measure) for the years indicated with our net loss, or loss for the years presented in accordance with IFRS:

	Year ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Loss for the year	(259,994)	(200,216)	(384,333)[4]
Add:			
— Equity-settled share based payment expenses[1]	10,065	10,191	11,500
— Changes in the carrying amount of redemption liabilities[2]	118,539	108,840	249,384
— [REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Adjusted net loss (non-IFRS measure)	(131,390)	(81,185)	(106,041)[4]
Adjusted net loss margin (non-IFRS measure)[3]	(122.0%)	(31.9%)	(31.2%)

Notes:

(1) Equity-settled share based payment expense is a non-cash expense arising from granting share-based awards to selected employees. It mainly represents the arrangement that we receive services from employees as consideration for our equity instruments. Share-based payment is not expected to result in future cash payments.

(2) We adjust changes in the carrying amount of redemption liabilities because it was non-cash in nature. We recognized the redemption liabilities at their present value of the redemption amount, with changes in such carrying amounts being booked in profit or loss, arising from redemption rights issued to **[REDACTED]** Investors. These redemption rights issued will be terminated upon the **[REDACTED]**.

(3) Adjusted net loss margin (non-IFRS measure) equals adjusted net loss (non-IFRS measure) for the year divided by revenue for the year and multiplied by 100%.

(4) The increase in our loss for the period and adjusted net loss (non-IFRS measure) from 2024 and 2025 was primarily attributable to (i) an increase in our research and development expenses driven by our ongoing effort in R&D activities and R&D team scale expansion, (ii) an increase in our selling and marketing expenses resulting from sales team expansion, additional advertising activities and product warranty provision in line with our sales growth and (iii) an increase in our general and administrative expenses resulting from newly rented offices and employee benefits to support our business expansion, partially offset by an increase in our revenue as our existing customers continued to repurchase our products and we expanded our base of new customers.

DESCRIPTION OF KEY COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we generated revenue from the provision of industrial embodied AI robotic solutions. In particular, our solutions mainly covered two key scenarios: (i) industrial intralogistics and (ii) inspection and maintenance.

Revenue by Application Scenario

The following table sets forth a breakdown of our revenue by application scenario for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Industrial embodied AI robotic solutions						
— Industrial intralogistics	62,444	58.0	138,154	54.2	201,661	59.4
— Inspection and maintenance	45,227	42.0	116,738	45.8	138,024	40.6
Total	**107,671**	**100.0**	**254,892**	**100.0**	**339,685**	**100.0**

Revenue by Geographic Location

During the Track Record Period, we generated majority of our revenue from Chinese mainland. The following table sets forth a breakdown of our revenue by geographic location for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentage)					
Chinese Mainland	101,738	94.5	240,111	94.2	318,287	93.7
Bonded area, China	—	—	—	—	11,710	3.4
Germany	—	—	8,406	3.3	—	—
Japan	1,406	1.3	1,899	0.7	3,337	1.0
Thailand	1,139	1.1	752	0.3	1,251	0.4
South Korea	350	0.3	319	0.1	369	0.1
Malaysia	417	0.4	415	0.2	—	—
India	944	0.9	—	—	—	—
Others[(1)]	1,679	1.6	2,990	1.2	4,729	1.4
Total	**107,671**	**100.0**	**254,892**	**100.0**	**339,685**	**100.0**

Note: Others primarily included Taiwan, China, Hong Kong, China, Saudi Arabia.

The table below sets forth the breakdown of the sales volume measured by order number by geographic location for the years indicated.

	Year ended December 31,		
	2023	2024	2025
Chinese Mainland	205	273	348
Bonded area, China	—	—	2
Germany	2	5	—
Japan	7	9	28
Thailand	3	5	8
South Korea	2	1	1
Malaysia	4	2	0
India	2	1	0
Others[(1)]	8	13	15
Total	**233**	**309**	**402**

Notes:

(1) Others primarily included Taiwan, China, Hong Kong, China, Saudi Arabia.

(2) Sales volume, defined as the number of orders, reflects the total number of orders placed in the given year. Revenue is recognized over time when the agreed recognition point is reached.

Cost of Sales

The following table sets forth a breakdown of our cost of sales by nature for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Cost of inventory sold	62,379	78.5	140,933	85.2	191,772	89.0
— Motion control kits	8,819	11.1	30,232	18.3	48,713	22.3
— Transfer kits	6,012	7.6	22,729	13.8	26,786	12.3
— Robotic arms	6,190	7.8	8,713	5.3	20,836	9.5
— LiDAR and sensors	9,788	12.3	13,979	8.5	13,444	6.2
— Machined parts and sheet metal parts	6,173	7.8	8,729	5.3	9,937	4.5
— Others[1]	25,397	31.9	56,551	34.2	72,056	33.0
Deployment costs	14,167	17.8	21,466	13.0	23,114	10.7
Other costs	2,582	3.2	599	0.4	663	0.3
Provision for write-down of inventories and contract costs	405	0.5	2,268	1.4	—	—
Total	**79,533**	**100.0**	**165,266**	**100.0**	**215,549**	**100.0**

Note: (1) Others primarily included a number of miscellaneous hardware.

The following table sets forth a breakdown of our cost of sales by application scenario for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Industrial embodied AI robotic solutions						
— Industrial intralogistics	52,539	66.1	99,431	60.2	143,960	66.8
— Inspection and maintenance	26,994	33.9	65,835	39.8	71,589	33.2
Total	**79,533**	**100.0**	**165,266**	**100.0**	**215,549**	**100.0**

Gross Profit and Gross Profit Margin

Gross Profit and Gross Profit Margin by Application Scenario

The following table sets forth our gross profit and gross margins by application scenario for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentages)					
Industrial embodied AI robotic solutions						
— Industrial intralogistics	9,905	15.9	38,723	28.0	57,701	28.6
— Inspection and maintenance	18,233	40.3	50,903	43.6	66,435	48.1
Total	**28,138**	**26.1**	**89,626**	**35.2**	**124,136**	**36.5**

Gross Profit and Gross Profit Margin by Vertical Industry

The following table sets forth our gross profit and gross margins by vertical industry for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentages)					
Industrial intralogistics						
— Semiconductor	4,806	13.3	22,571	33.4	39,042	42.3
— 3C and other manufacturing	4,882	20.2	14,933	27.3	6,864	33.1
— Lithium battery	216	10.0	1,220	7.7	11,795	13.3
Inspection and maintenance						
— Energy and chemical	10,660	35.6	43,126	45.0	56,149	49.8
— Public utilities	7,574	49.7	7,776	37.2	10,286	40.7
Total	**28,138**	**26.1**	**89,626**	**35.2**	**124,136**	**36.5**

Gross Profit and Gross Profit Margin by Geographic Location

The following table sets forth our gross profit and gross margins by geographic location for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentage)					
Chinese Mainland	24,613	24.2	82,837	34.5	110,099	34.6
Bonded area, China	—	—	—	—	7,436	63.5
Germany	—	—	2,392	28.5	—	—
Japan	905	64.4	1,365	71.9	2,429	72.8
Thailand	811	71.2	452	60.1	690	55.2
South Korea	258	73.7	226	70.9	247	67.0
Malaysia	210	50.4	281	67.7	—	—
India	363	38.4	—	—	—	—
Others(1)	978	58.3	2,073	69.3	3,235	68.4
Total	**28,138**	**26.1**	**89,626**	**35.2**	**124,136**	**36.5**

Note:

(1) Others primarily included Taiwan, China, Hong Kong, China, Saudi Arabia.

Other Net Income

The following table sets forth a breakdown of our other net income for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Government grants	10,325	11,008	5,155
Interest income from bank deposits	679	459	463
Loss on disposal of property, plant and equipment, net	(20)	(55)	(27)
Net foreign exchange gain/(loss)	113	(66)	(256)
Others	(302)	(23)	95
Total	**10,795**	**11,323**	**5,430**

Selling and Marketing Expenses

The following table sets forth a breakdown of our selling and marketing expenses for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Employee benefit expenses	28,907	53.6	32,185	51.5	37,707	48.8
Business development and traveling expenses	8,232	15.3	10,595	17.0	13,668	17.7
Advertising and promotion expenses	7,283	13.5	4,140	6.6	7,631	9.9
Product warranty provision	5,959	11.1	12,790	20.5	14,272	18.5
Others[(1)]	3,479	6.5	2,777	4.4	3,964	5.1
Total	**53,860**	**100.0**	**62,487**	**100.0**	**77,242**	**100.0**

Note: Others primarily included rent expenses and utilities fees, and logistics and transportation fees.

General and Administrative Expenses

The following table sets forth a breakdown of our general and administrative expenses for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Employee benefit expenses	34,731	65.8	35,292	62.9	45,012	51.6
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Office related fees	7,223	13.7	8,007	14.3	10,479	12.0
Professional service fees	4,839	9.2	6,595	11.8	6,751	7.7
Business development and traveling expenses	4,004	7.6	3,396	6.1	4,962	5.7
Others[(1)]	1,949	3.7	2,761	4.9	2,702	3.1
Total	**52,746**	**100.0**	**56,051**	**100.0**	**87,314**	**100.0**

Note: Others primarily included depreciation and amortization.

Research and Development Expenses

The following table sets forth a breakdown of our research and development expenses for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Employee benefit expenses	43,001	63.6	36,109	57.8	43,749	52.8
Professional service fees	2,871	4.3	9,102	14.6	21,382	25.8
Materials cost	10,500	15.6	8,144	13.1	8,095	9.8
Traveling expenses	2,531	3.8	1,817	2.9	2,554	3.1
Depreciation and amortization	1,130	1.7	949	1.5	177	0.2
Others[1]	7,392	11.0	6,277	10.1	7,066	8.5
Total	**67,425**	**100.0**	**62,398**	**100.0**	**83,023**	**100.0**

Note: Others primarily included equipment acquisition and trial production expenses and testing and processing fees.

Our research and development expenses as a percentage of our total revenue has generally declined over time during the Track Record Period. Leveraging our CBB architecture, our robots are highly standardized. Even when developing new products, we can add to or adjust existing modules and structures, thereby preventing wasted research and development resources and improves our development efficiency. During the Track Record Period, all R&D expenses incurred were solely related to the our Specialist Technology Products.

Provision of Loss Allowance on Financial Assets and Contract Assets

Our provision of loss allowance on financial assets and contract assets primarily represent provision for trade and bills receivable and contract assets. We recorded recorded provision of loss allowance on financial assets and contract assets of RMB4.8 million, RMB8.3 million and RMB11.9 million in 2023, 2024 and 2025, respectively.

Finance Costs

The following table sets forth a breakdown of our finance costs for the years indicated:

	Year ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Interest expenses on bank loans	614	2,231	4,715
Interest on lease liabilities	912	748	499
Total	**1,526**	**2,979**	5,214

Changes in the Carrying Amount of Redemption Liabilities

During the Track Record Period, our changes in the carrying amount of redemption liabilities represented changes in the redemption liabilities of the Shares with special rights held by **[REDACTED]** Investors. For more details, please see "History, Development and Corporate Structure — Establishment and Development of Our Company" in this document. We expect to continue to recognize changes in the carrying amount of redemption liabilities for the period from December 31, 2025 to the date when the redemption right granted to our **[REDACTED]** Investors was terminated, and the redemption liabilities will be reclassified to equity thereafter. For more details, see Note 24 of the

Accountants' Report set forth in Appendix I to this document. We recognized losses from changes in the carrying amount of redemption liabilities of RMB118.5 million, RMB108.8 million and RMB249.4 million in 2023, 2024 and 2025, respectively.

YEAR-TO-YEAR COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased by 33.3% from RMB254.9 million in 2024 to RMB339.7 million in 2025, which was generally in line with the market growth rate in the same period, according to Frost & Sullivan. The increase was primarily driven by an increase in revenue from our robotic solutions for inspection and maintenance scenario, particularly in the energy and chemical industries; and an increase in revenue from our robotic solutions for industrial intralogistics scenario, particularly in the semiconductor industry. Such increase in revenue was driven by the increase in completed projects, from 248 completed projects in 2024 to 277 completed projects in 2025. Additionally, the increase in revenue was mainly attributable to (i) high customer repurchase rate, (ii) the greater market acceptance of our robotic solutions driven by our industry recognition from involvement in a number of benchmark projects for reputable customers in both application scenarios, which significantly increased our reputation and attracted new customers, leading to an increase in our customer base from 184 customers in 2024 to 205 customers in 2025, see "Business — Sales and Marketing — Our Sales Network — Movement of Projects" and (iii) continuous improvement and iteration of our robot models.

Cost of Sales

Our cost of sales increased by 30.4% from RMB165.3 million in 2024 to RMB215.5 million in 2025, generally in line with the increase in our revenue.

In particular, the increase was primarily due to (i) an increase in cost of inventories sold of RMB50.8 million. Such increase was generally in line with the increase in the sales of robotic solutions.

Gross Profit and Gross Profit Margin

Our gross profit increased by 38.5% from RMB89.6 million in 2024 to RMB124.1 million in 2025, primarily due to (i) an increase in the gross profit from our sales of robotic solutions for industrial intralogistics scenario, particularly due to the increase in the gross profit from the sales of robotic solutions for semiconductor industry, which increased from RMB22.6 million in 2024 to RMB39.0 million in 2025. Such increase was primarily due to the revenue growth driven by existing customers' repurchases and expansion to new semiconductor customers and (ii) an increase in the gross profit from our sales of robotic solutions for inspection and maintenance scenario, particularly due to the increase in the gross profit from the sales of robotic solutions for energy and chemical industries, which increased from RMB43.1 million in 2024 to RMB56.1 million in 2025. Such increase was primarily due to the continued revenue contribution from deepened cooperation with major central and state-owned enterprises.

Our gross profit margin increased slightly from 35.2% in 2024 to 36.5% in 2025, primarily due to (i) an increase in the gross profit margin from robotic solutions for inspection and maintenance scenario, resulting from (a) decreased procurement cost resulted from our enhanced bargaining power for bulk procurement driven by part standardization, (b) improved production efficiency driven by the application of wire harnesses and automatic inspection equipment in our manufacturing process, as well as pre-production and (c) an increase in the gross profit margin from robotic solutions for energy and chemical industries from 45.0% in 2024 to 49.8% in 2025, as the energy and chemical industries are characterized by high value-added applications, strong and rigid demand, and extremely specialized operating environments where mandatory safety policies necessitate the adoption of robotic solutions, rendering such solutions largely irreplaceable and thereby affording us stronger pricing power and the ability to command significant price premiums, (ii) a relatively stable gross profit from robotic solutions for industrial intralogistics scenario, underpinned by an increase in the gross profit margin from robotic solutions for semiconductor industry from 33.4% in 2024 to 42.3% in 2025, primarily due to (a) the continued cost reduction through economies of scale, progressive localization of key components and our investment in self-developed technologies, and (b) our strengthened pricing power underpinned by the high technical barriers and sustained industry demand. In 2024 and 2025, the higher gross margins of solutions for the semiconductor industry were mainly attributable to a combination of high technical barriers, sector-specific requirements and the high-value nature of these solutions. Our solutions designed for semiconductor manufacturers demanding stricter standards for precision, cleanliness and compliance generally resulted in higher costs, which are translated into premium pricing. Once such solutions are delivered and accepted in the industry, they can often be replicated and scaled for similar sector customers, allowing us to achieve higher margins as a result.

Other Net Income

Our net income decreased by 52.2% from RMB11.3 million in 2024 to RMB5.4 million in 2025, primarily due to a decrease in government grants of RMB5.9 million.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 23.5% from RMB62.5 million in 2024 to RMB77.2 million in 2025, primarily due to (i) an increase in employee benefit expenses of RMB5.5 million, driven by our sales team expansion and (ii) an increase in advertising and promotion expenses of RMB3.5 million in connection with additional advertising activities following our ongoing expansion into overseas markets.

General and Administrative Expenses

Our general and administrative expenses increased by 55.8%, from RMB56.1 million in 2024 to RMB87.3 million in 2025. The increase was primarily due to (i) the incurrence of **[REDACTED]** of RMB**[REDACTED]** and (ii) an increase in employee benefit expenses of RMB9.7 million as we recruited more administrative personnel to support our business.

Research and Development Expenses

Our research and development expenses increased by 33.0% from RMB62.4 million in 2024 to RMB83.0 million in 2025, primarily due to (i) an increase in professional service fees of RMB12.3 million as we engaged third-party research agencies to carry out certain research and development activities; and (ii) an increase in employee benefit expenses of RMB7.6 million as we recruited more research and development personnel.

Provision of Loss Allowance on Financial Assets and Contract Assets

Our provision of loss allowance on financial assets and contract assets increased significantly by 43.4% from RMB8.3 million in 2024 to RMB11.9 million in 2025, primarily due to an increase in trade receivables and contract assets.

Finance Costs

Our finance costs increased by 73.3% from RMB3.0 million in 2024 to RMB5.2 million in 2025, primarily due to a higher balance of bank borrowings used to support our working capital needs.

Changes in the Carrying Amount of Redemption Liabilities

Our changes in the carrying amount of redemption liabilities increased from RMB108.8 million in 2024 to RMB249.4 million in 2025, primarily due to the changes in the changes in the carrying amount of redemption liabilities related to the Shares of our **[REDACTED]** Investors.

Loss for the Year

As a result of the foregoing, our loss for the year increased by 92.0% from RMB200.2 million in 2024 to RMB384.3 million in 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased by 136.7% from RMB107.7 million in 2023 to RMB254.9 million in 2024. The increase was primarily driven by an increase in revenue from our robotic solutions for inspection and maintenance scenario, particularly in the energy and chemical industries; and an increase in revenue from our robotic solutions for industrial intralogistics scenario, particularly in the semiconductor industry. Such increase in revenue was driven by the increase in completed projects, from 164 completed projects in 2023 to 248 completed projects in 2024. Additionally, the increase in revenue was mainly attributable to (i) high customer repurchase rate, (ii) the greater market acceptance of our robotic solutions driven by our industry recognition from involvement in a number of benchmark projects for reputable customers in both application scenarios, which significantly increased our reputation and attracted new customers, leading to an increase in our customer base from 169 customers in 2023 to 184 customers in 2024, see "Business — Sales and Marketing — Our Sales Network — Movement of Projects", and (iii) continuous improvement and iteration of our robot models.

Our revenue growth rate was 136.7% from 2023 to 2024, which far exceeded the market growth rate in the same period, according to Frost & Sullivan. Such higher revenue growth rate was primarily due to (i) we primarily offered mobile manipulation robotic solutions, which differentiate us from such market players in the robotics industry who primarily focus on autonomous mobile robot solutions or collaborative robot solutions, in the following aspects: (a) from a technology perspective, mobile manipulation robots combine both mobility and manipulation capabilities, enabling them to handle a wider range of complex application scenarios compared to AMRs solutions or cobots solutions, offering greater versatility and scenario adaptability and (b) the AMR solutions and cobots solutions are relatively mature with mainstream industrial applications already adapted and optimized, whereas the mobile manipulation robotic solutions industry is still in the early stages of rapid growth, and we believe it has a higher growth potential, and (ii) we achieved greater market acceptance of our robotic solutions driven by our involvement in a number of benchmark projects for reputable customers, which significantly increased our reputation and attracted new customers.

Cost of Sales

Our cost of sales increased by 107.8% from RMB79.6 million in 2023 to RMB165.3 million in 2024, generally in line with the increase in our revenue.

In particular, the increase was primarily due to (i) an increase in cost of inventories sold of RMB78.6 million; (ii) an increase in deployment costs of RMB7.3 million. Such increase was generally in line with the increase in the sales volume of robotic solutions.

Gross Profit and Gross Profit Margin

Our gross profit increased from RMB28.1 million in 2023 to RMB89.6 million in 2024, primarily due to (i) an increase in the gross profit from our sales of robotic solutions for industrial intralogistics scenario, particularly due to the increase in the gross profit from the sales of robotic solutions for semiconductor industry, which increased from RMB4.8 million in 2023 to RMB22.6 million in 2024. Such increase wasprimarily due to the significant revenue growth driven by continued repurchases from existing benchmark customers and the expansion to new semiconductor customers through the demonstration effect of our proven solutions and (ii) an increase in the gross profit from our sales of robotic solutions for inspection and maintenance scenario, particularly due to the increase in the gross profit from the sales of robotic solutions for energy and chemical industries, which increased from RMB10.7 million in 2024 to RMB43.1 million in 2025. Such increase was primarily due to the concentrated release of industry demand driven by favorable government policies incentivizing industry development and our deepened cooperation with state-owned enterprises.

Our gross profit margin increased from 26.1% in 2023 to 35.2% in 2024, (i) an increase in the gross profit margin from robotic solutions for inspection and maintenance scenario, resulting from (a) decreased procurement cost resulted from bulk procurement of parts and our enhanced bargaining power with our suppliers, (b) improved production efficiency driven by the application of wire harnesses and automatic inspection equipment in our manufacturing process, as well as pre-production and (c) an increase in the gross profit margin from robotic solutions for energy and chemical industries from 35.6% in 2023 to 45.0% in 2024, as the energy and chemical industries are characterized by high value-added applications, strong and rigid demand, and extremely specialized operating environments where mandatory safety policies necessitate the adoption of robotic solutions, rendering such solutions largely irreplaceable and thereby affording us stronger pricing power and the ability to command significant price premiums, and (ii) an increase in the gross profit from robotic solutions for industrial intralogistics scenario, especially an increase in the gross profit margin from robotic solutions for semiconductor industry from 13.3% in 2023 to 33.4% in 2024, primarily due to (a) the sustained high demand and high technical barriers in the semiconductor industry, which supported our premium pricing for customized solutions, (b) the economies of scale achieved through increased order volume, coupled with the progressive localization of key components and our continued investment in self-developed technologies, which collectively enhanced our production efficiency and (c) the favorable competitive landscape and industry dynamics, increasing market concentration and our strengthened pricing power.

Other Net Income

Our other net income remained relatively stable at RMB10.8 million in 2023 to RMB11.3 million in 2024.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 16.0% from RMB53.9 million in 2023 to RMB62.5 million in 2024 primarily due to (i) an increase in employee benefit expenses of RMB3.3 million as a result of the recruitment of sales and marketing personnel to support our business expansion; and (ii) an increase in product warranty provision of RMB6.8 million as a result of an increase in our sales.

General and Administrative Expenses

Our general and administrative expenses increased by 6.3% from RMB52.7 million in 2023 to RMB56.1 million in 2024, primarily due to (i) an increase in professional service fees of RMB1.8 million, and (ii) an increase in office related fees of RMB0.8 million in relation to our additional leased properties.

Research and Development Expenses

Our research and development expenses decreased by 7.5% from RMB67.4 million in 2023 to RMB62.4 million in 2024, primarily due to (i) a decrease in employee benefit expenses of RMB6.9 million, and (ii) a decrease in materials cost of RMB2.4 million. Such decrease is primarily due to our implementation of efficiency improvements. The successful development and continuous optimization of our robots with improved product versatility and enhanced modularity in previous years, resulting in decreased R&D expenditure in 2024.

Provision of Loss Allowance on Financial Assets and Contract Assets

Our provision of loss allowance on financial assets and contract assets increased by 72.8% from RMB4.8 million in 2023 to RMB8.3 million in 2024, primarily due to the increased receivables in 2024 compared to 2023.

Finance Costs

Our finance costs increased significantly from RMB1.5 million in 2023 to RMB3.0 million in 2024, primarily due to a higher balance of bank borrowings used to support our working capital needs.

Changes in the Carrying Amount of Redemption Liabilities

Our changes in the carrying amount of redemption liabilities decreased from RMB118.5 million in 2023 to RMB108.8 million in 2024, primarily due to the changes in the carrying amount of redemption liabilities related to the Shares of our **[REDACTED]** Investors.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 23.0% from RMB260.0 million in 2023 to RMB200.2 million in 2024.

DISCUSSION OF CERTAIN KEY BALANCE SHEET ITEMS

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of February 28,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current assets				
Inventories and contract costs	130,922	99,942	49,900	56,579
Contract assets	9,225	17,513	30,150	30,250
Trade and bills receivables	50,987	146,875	247,378	206,371
Financial assets at fair value through other comprehensive income	—	1,109	13,197	13,197
Prepayments, other receivables and other assets	10,871	31,806	45,624	46,381
Restricted cash	12,658	13,544	26,200	20,900
Cash and cash equivalents	75,832	131,331	243,422	200,052
Total current assets	**290,495**	**442,120**	**655,871**	**573,730**
Current liabilities				
Trade and bills payables	75,155	135,322	189,238	148,090
Contract liabilities	83,266	67,417	12,574	16,690
Other payables and accruals	25,447	60,969	84,868	71,816
Bank loans	32,039	104,326	190,096	190,096
Redemption liabilities	1,227,221	1,456,061	2,121,122	2,139,754
Lease liabilities	7,167	7,719	4,224	3,239
Provisions	1,387	2,896	3,808	3,808
Total current liabilities	**1,451,682**	**1,834,710**	**2,605,930**	**2,573,493**
Net Current Liabilities	**(1,161,187)**	**(1,392,590)**	**(1,950,059)**	**(1,999,763)**

Our net current liabilities remained relatively stable at RMB1,950.1 million as of December 31, 2025 and RMB1,999.8 million as of February 28, 2026, respectively.

Our net current liabilities increased by 40.1% from RMB1,392.6 million as of December 31, 2024 to RMB1,950.1 million as of December 31, 2025, primarily due to (i) an increase in redemption liabilities of RMB665.1 million due to an increased carrying amount of the registered capital with special rights primarily due to additional equity financing, (ii) an increase in bank loans of RMB85.8 million to support our liquidity and (iii) an increase in trade and bills payables of RMB53.9 million resulting from increased procurement of services to support our expanding production and business operations, partially offset by (i) an increase in trade and bills receivables of RMB100.5 million in line with our business expansion and (ii) an increase in cash and cash equivalent of RMB112.1 million resulting from the net cash inflow from financing activities.

Our net current liabilities increased by 19.9% from RMB1,161.2 million as of December 31, 2023 to RMB1,392.6 million as of December 31, 2024, primarily due to (i) an increase in redemption liabilities of RMB228.8 million due to an increased carrying amount of the registered capital with special rights primarily due to additional equity financing, (ii) an increase in bank loans of RMB72.3 million to support our liquidity and (iii) an increase in trade and bills payables of RMB60.2 million resulting from increased procurement of services to support our expanding production and business operations, partially offset by (i) an increase in trade and bills receivables of RMB95.9 million in line with our business expansion and (ii) an increase in cash and cash equivalents of RMB55.5 million resulting from the net cash inflow from financing activities.

Property, Plant and Equipment

Our property, plant and equipment mainly consist of office equipment and fixtures, equipment and machinery, electronic equipment, and leasehold improvements. Our property, plant and equipment increased from RMB9.8 million as of December 31, 2023 to RMB11.2 million as of December 31, 2024, primarily due to (i) an increase in office equipment and fixtures due to the expansion of our office space; and (ii) an increase in leasehold improvements related to the renovation of new office space. Our property, plant and equipment decreased from RMB11.2 million as of December 31, 2024 to RMB9.1 million as of December 31, 2025, primarily due to the depreciation provided.

We were not aware of any indicator of impairment to our property, plant and equipment as of December 31, 2023, 2024 and 2025.

Right-of-use Assets

Our right-of-use assets represent carrying amounts of leased offices and factories for our operations. Our right-of-use assets further decreased from RMB14.3 million as of December 31, 2023 to RMB12.8 million as of December 31, 2024, primarily due to the depreciation of right-of-use assets and termination of a lease contract, partially offset by the impact of certain new office leases. Our right-of-use assets further decreased from RMB12.8 million as of December 31, 2024 to RMB7.5 million as of December 31, 2025, primarily due to the depreciation of right-of-use assets.

We were not aware of any indicator of impairment to our right-of-use assets as of December 31, 2023, 2024 and 2025.

Interests in an associate and a joint venture

Our interest in an associate and a joint venture represents our equity investment in Beijing Shengji Power Technology Co., Ltd. (北京生機動力科技有限公司) ("Shengji Power") and Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd. (平高新松電力智能裝備(河南)有限公司) ("Pinggao Xinsong"). Our interest in an associate and a joint venture increased from RMB1.0 million as of December 31, 2023 to RMB1.6 million as of December 31, 2024 as we acquired 12.0% of Pinggao Xinsong. Our long-term equity investment increased from RMB1.6 million as of December 31, 2024 to RMB2.6 million as of December 31, 2025, primarily due to our capital contribution to Pinggao Xinsong.

Shengji Power was established in 2021. Its principal business is to provide system integration services to companies in the energy and public utilities sectors in China. The management team at Shengji Power has extensive industry experience and resources. We became familiar with the management team at Shengji Power through industry events, and subsequently engaged them as a channel partner to distribute our robotic solutions. In October 2023, to strengthen our business collaboration with Shengji Power, we made a minor equity investment in Shengji Power. After the investment, Shengji Power agreed to only distribute our robotic solutions. During the Track Record Period, Shengji Power procured standardized robotics solutions from us and provide system integration for its end-customers. Due to its business nature as a system integration services provider, Shengji Power's procurement from us is generally project-driven, in that it typically places orders with us only after it has secured or identified specific downstream system integration projects from its end-customers. During the Track Record Period, based on our communication with Shengji Power, our aggregate sales to it was generally in line with its aggregate revenue over the same period, indicating that the products we sold to Shengji Power were ultimately deployed and sold through to its end-customers. As such, we believe that our sales to Shengji Power are underpinned by actual downstream demand.

The large amount of the outstanding receivables from Shengji Power was primarily because Shengji Power's payment to us is generally affected by the progress of its receipt of payments from its end-customers, which in turn depends on the achievement of certain project milestone events of the entire project such as the completion of system integration, on-site deployment and end-customer acceptance. The system integration process undertaken by Shengji Power involves not only the deployment of our robotic solutions, but also a series of other workstreams, which may include the installation and integration of other hardware and equipment solutions as well as ancillary services. Delays in any of these workstreams, which are outside our control may result in end-customers withholding payment to Shengji Power, which in turn delays Shengji Power's settlement of its outstanding amounts to us. Additionally, during the Track Record Period, its customers were primarily large state-owned enterprises and prominent private companies in the energy and power sectors in China, whose strong credit profiles also support the recoverability of its trade receivables. Given our familiarity with its management and our board representation, we have a degree of visibility into its operations and are able to maintain ongoing communication with its management team, which supports our ability to monitor the progress of its end-customer projects and assess the recoverability of our trade receivables. Notwithstanding the foregoing, we are cognizant of the need to strengthen our credit risk management in respect of our sales to Shengji Power. As part of our enhanced credit control measures, we have significantly reduced our sales to Shengji Power in 2025, as reflected in the significant decrease in our sales to Shengji Power from RMB8.9 million in 2024 to RMB0.5 million in 2025. See note 31(c) and 31(d) to the Accountants' Report in Appendix I to this document.

Inventories and Contract Costs

Our inventories and contract costs primarily comprise (i) contract costs, representing costs incurred to fulfill ongoing contracts; (ii) finished goods, including robots that are fully manufactured, tested, packaged, and ready for sale; (iii) raw materials, mainly including robot structure parts, motors, drive wheels, controllers, and power batteries; and (iv) work in progress, which includes items still in production, such as partially assembled robots, or robots undergoing testing. Contract costs will be recognized as cost of revenue in the period in which revenue from the related service is recognized. The following table sets forth a breakdown of our inventories and contract costs as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Contract costs	106,037	80,043	5,319
Raw materials	9,917	4,404	5,962
Work in progress	6,311	3,556	5,931
Finished goods	14,699	14,207	32,688
Provision for impairment	(6,042)	(2,268)	—
Total	**130,922**	**99,942**	**49,900**

Our inventories and contract costs decreased from RMB130.9 million as of December 31, 2023 to RMB99.9 million as of December 31, 2024, driven by both (i) the decrease in the combined amount of raw materials, work in process and finished goods, and (ii) the decrease in the contract costs of RMB26.0 million, primarily due to our improved delivery capabilities. Our inventories and contract costs decreased from RMB99.9 million as of December 31, 2024 to RMB49.9 million as of December

31, 2025, primarily due to a decrease in the contract costs of RMB74.7 million, primarily due to our improved delivery capabilities. Our Directors are of the view that there is no material recoverability issue for our inventories given that (i) most of our inventories were aged within one year, (ii) the majority is reserved for specific and confirmed orders and is currently being fulfilled within our regular production and project execution cycles and (iii) we have performed an impairment assessment and have not identified any material write-down requirement. Our Directors further confirm that sufficient provision has been made for our inventories as of December 31, 2025.

The following table sets forth the aging analysis of our inventory as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Within one year	118,553	59,163	41,878
One to two years	17,840	34,021	6,412
Over two years	571	9,026	1,610
Provision for impairment	(6,042)	(2,268)	—
Total	**130,922**	**99,942**	**49,900**

The following table sets forth our inventory turnover days for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
		(days)	
Inventory turnover days(1)	532.0	251.4	125.1

Note:

(1) Inventory turnover days equal the average of opening balance and closing balance of the inventories for relevant year divided by cost of sales for the same year and multiplied by the number of days during such year.

Our inventory turnover days decreased from 532.0 days in 2023 to 251.4 days in 2024, primarily due to our enhanced inventory management efficiency (i) the adoption of a sales-driven procurement strategy, which significantly reduced our raw material stock levels, (ii) the standardization of our products resulting from CBB architecture, which lowered the inventory levels of raw materials and work-in-progress and (iii) the improvement of our delivery efficiency through standardized delivery planning and execution processes. Our inventory turnover days further decreased to 125.1 days in 2025, primarily due to our enhanced inventory management efficiency. According to Frost & Sullivan, our inventory turnover days during the Track Record Period were comparable to industry peers.

As of February 28, 2026, RMB5.7 million, or 11.4%, of our inventories as of December 31, 2025 had been subsequently sold or utilized.

Trade and Bills Receivables

Our trade and bills receivables represent amounts due from customers for our solutions. The following table sets forth our trade and bills receivables as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Trade receivables, net of loss allowance			
— third parties	44,892	134,022	230,783
— related parties	3,889	12,022	11,065
Bills receivables	2,206	831	5,530
Total	**50,987**	**146,875**	**247,378**

As of December 31, 2023, 2024 and 2025, the balance of our trade and bills receivables were RMB51.0 million, RMB146.9 million and RMB247.4 million, respectively. The balance of our trade and bills receivables has generally increased over time during the Track Record Period, reflecting our business growth.

The following table sets forth an aging analysis of our trade and bills receivables, including a related provision for impairment, based on the recognition date as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Within one year	31,683	122,325	182,112
One year to two years	14,878	18,723	59,292
Over two years	4,426	5,827	5,974
Total	**50,987**	**146,875**	**247,378**

The following table sets forth the turnover days of our trade and bills receivables for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
		(days)	
Trade and bills receivables turnover days(1)	165.9	139.7	208.9

Note:

(1) Trade and bills receivables turnover days equal the average of opening balance and closing balance of trade and notes receivables for relevant year divided by total revenue for the same year and multiplied by the number of days during such year.

Our trade and bills receivables turnover days decreased from 165.9 days in 2023 to 139.7 days in 2024, as we enhanced our collection efforts. Our trade and bills receivables turnover days increased from 139.7 days in 2024 to 208.9 days in 2025. We seek to maintain stable and long-term relationships with our customers and, as part of this strategy, we offer extended credit terms to certain customers. These customers primarily comprise those with a repurchase history or customers that demonstrated strong creditworthiness, such as listed companies, state-owned enterprises, leading companies in their respective industries and strategic customers with whom we intended to deepen our cooperation. For such customers, the average extended credit terms (including the original contractual credit terms), weighted by the respective trade receivables balances, ranged from approximately 150 days to 270 days as of December 31, 2023, 2024 and 2025. Our trade receivables turnover days are also affected by the payment cycles of certain customers, whose payments to us are in turn dependent on the timing of payments from their own end-customers. The timing of such payments typically depends on project milestones, including completion of system integration, on-site deployment and/or end-customer acceptance of the relevant project. In addition, certain customers' payment schedules are influenced by their internal budget approval and settlement procedures, which may be extended or delayed due to factors beyond our control. During the Track Record Period to the Latest Practicable Date, we did not have any litigation or material dispute with these customers.

During the Track Record Period, our trade and bills receivables turnover days were longer than the contractual credit terms ranging from 30 to 120 days that we generally granted to our customers during the same period. This was primarily due to the reasons mentioned above. According to Frost & Sullivan, our trade and bills turnover days during the Track Record Period were in line with the market practice.

To effectively manage our cash flow, we utilized bank acceptance bills and bank loans to settle our trade payables, which effectively extended the cash outflow cycle on our payable side and mitigated the cash flow impact of the longer receivable turnover days. See "— Trade and Bills Payables."

We have established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. We measures loss allowances for trade and bills receivables at an amount equal to lifetime expected credit losses, which is calculated using a provision matrix. As our historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between different customer bases.

In order to achieve timely settlement of our trade and bills receivables, we have proactively made collection efforts with our customers, including (i) closely monitoring the status of our trade receivables, (ii) conducting periodic reviews of trade receivables status and collection progress through our customer relationship management system, and (iii) timely communicating with relevant parties and reminding them of payments through various channels.

As of February 28, 2026, RMB35.5 million, or 14.4%, of our trade and bills receivables as of December 31, 2025 had been subsequently settled. Based on our credit risk policy and the credit profiles of our customers, we do not anticipate any material recoverability issue with our trade and bills receivables.

Trade and Bills Payables

Our trade and bills payables primarily consist of outstanding amounts owed to third parties, including payments for goods, labor fees associated with project implementation, and transportation costs. The following table sets forth our trade and bills payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Trade payables			
— third parties	52,582	111,714	153,089
— related parties	—	3,395	1,488
Bills payables	22,573	20,213	34,661
Total	**75,155**	**135,322**	**189,238**

As of December 31, 2023, 2024 and 2025, our trade and bills payables were RMB75.2 million, RMB135.3 million and RMB189.2 million, respectively. The increases in our trade and bills payables during the Track Record Period were primarily due to our increased procurement of raw materials to meet market demands.

The following table sets forth an aging analysis of our trade and bills payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Within one year	69,884	108,877	148,695
One year to two years	2,269	23,735	25,934
Over two years	3,002	2,710	14,609
Total	**75,155**	**135,322**	**189,238**

The following table sets forth the turnover days of our trade and bills payables for the years indicated:

	Year ended December 31,		
	2023	2024	2025
		(days)	
Trade and bills payables turnover days(1)	276.7	229.2	271.0

Note:

(1) Trade and bills payables turnover days equal the average of the opening and closing balances of trade and bills payables for relevant year divided by total cost of sales for the same year and multiplied by the number of days during such year.

Our trade and bills payables turnover days decreased from 276.7 days in 2023 to 229.2 days in 2024, primarily as we accelerated acceptance of our solutions by the end of the year. Our trade and bills payables turnover days increased from 229.2 days in 2024 to 271.0 days in 2025, primarily due to our established relationships with our suppliers and enhanced bargaining power resulting from greater procurement as our business expanded.

During the Track Record Period, our trade and bills payables turnover days were longer than the credit terms granted to us by our suppliers. The discrepancy is primarily attributable to (i) our centralized and strategic approach to managing our working capital, whereby payment schedules to suppliers are aligned with cash inflows from operations, considering the extended payment cycles of our major customers and (ii) the settlement cycle of bank acceptance bills, which extends the effective payment period beyond the stated credit terms, as the turnover days reflect the full period from invoice date to final settlement of the bills rather than the nominal credit period alone. We are able to maintain such payment schedules with suppliers because we have established stable, long-term relationships with our suppliers and enhanced our bargaining power resulting from greater procurement volumes as our business expanded.

During the Track Record Period, we encountered a cash flow mismatch, which was primarily because our inventory and trade receivables turnover days were longer than our trade payables turnover days in the same period. See "Risk Factors — Risk related to our financial condition and need for additional capital — Our cash conversion cycle is long and our cash flow may fluctuate due to customers' payment."

To effectively manage the cash flow mismatch that our inventory turnover days and trade and bills receivables turnover days were longer than our trade payables turnover days, we use bank acceptance bills and bank loans to settle trade payables. As of February 28, 2026, our committed unutilized banking facilities amounted to RMB166.9 million, which were sufficient to provide us with flexibility and timely access to funding for our operations. We also monitor our cash flow positions and forecast our liquidity requirements regularly, so that we can arrange financing as needed in advance. Our management reviews our inventory, trade and bills receivables and trade and bills payables positions on an ongoing basis to identify and address any significant mismatches and take appropriate actions where necessary.

As of February 28, 2026, RMB46.3 million, or 24.4%, of our trade and bills payables as of December 31, 2025 had been subsequently settled.

Prepayments, Other Receivables and Other Assets — Current

The current portion of our prepayments, other receivables and other assets primarily consist of (i) deductible input value-added tax (VAT), (ii) advance payments to suppliers for parts and components of robots, (iii) deposits paid upfront to secure services, rental agreements, or bidding process. As of December 31, 2023, 2024 and 2025, the balance of our prepayments, other receivables and other current assets was RMB10.9 million, RMB31.8 million and RMB45.6 million, respectively. The balance of the current portion of our payments, other receivables and other assets has generally increased during the Track Record Period, reflecting our overall business expansion.

Cash and Cash Equivalent

As of December 31, 2023, 2024 and 2025, our cash and cash equivalents amounted to RMB75.8 million, RMB131.3 million and RMB243.4 million, respectively. Our cash and cash equivalents primarily consist of cash held at banks and other financial institutions, readily accessible on demand to support our operational and liquidity needs.

Contract Liabilities

Contract liabilities mainly arise from the advance payments made by customers before we recognize the related revenue. Our contract liabilities decreased from RMB83.3 million as of December 31, 2023 to RMB67.4 million as of December 31, 2024, primarily because we recognized revenue for certain projects upon the acceptance in 2024. Our contract liabilities decreased from RMB67.4 million as of December 31, 2024 to RMB12.6 million as of December 31, 2025, primarily because we recognized revenue for certain large-scale projects applied in the lithium battery industry upon the acceptance in 2025. The following table sets forth the aging analysis of our contract liabilities as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Within one year	62,731	21,814	8,498
One to two years	17,833	33,021	3,191
Over two years	2,702	12,582	885
Total	**83,266**	**67,417**	**12,574**

Other Payables and Accruals

Our other payables and accruals consist primarily of (i) payroll payables; (ii) payable to universities for R&D cooperation; (iii) output value added tax to be transferred; (iv) payable to employee for reimbursement; (v) other tax payables and (vi) other payables and accruals. The following table sets forth a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Payroll payables	12,598	9,207	6,617
Payable to universities for R&D cooperation	—	8,201	—
Output value added tax to be transferred	5,230	34,886	52,102
Payable to employee for reimbursement	1,964	3,404	3,059
Other tax payables	722	745	1,118
Other payables and accruals	4,933	4,526	21,972
Total	**25,447**	**60,969**	**84,868**

As of December 31, 2023, 2024 and 2025, the balance of our other payables and accruals was RMB25.4 million, RMB61.0 million and RMB84.9 million, respectively. The changes in our other payables and accruals over time was primarily influenced by output value added tax to be transferred as our business continued to grow.

Deferred Income

Deferred income represents government grants, which were primarily received for our research and development and production projects and are recognized as income on a systematic basis over the periods that the costs, which they are intended to compensate, are expensed. We recorded deferred income of RMB0.5 million, RMB2.7 million and RMB0.3 million as of December 31, 2023, 2024 and 2025, respectively. Such fluctuations were primarily due to the joint impact of new grants received and the amount released to profit or loss during the relevant periods.

LIQUIDITY AND CAPITAL RESOURCES

Working Capital

Our Directors are of the opinion that, taking into account of the financial resources available to us, including (i) cash and cash equivalents, (ii) available bank facilities, and (iii) the estimated **[REDACTED]** from the **[REDACTED]**, we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly (i) net cash used in operating activities, (ii) purchases of property, plant and equipment, (iii) payments for intangible assets, (iv) principal payments of lease liabilities, and (v) interest paid for lease liabilities. Our historical cash burn rate was RMB9.0 million, RMB7.8 million and RMB16.4 million for each of the years ended December 31, 2023, 2024 and 2025, respectively, mainly representing our investment in R&D activities and business operations. During the Track Record Period, we recorded expenditure in purchase of property and equipment primarily due to our procurement and lease of computing hardware and offices, for the operation activities and R&D activities in line with our business expansion.

We had cash and cash equivalents, and available bank facilities of RMB427.3 million in aggregate as of December 31, 2025. We estimate that we will receive **[REDACTED]** of RMB**[REDACTED]** (HK$**[REDACTED]**) after deducting the **[REDACTED]** commissions and other estimated **[REDACTED]** payable by us in connection with the **[REDACTED]**, assuming no **[REDACTED]** is exercised and assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the indicative **[REDACTED]** in this document.

Assuming that the average cash burn rate going forward will be RMB16.4 million, similar to the cash burn rate level for the the year ended December 31, 2025 based on the underlying assumptions that (i) the number of our employees will not increase significantly, particularly in the R&D department; (ii) we do not expect substantial capital investment; and (iii) we do not expect significant acquisitions of fixed assets, we estimate that our cash and cash equivalents, and available bank facilities as of December 31, 2025 will be able to maintain our financial viability for **[REDACTED]** months or, if we take into account 10% of the estimated **[REDACTED]** from **[REDACTED]** (namely, the portion allocated for our working capital and other general corporate purposes), **[REDACTED]** months or, if we also take into account the estimated **[REDACTED]** from **[REDACTED]**, **[REDACTED]** months. We will continue to monitor our cash flows from operations closely and maintain our financial viability through a variety of means, including, among others, banking facilities and external financings.

Cash Flows

The following table sets forth selected cash flow statement information for the years indicated:

	Year ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Net cash used in operating activities	(94,414)	(79,457)	(185,006)
Net cash used in investing activities	(6,843)	(7,042)	(3,900)
Net cash generated from financing activities	93,774	141,998	300,997
Net (decrease)/increase in cash and cash equivalents	(7,483)	55,499	112,091
Cash and cash equivalents at the beginning of the year	83,315	75,832	131,331
Cash and cash equivalents at the end of the year	75,832	131,331	243,422

Net Cash Used in Operating Activities

For the year ended December 31, 2025, we had net cash used in operating activities of RMB185.0 million, which was primarily attributable to our loss before taxation of RMB384.3 million, adjusted for certain non-cash and non-operating items, primarily including changes in the carrying amount of the redemption liabilities of RMB249.4 million. The amount was further adjusted by changes in working capital, primarily including an increase in trade and bills payables of RMB53.9 million, partially offset by an increase in trade and bills receivables of RMB112.5 million.

For the year ended December 31, 2024, our net cash used in operating activities was RMB79.5 million, which was primarily attributable to our loss before taxation of RMB200.2 million, as adjusted by certain non-cash and non-operating items, primarily consisting of (i) changes in the carrying amount of the redemption liabilities of RMB108.8 million and equity-settled share-based payment expenses of RMB10.2 million. The amount was further adjusted by changes in working capital. The changes in working capital were primarily including (i) an increase in trade and bills payables of RMB60.2 million, partially offset by an increase in trade and bills receivables of RMB104.2 million.

For the year ended December 31, 2023, our net cash used in operating activities was RMB94.4 million, which was primarily attributable to our loss before taxation of RMB260.0 million, as adjusted by certain non-cash and non-operating items, primarily consisting of (i) changes in the carrying amount of the redemption liabilities of RMB118.5 million and equity-settled share-based payment expenses of RMB10.1 million. The amount was further adjusted by changes in working capital. The changes in working capital were primarily attributable to (i) an increase in trade and bills payables of RMB28.1 million, and (ii) an increase in contract liabilities of RMB38.2 million, partially offset by an increase in inventories of RMB27.2 million.

Net Cash Used in Investing Activities

For the year ended December 31, 2025, we had net cash used in investing activities of RMB3.9 million, primarily due to purchases of property, plant and equipment.

For the year ended December 31, 2024, we had net cash used in investing activities of RMB7.0 million, primarily due to purchases of property, plant and equipment, partially offset by proceeds from the disposal of equipment.

For the year ended December 31, 2023, we had net cash used in investing activities of RMB6.8 million, primarily due to purchases of property, plant and equipment and investments in wealth management products and other investments, partially offset by proceeds from the redemption of wealth management products and the disposal of equipment.

Net Cash Generated from Financing Activities

For the year ended December 31, 2025, we had net cash generated from financing activities of RMB301.0 million, attributable to proceeds from bank loans and capital contribution by investors, partially offset by repayment of bank loans, interest of bank loans paid and capital element of lease rentals paid.

For the year ended December 31, 2024, we had net cash generated from financing activities of RMB142.0 million, primarily due to proceeds from bank loans and capital contribution by investors, partially offset by repayment of bank loans, interest of bank loans paid and capital element of lease rentals paid.

For the year ended December 31, 2023, we had net cash generated from financing activities of RMB93.8 million, primarily due to proceeds from bank loans and capital contribution by investors, partially offset by Capital element of lease rentals paid.

We have adopted following measures to improve our net operating cash outflows position: (i) enhancing our receivables collection strategy by optimizing payment terms at the contract negotiation stage, including requiring higher upfront deposits and strengthening project-level collection management by proactively following up on outstanding receivables, (ii) managing expenditure through bank acceptance bills and bank loans to extend payment cycles to suppliers in a cost-effective manner and to better align cash outflows with cash inflows and (iii) strengthening inventory management to reduce unnecessary inventory holding and accelerate inventory turnover. Going forward, we will continue to monitor our cash conversion cycle, including receivables, inventory and payables turnover, and will further refine our credit control, collection and working capital policies to sustain improvements in our operating cash flow.

Cash Operating Cost

The following table sets forth key information relating to our cash operating costs for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Research and development costs[1]	23,295	25,341	39,097
Workforce employment[2]	101,089	105,521	120,457
Direct production costs, including materials[3]	75,279	157,533	209,393
Product marketing[4]	22,757	26,360	37,183
Non-income taxes, royalties and other governmental charges[5]	851	528	319
Total	223,271	315,283	406,449

Notes:

(1) Research and development costs under cash operating costs represent research and development expenses (excluding employee benefit expenses and non-cash items under research and development expenses) adjusted by changes in working capital relating to research and development activities as of the previous and current year end.

(2) Cash operating costs relating to workforce employment represent the sum of employee benefit expenses under research and development expenses, general and administrative expenses, costs of sales and selling and marketing expenses (excluding share-based payments expenses which are non-cash in nature) adjusted by changes in working capital relating to employee benefit expenses as of previous and current year end under the above operating expenses.

(3) Cash operating costs relating to direct production costs, including materials, represent the cost of revenue (excluding employee benefit expenses and non-cash items under contract costs) adjusted by changes in working capital relating to service as of the previous and current year end.

(4) Cash operating costs relating to product marketing represent the selling and marketing expenses (excluding employee benefit expenses and non-cash items under selling and marketing expenses) adjusted by changes in working capital relating to sales and distribution activities as of the previous and current year end.

(5) Cash operating costs relating to non-income taxes, royalties and other governmental charges mainly represent payment of VAT, stamp duty, taxes and surcharges.

INDEBTEDNESS

The table below sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of February 28,
	2023	2024	2025	2026
				(unaudited)
		(RMB in thousands)		
Bank loans				
Bank loans — unsecured and guaranteed	32,039	86,275	200,103	200,103
Bank loans — unsecured and unguaranteed	—	18,051	—	—
Lease liabilities				
Current	7,167	7,719	4,224	3,239
Non-current	9,103	6,947	4,103	3,810
Redemption liabilities	1,227,221	1,456,061	2,121,122	2,139,754
Total	**1,275,530**	**1,575,053**	**2,329,552**	**2,346,906**

Bank Loans

As of December 31, 2023, 2024, 2025 and February 28, 2026, our bank loans amounted to RMB32.0 million, RMB104.3 million, RMB200.1 million, and RMB200.1 million, respectively. During the Track Record Period, the interest rates of bank loans ranged from 1.91% to 4.40% per annum. Our bank loans contain standard terms, conditions and covenants that are customary for commercial bank loans in China. As of February 28, 2026, we had committed unutilized banking facilities of RMB166.9 million, primarily with a tenor of up to one year, from credible banks with whom we have long-term business relationships, which were available for drawdown without any significant further conditions precedent. Such banking facilities are guaranteed by our Company and the guarantee contracts are expected to be released prior to listing. We do not anticipate any material changes to the availability of bank financing to finance our operations in the future, although we cannot assure you that we will be able to obtain bank financing on favorable terms or at all. Our Directors confirmed that we did not experience any difficulty in obtaining bank loans or other borrowings, default in payment of bank loans or other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date. For more details, see Note 23 of the Accountants' Report set forth in Appendix I to this document.

Lease Liabilities

Our lease liabilities are in relation to properties that we lease for our offices and production facilities. As of December 31, 2023, 2024 and 2025 and February 28, 2026, we recognized total lease liabilities of RMB16.3 million, RMB14.7 million, RMB8.3 million and RMB7.0 million. The fluctuation in our lease liabilities was primarily due to depreciation recognized during the lease term.

Redemption Liabilities

Redemption liabilities represent redemption liabilities of Shares with special rights held by **[REDACTED]** Investors. As of December 31, 2023, 2024 and 2025, our redemption liabilities amounted to RMB1,227.2 million, RMB1,456.1 million and RMB2,121.1 million, respectively. The increases were primarily due to additional equity financing.

Indebtedness Statement

Save as disclosed above, as of February 28, 2026, being the latest practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Our Directors have confirmed that there had been no material change in our indebtedness since February 28, 2026 and up to the date of this document.

R&D EXPENDITURE AND TOTAL OPERATING EXPENDITURE

During the Track Record Period, we did not have capitalized research and development expenses. The table below sets forth our annual and total R&D expenditure for the years indicated.

	Year ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Annual R&D expenditure			
Research and development expenses	67,425	62,398	83,023
Add: intangible assets related to R&D software acquired from third parties and capitalized	—	—	—
Less: Amortization expenses of capitalized intangible assets included in R&D expenditure	—	—	—
	67,425	62,398	83,023
Total R&D expenditure for the three financial years prior to the [REDACTED]			212,846

The table below sets forth our annual and total operating expenditure for the years indicated.

	Year ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Annual total operating expenditure			
Research and development expenses	67,425	62,398	83,023
Selling and marketing expenses	53,860	62,487	77,242
General and Administrative expenses	52,746	56,051	87,314
Adjustments:			
Add: Intangible assets related to R&D software acquired from third parties and capitalized	—	—	—
Less: amortization expenses of capitalized intangible assets included in R&D expenditure	—	—	—
	174,031	180,936	247,574
Total operating expenditure for the three financial years prior to the [REDACTED]			602,541

The table below sets forth our annual R&D expenditure ratio and the total R&D ratio for the years indicated.

	Years ended December 31,		
	2023	2024	2025
Annual R&D operating ratio[(1)]	38.7%	34.5%	33.5%
Total R&D expenditure ratio[(2)]			35.2%

Notes:

(1) Calculated by dividing annual R&D expenditure by annual total operating expenditure.

(2) Calculated by dividing total R&D expenditure for the three financial years prior to the **[REDACTED]** by total operating expenditure for the three financial years prior to the **[REDACTED]**.

CAPITAL EXPENDITURES

Our capital expenditures consisted of purchase of property, plant and equipment, amounting to RMB6.0 million, RMB6.4 million and RMB3.3 million in 2023, 2024 and 2025, respectively.

We expect to incur additional capital expenditures in 2026, primarily for the purchase of property, plant and equipment. We expect to finance our capital expenditures through existing cash on hand, bank loans and the **[REDACTED]** from the **[REDACTED]**. We may adjust our capital expenditures for any given year according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CAPITAL COMMITMENTS

As of December 31, 2023, 2024 and 2025, we did not have any capital commitments contracted for but not yet provided. Our Directors confirm that there had been no material change in our capital commitments since December 31, 2025 and up to the Latest Practicable Date.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025, we did not have any significant contingent liabilities. Our Directors confirmed that there had not been any material change in the contingent liabilities of our Company since December 31, 2025 and up to the Latest Practicable Date.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates or for the years indicated:

	Year ended/As of December 31,		
	2023	2024	2025
Gross profit margin	26.1%	35.2%	36.5%
Current ratio[(1)]	0.2	0.2	0.3
Quick ratio[(2)]	0.1	0.2	0.2

Notes:

(1) Current ratio equals total current assets divided by total current liabilities as of the date indicated. Total current liabilities included redemption liabilities, which will be reclassified to equity upon the **[REDACTED]**.

(2) Quick ratio is calculated by dividing current assets less inventories and contract costs by current liabilities as of the date indicated. Total current liabilities included redemption liabilities, which will be reclassified to equity upon the **[REDACTED]**.

FINANCIAL RISK MANAGEMENT

Our principal financial instruments mainly include cash and cash equivalents, and trade and bills receivables. The key risks associated with our financial instruments include foreign currency risk, credit risk, and liquidity risk. Our Directors regularly review these risks and establish policies to manage and mitigate their impact effectively. For details, see Note 29 to the Accountants' Report included in Appendix I to this document.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we did not have any outstanding off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time during our ordinary course of business and on terms comparable to the terms of transactions with other entities that are not related parties.

See Note 31 to Appendix I to this document. Our Directors believe that these transactions were conducted on normal commercial terms and on an arm's length basis in the ordinary and usual course of business, and did not distort our results of operations or make our historical results not reflective of our future performance.

DIVIDEND POLICY

No dividend was paid or declared by our Company during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. According to applicable PRC laws and the Company's Articles of Association, the Company is legally prohibited from declaring and paying dividends in presence of accumulated losses. Any profit distribution must strictly adhere to the statutory sequence as follows: first, offsetting all accumulated losses from prior years; second, setting aside 10% of the after-tax profits to the Company's statutory reserve. A company may choose not to do so if its aggregate statutory reserve reaches 50% or more of its registered capital. After these aforementioned appropriations may any remaining profits be distributed to shareholders. Additionally, upon completion of the statutory allocation sequence, the shareholders' meeting may resolve to allocate a discretionary reserve. If such a reserve is established, the remaining profit could only be distributed to shareholders after all the above allocations — including both the statutory allocation sequence and the shareholders' meeting resolution — have been completed. A company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to reserve funds as mentioned above. As advised by our PRC Legal Advisor, our Company cannot pay dividends if it is in an accumulated loss position. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

[REDACTED]

[REDACTED] represent professional fees, **[REDACTED]** commission and other fees incurred in connection with the **[REDACTED]**. **[REDACTED]** to be borne by us are estimated to be approximately RMB**[REDACTED]** (HK$**[REDACTED]**), comprising: (i) **[REDACTED]** fees of RMB**[REDACTED]** (HK$**[REDACTED]**); and (ii) non-**[REDACTED]**-related expenses of RMB**[REDACTED]** (HK$**[REDACTED]**), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB**[REDACTED]** (HK$**[REDACTED]**); and (b) other fees and expenses of RMB**[REDACTED]** (HK$**[REDACTED]**), assuming the **[REDACTED]** is not exercised and based on the **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the **[REDACTED]**), approximately RMB**[REDACTED]** (HK$**[REDACTED]**) of which was charged or is expected to be charged to our consolidated statements of profit or loss, and approximately RMB**[REDACTED]** (HK$**[REDACTED]**) of which is expected to be deducted from equity upon the completion of the **[REDACTED]**. The **[REDACTED]** are expected to represent approximately **[REDACTED]**% of the gross **[REDACTED]** of the **[REDACTED]**, assuming an **[REDACTED]** of

HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the indicative **[REDACTED]**) and that the **[REDACTED]** is not exercised. The **[REDACTED]** above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work that our Directors consider appropriate and after due and careful consideration, our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025 (being the end date of the period reported on in the Accountants' Report in Appendix I to this document) and there has been no event since December 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.

UNAUDITED [REDACTED] STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See Appendix IIA to this Document.

FUTURE PLANS

For a detailed description of our future plans, see "Business — Our Strategies."

USE OF [REDACTED]

Assuming that the **[REDACTED]** is not exercised, after deducting the **[REDACTED]** commissions and other estimated **[REDACTED]** payable by us in connection with the **[REDACTED]**, and assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the mid-point of the indicative **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]**), we estimate that we will receive **[REDACTED]** of approximately HK$**[REDACTED]** from the **[REDACTED]**. We intend to use the **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts set forth below:

(i) Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used to continuously advance our embodied AI technologies and enhance related research and development capabilities to reinforce our technological strength, in which:

- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used for the development of an embodied AI model enabling "unified intelligence + adaptive forms". The goal is to improve accuracy and generalization capabilities of our robots in complex work environments, thereby expanding the range of their practical applications.

  - approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used to recruit additional approximately 105 specialist personnel for algorithm development over the next five years. Specifically, these personnel will be responsible for (i) developing algorithms for multi-robot collaboration, robot gait planning and dynamic obstacle avoidance with an expected annual salary of HK$500,000 to HK$600,000, as well as (ii) optimizing the hardware and software integration and mechanical design of our robots with an expected annual salary of HK$400,000 to HK$500,000. Candidates should have a doctoral or master's degree in AI, robotics, mechanical engineering or a related field, with relevant research or industry experience.

  - approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used to purchase servers, essential computing equipment, and related software services to support the development of our models. For server and computing equipment, we plan to procure high-performance data center GPUs to establish a large-scale GPU cluster dedicated to computationally intensive tasks such as deep reinforcement learning and large foundation model training. In terms of server scale, we intend to deploy several dozen nodes initially, with eventual expansion to several hundred nodes for large-scale development, all interconnected by high-speed networks. We also plan to procure a limited number of robots embedded with system-on-module AI computing platforms supporting high-performance edge inference, to facilitate deployment and edge-side validation of algorithms. For software, we plan to utilize advanced physics-based simulation platforms supporting photo realistic rendering and reinforcement learning environments to conduct safe and efficient training and testing in realistic virtual environments, as well as AI-assisted programming tools for AI application development. We further anticipate incurring costs for API access and licensing for leading domestic and international large language models to support real-time model inference and development.

In parallel, we also plan to conduct studies on adaptive emergence technologies to enhance the autonomy and generalization capabilities of our embodied AI robots across complex and varied operational environments. The servers, computing equipment and software infrastructure procured will directly support such development by providing the computational capacity required for model training, simulation-based validation and real-world deployment testing of our robotic systems.

- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used for the expansion of our solution and product offerings. We intend to strengthen our product development team, with a focus on recruiting approximately 90 engineers over the next five years who have experience in the development of humanoid robots and seasoned software development professionals. Specifically, these personnel will be responsible for (i) core architecture design and optimization of multimodal models, with an expected annual salary of HK$500,000 to HK$600,000; (ii) model parameter tuning and generalization capability enhancement, with an expected annual salary of HK$400,000 to HK$500,000; and (iii) data cleaning, format conversion and augmentation processing, with an expected annual salary of HK$300,000 to HK$400,000. Candidates should have a bachelor's degree or higher in artificial intelligence, computer science, robotics or a related field, with relevant experience in model development or data engineering. We will also procure advanced hardware, such as motion capture systems and humanoid robot prototypes, for our new product offerings. In addition to developing proprietary software systems, we will consider procuring cutting-edge software modules from external sources, such as embodied AI frameworks and multi-body dynamics simulation software to accelerate the development and validation of our humanoid robot capabilities;
- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used for the research and development of next-generation perception and interaction technologies based on multi-modal models, enabling our mobile manipulation robots to collaborate efficiently with humans in diverse application scenarios. We also plan to create a comprehensive software ecosystem that streamlines the training, development, and deployment of mobile manipulation robots. We will recruit approximately 75 engineers over the next five years in related fields, procure computing equipment, and conduct market research. Specifically, these personnel will be responsible for (i) developing automated data labeling and anomaly detection algorithms, with an expected annual salary of HK$500,000 to HK$600,000; (ii) developing distributed data storage and management platforms, with an expected annual salary of HK$400,000 to HK$500,000; and (iii) testing model performance across hardware environments, with an expected annual salary of HK$300,000 to HK$400,000. Candidates should have a bachelor's degree or higher in computer science, artificial intelligence, electronic engineering or a related field, with relevant experience in perception systems or data infrastructure; and
- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used for the ongoing research and development of key components of our robots, including high-integration and high-performance controllers, multi-modal perception controllers, and integrated real-time driving and control modules. We will recruit additional approximately 59 engineers over the next five years. Specifically, these personnel will be responsible for (i) developing force control and grasping planning algorithms, with an expected annual salary of HK$400,000 to HK$500,000; and (ii) robotic arm structural optimization and material selection, with an expected annual salary of HK$300,000 to HK$400,000. Candidates should have a bachelor's degree or higher in mechanical engineering, robotics, automation or a related field, with relevant

experience in controller circuit design and the lightweight designof robotic arms. This enhances our ability to innovate and improve product performance, and maintain a sustainable competitive advantage in the robotic industry.

(ii) Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used for the construction and upgrade of our multifunctional center, which is intended to provide functions such as R&D, operations, assembly and product testing. Establishing a multifunctional center is essential because robotics manufacturing requires specialized site conditions, such as heightened load-bearing capacity and cleanroom facilities, which standard rental units cannot provide. Additionally, transitioning to new product lines demands on-site R&D support. A multifunctional center enables us to design a bespoke site that can simultaneously meet our specific manufacturing, R&D, office, and operational needs, ensuring integrated and efficient business operations.

- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used for land acquisition and construction of the center, as well as for the renovation and functional upgrades of existing facilities;
- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used for the development of new production lines and procurement of related production equipment for the production of our embodied AI robots. The new production lines are scheduled to be established in two phases. The first phase is expected to commence production by the end of 2028 with annual designed production capacity of 2,000 units. We plan to acquire advanced and automated equipment for production, assembly and testing, thereby improving our quality control and test precision. Specifically, we plan to procure approximately two automated chassis assembly lines, two sets of automated storage racking systems with 1,000 storage positions per set, two complete machine performance testing lines, ten high-low temperature burn-in and aging test chambers, three vibration test benches and 40 drilling and tapping machines; and
- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used to establish an industrial research and education center focusing primarily on embodied AI technologies. The center will serve as a dedicated platform for applied robotics research, talent development and industry collaboration, complementing our ongoing commercial R&D activities. We intend to share resources, such as laboratory facilities, computing resources and testing equipment, with our ecosystem partners, including universities and upstream component suppliers, on mutually agreed commercial terms, with a view to jointly accelerating technology commercialization of embodied AI robotics.

(iii) Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used to boost our brand presence internationally and enhancing market engagement. We are dedicated to establishing a recognizable brand presence across key non-domestic markets, with a primary focus on countries and regions, such as Germany, Japan and Hong Kong, in which,

- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used to develop local sales teams, customer service staff, and technical support engineers with deep insights into each market's operational dynamics and specific logistical needs, especially those with experience in semiconductors industry in Japan, Singapore, Malaysia and Taiwan. Specifically, we plan to recruit the following: (i) approximately 15 sales personnel, comprising individuals with semiconductor industry customer resources and industry specialists in the semiconductor, power and petrochemical sectors each with over 10 years of relevant experience, with an expected annual salary of HK$800,000 to HK$1,000,000 per person; (ii) approximately 3 customer service and site management personnel, comprising site managers and resident engineers stationed at overseas demonstration sites, with an expected annual salary of HK$700,000 to HK$800,000 per person; and (iii) approximately 57 technical personnel, comprising solution architects, robot hardware engineers, robot software engineers, systems software engineers, senior engineers and industrial domain experts, with an expected annual salary of HK$300,000 to HK$900,000 per person. Candidates should have a bachelor's degree or higher in a relevant discipline, with experience in international business development, technical sales or robotics solution deployment. Additionally, we will invest in establishing localized infrastructure that allows for swift product delivery, local deployment and after-sales services, ensuring that we can provide customers with prompt, high-quality service. Specifically, in Japan we plan to establish a regional spare parts warehouse to reduce transportation time and enhance our responsiveness in delivery, deployment and after-sales services for the Japanese market, and, where urgent after-sales support is required, provide standby robots for temporary loan to customers to minimize disruption to their operations during the repair or maintenance period;

- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used to implement brand-building initiatives, including digital marketing, localized advertising and participation in major industrial exhibitions. Through these initiatives, we intend to communicate our brand value and technological advantages, building credibility and maximizing reach among potential customers; and

- approximately **[REDACTED]**% (or HK$**[REDACTED]**) is intended to be used to establish industry standards and obtaining certifications for our robots. Specifically, we plan to pursue additional international safety and market access certifications for our new product models intended for overseas sales, including CE certification for new product models to be sold in European markets, SEMI certifications for new product configurations deployed in semiconductor manufacturing environments, and UL 3100 certification for the North American market, and to participate actively in domestic and international standard-setting activities for mobile manipulation robots and embodied AI robots.

(iv) Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used to selectively pursue strategic alliances, investment and acquisition opportunities in the ecosystem of the domestic and international industrial embodied AI robotic industry, especially key component manufacturers, system integrators and robot designers and developers.

When assessing the investment or acquisition opportunities, we will primarily consider targets that are complementary to our product offerings and are in line with our corporate philosophy and growth strategies. More specifically, the criteria we consider when it comes to such investment and/or acquisition include (i) experience in the semiconductors, energy and chemical industries, its supply chain, technological capabilities, (ii) business synergies with our Company, (iii) business scale with an annual revenue of at least RMB[5.0] million, (iv) senior management with academic backgrounds, industry experience or professional expertise in robotics, automation or artificial intelligence-related fields and (v) solid growth potential with good industry reputation. The non-exhaustive examples of desired targets include (1) key component manufacturers, such as LiDAR, sensors, robotic joint motors and batteries, (2) system integrators in semiconductors sector or others, particularly those with integration expertise for automated material handling and additional customer resources, and (3) robot design companies and developing companies, particularly those focus on cobots, wafer transfer robots, special-purpose robots. According to Frost & Sullivan, there are approximately 400 to 500 companies in the robotics key component manufacturing industry and there are more than 40 system integrator companies in semiconductor and other relevant sectors. As of the Latest Practicable Date, we had not identified any investment or acquisition target or enter into any definitive investment or acquisition agreement. We may consider acquiring majority or minority interest in the target company, largely depending on the specific circumstances of each case.

(v) Approximately **[REDACTED]**% (or HK$**[REDACTED]**) is planned to be used for working capital and other general corporate purposes. Such fund provides us with sufficient financial flexibility to address ongoing operational needs, and helps us maintain stability in unforeseen circumstances. By maintaining a reserve for general corporate purposes, we will be well-positioned to adapt to changes in market conditions and capitalize on new opportunities as they arise.

In the event that the **[REDACTED]** is set at the **[REDACTED]** or the **[REDACTED]** of the indicative **[REDACTED]**, the **[REDACTED]** of the **[REDACTED]** will increase or decrease by approximately HK$**[REDACTED]**.

The additional **[REDACTED]** that we would receive if the **[REDACTED]** were exercised in full would be: (i) HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the **[REDACTED]** of the indicative **[REDACTED]**); (ii) HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the mid-point of the indicative **[REDACTED]**); and (iii) HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the minimum **[REDACTED]** of the indicative **[REDACTED]**).

To the extent that the **[REDACTED]** from the **[REDACTED]** are either more or less than expected, we will adjust our allocation of the **[REDACTED]** for the above purposes on a pro rata basis.

To the extent that the **[REDACTED]** of the **[REDACTED]** are not immediately used for the above purposes, we will only deposit such funds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules. We will issue an appropriate announcement if there is any material change to the above proposed use of **[REDACTED]** in accordance with the Listing Rules.

The following table sets forth the implementation plan for each purpose.

Purpose	Allocation Proportion	Year ending December 31				
		2026	2027	2028	2029	2030
	(%)	*(HK$ in* **[REDACTED]***)*				
Advance embodied AI technologies and enhance related research and development capabilities	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Development of an embodied AI model	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
• Recruitment	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
• Purchase servers, essential computing equipment, and related software services	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Expansion of our solution and product offerings	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Research and development of next-generation perception and interaction technologies	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Research and development of key components of our robots	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**

Purpose	Allocation Proportion	Year ending December 31				
		2026	2027	2028	2029	2030
	(%)			*(HK$ in* **[REDACTED]***)*		
Construction and upgrade of our multifunctional center	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Land acquisition and construction	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— New production lines	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Industrial research and education center	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Boost brand presence internationally	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Develop local sales teams, customer service staff, and technical support engineers	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Brand-building initiatives	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
— Establish industry standards and obtaining certifications	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Strategic alliances, investment and acquisition	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Working Capital	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Total	**100.0**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**

We believe that the planned use of **[REDACTED]** will increase our Company's near-term operating and capital expenditure, primarily in respect of R&D expenses, staff costs and construction costs for the multi-functional center. While such investments may exert downward pressure on our Company's profit margins in the short term, we believe that the enhanced technical and R&D capabilities and broader customer base resulting from such investments will support revenue growth and margin improvement over the medium to long term. See "Risk Factors — We cannot guarantee that our growth strategies will be successfully implemented or bring about outcomes as we expected."

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The following is the text of a report set out on pages I-1 to I-[73], received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

KPMG

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF HEFEI YOUIBOT ROBOTICS CO., LTD. (FORMERLY KNOWN AS XI'AN YOUAI ZHIHE ROBOT TECHNOLOGY CO., LTD.) AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED

Introduction

We report on the historical financial information of Hefei Youibot Robotics Co., Ltd. (合肥優艾智合智能機器人有限公司) (formerly known as Xi'an Youai Zhihe Robot Technology Co., Ltd., "西安優艾智合機器人科技有限公司") (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-[3] to I-[73], which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statements for each of the years ended December 31, 2023, 2024 and 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-[3] to I-[73] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [*date*] (the "**Document**") in connection with the **[REDACTED]** of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the 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 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 the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 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 purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at December 31, 2023, 2024 and 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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-[3] have been made.

Dividends

We refer to Note 28(d) to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
[Date]

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 is based, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Year ended December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Revenue	4	107,671	254,892	339,685
Cost of sales		(79,533)	(165,266)	(215,549)
Gross profit		28,138	89,626	124,136
Other net income	5	10,795	11,323	5,430
Selling and marketing expenses		(53,860)	(62,487)	(77,242)
General and administrative expenses		(52,746)	(56,051)	(87,314)
Research and development expenses		(67,425)	(62,398)	(83,023)
Provision of loss allowance on financial assets and contract assets	6(c)	(4,792)	(8,281)	(11,948)
Loss from operations		(139,890)	(88,268)	(129,961)
Finance costs	6(a)	(1,526)	(2,979)	(5,214)
Share of (losses)/profits of an associate and a joint venture	14	(39)	(129)	226
Changes in the carrying amount of redemption liabilities	24	(118,539)	(108,840)	(249,384)
Loss before taxation		(259,994)	(200,216)	(384,333)
Income tax	7	—	—	—
Loss and total comprehensive income for the year		(259,994)	(200,216)	(384,333)
Attributable to:				
Equity shareholders of the Company		(260,169)	(199,856)	(383,789)
Non-controlling interests		175	(360)	(544)
Loss and total comprehensive income for the year		(259,994)	(200,216)	(384,333)
Loss per share	10			
Basic and diluted (RMB)		(16.40)	(12.06)	(19.86)

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*11*	9,752	11,162	9,138
Prepayments, other receivables and other assets	*19*	2,161	2,929	2,702
Right-of-use assets	*12(a)*	14,268	12,837	7,471
Interests in an associate and a joint venture	*14*	961	1,596	2,586
		27,142	28,524	21,897
Current assets				
Inventories and contract costs	*15*	130,922	99,942	49,900
Contract assets	*16(a)*	9,225	17,513	30,150
Trade and bills receivables	*17*	50,987	146,875	247,378
Financial assets at fair value through other comprehensive income	*18*	—	1,109	13,197
Prepayments, other receivables and other assets	*19*	10,871	31,806	45,624
Restricted cash	*20*	12,658	13,544	26,200
Cash and cash equivalents	*20*	75,832	131,331	243,422
		290,495	442,120	655,871
Current liabilities				
Trade and bills payables	*21*	75,155	135,322	189,238
Contract liabilities	*16(b)*	83,266	67,417	12,574
Other payables and accruals	*22*	25,447	60,969	84,868
Bank loans	*23*	32,039	104,326	190,096
Redemption liabilities	*24*	1,227,221	1,456,061	2,121,122
Lease liabilities	*12(b)*	7,167	7,719	4,224
Provisions	*25*	1,387	2,896	3,808
		1,451,682	1,834,710	2,605,930
Net current liabilities		(1,161,187)	(1,392,590)	(1,950,059)
Total assets less current liabilities		(1,134,045)	(1,364,066)	(1,928,162)
Non-current liabilities				
Bank loans	*23*	—	—	10,007
Lease liabilities	*12(b)*	9,103	6,947	4,103
Deferred income	*26*	496	2,656	267
		9,599	9,603	14,377
NET LIABILITIES		(1,143,644)	(1,373,669)	(1,942,539)

		As at December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
CAPITAL AND RESERVES	*28*			
Paid-in capital		2,945	3,102	—
Share capital		—	—	24,380
Reserves		(1,145,251)	(1,375,073)	(1,964,677)
Total deficit attributable to equity shareholders of the Company		(1,142,306)	(1,371,971)	(1,940,297)
Non-controlling interests		(1,338)	(1,698)	(2,242)
TOTAL DEFICIT		(1,143,644)	(1,373,669)	(1,942,539)

The accompanying notes form part of the Historical Financial Information.

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Note	As at December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment		4	4	4
Investment in subsidiaries	*13*	519,800	629,588	855,452
		519,804	629,592	855,456
Current assets				
Inventories		—	—	138
Contract assets		—	—	257
Trade and bills receivables	*17*	677	582	4,135
Prepayments, other receivables and other assets	*19*	12,895	—	54,788
Restricted cash	*20*	3,370	—	—
Cash and cash equivalents	*20*	4,771	22,974	45,409
		21,713	23,556	104,727
Current liabilities				
Trade and bills payables	*21*	11,977	728	9,407
Other payables and accruals	*22*	13,862	48,740	134,829
Redemption liabilities	*24*	1,227,221	1,456,061	2,121,122
Provisions		—	—	122
		1,253,060	1,505,529	2,265,480
Net current liabilities		(1,231,347)	(1,481,973)	(2,160,753)
Total assets less current liabilities		(711,543)	(852,381)	(1,305,297)
Non-current liabilities				
Deferred income	*26*	259	646	69
		259	646	69
NET LIABILITIES		(711,802)	(853,027)	(1,305,366)
CAPITAL AND RESERVES	*28*			
Paid-in capital		2,945	3,102	—
Share capital		—	—	24,380
Reserves		(714,747)	(856,129)	(1,329,746)
TOTAL DEFICIT		(711,802)	(853,027)	(1,305,366)

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Attributable to equity shareholders of the Company							
	Note	**Paid-in capital**	**Share capital**	**Capital reserve**	**Share-based payments reserve**	**Accumulated losses**	**Total**	**Non-controlling interests**	**Total deficit**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
		(Note 28(b))	*(Note 28(b))*	*(Note 28(c)(i))*	*(Note 28(c)(ii))*				
As at January 1, 2023		2,808	—	(304,706)	27,094	(582,398)	(857,202)	(1,513)	(858,715)
Changes in equity for the year ended December 31, 2023:									
(Loss)/profit and total comprehensive income for the year		—	—	—	—	(260,169)	(260,169)	175	(259,994)
Capital contribution by investors		137	—	69,863	—	—	70,000	—	70,000
Equity settled share-based transactions	*27*	—	—	—	10,065	—	10,065	—	10,065
Recognition of redemption liabilities	*24*	—	—	(105,000)	—	—	(105,000)	—	(105,000)
As at December 31, 2023 and January 1, 2024		2,945	—	(339,843)	37,159	(842,567)	(1,142,306)	(1,338)	(1,143,644)
Changes in equity for the year ended December 31, 2024:									
Loss and total comprehensive income for the year		—	—	—	—	(199,856)	(199,856)	(360)	(200,216)
Capital contribution by investors		157	—	79,843	—	—	80,000	—	80,000
Equity settled share-based transactions	*27*	—	—	—	10,191	—	10,191	—	10,191
Recognition of redemption liabilities	*24*	—	—	(120,000)	—	—	(120,000)	—	(120,000)

		Attributable to equity shareholders of the Company							
	Note	**Paid-in capital**	**Share capital**	**Capital reserve**	**Share-based payments reserve**	**Accumulated losses**	**Total**	**Non-controlling interests**	**Total deficit**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
		(Note 28(b))	*(Note 28(b))*	*(Note 28(c)(i))*	*(Note 28(c)(ii))*				
As at December 31, 2024 and January 1, 2025		3,102	—	(380,000)	47,350	(1,042,423)	(1,371,971)	(1,698)	(1,373,669)
Changes in equity for the year ended December 31, 2025:									
Loss and total comprehensive income for the year		—	—	—	—	(383,789)	(383,789)	(544)	(384,333)
Capital contribution by investors		984	1,375	218,790	—	—	221,149	—	221,149
Transaction costs associated with capital contribution		—	—	(1,509)	—	—	(1,509)	—	(1,509)
Equity settled share-based transactions	27	—	—	—	11,500	—	11,500	—	11,500
Conversion into a joint stock company with limited liability		(4,086)	4,086	(24,498)	—	24,498	—	—	—
Capital reserve transfer to share capital		—	18,919	(18,919)	—	—	—	—	—
Recognition of redemption liabilities	24	—	—	(415,677)	—	—	(415,677)	—	(415,677)
As at December 31, 2025		—	24,380	(621,813)	58,850	(1,401,714)	(1,940,297)	(2,242)	(1,942,539)

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED CASH FLOW STATEMENTS

		Year ended December 31,		
	Note	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Operating activities				
Cash used in operations	*20(b)*	(95,093)	(79,916)	(185,469)
Interest received		679	459	463
Net cash used in operating activities		(94,414)	(79,457)	(185,006)
Investing activities				
Purchases of items of property, plant and equipment		(5,953)	(6,422)	(3,297)
Purchase of wealth management products		(20,000)	—	—
Proceeds from redemption of wealth management products		20,003	—	—
Proceeds from disposal of property, plant and equipment		107	144	161
Acquisition of investments in an associate and a joint venture		(1,000)	(764)	(764)
Net cash used in investing activities		(6,843)	(7,042)	(3,900)
Financing activities				
Proceeds from bank loans	*20(c)*	32,000	106,010	210,000
Repayment of bank loans	*20(c)*	—	(33,800)	(112,200)
Interest of bank loans paid	*20(c)*	(575)	(2,154)	(6,738)
Capital element of lease rentals paid	*20(c)*	(6,739)	(7,310)	(8,028)
Interest element of lease rentals paid	*20(c)*	(912)	(748)	(499)
Proceeds from capital injections		—	—	1,177
Proceeds from financial instruments issued to investors	*20(c)*	70,000	80,000	219,972
Payment of financing service fees		—	—	(1,509)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net cash generated from financing activities		93,774	141,998	300,997
Net (decrease)/increase in cash and cash equivalents		(7,483)	55,499	112,091
Cash and cash equivalents at the beginning of the year	*20(a)*	83,315	75,832	131,331
Cash and cash equivalents at the end of the year	*20(a)*	75,832	131,331	243,422

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 Basis of preparation and presentation of the Historical Financial Information

Hefei Youibot Robotics Co., Ltd. (formerly known as Xi'an Youai Zhihe Robot Technology Co., Ltd.) (the "**Company**") was established in Xi'an, Shanxi Province, the People's Republic of China (the "**PRC**") on May 16, 2017 as a company with limited liability. On February 14, 2025, the Company's registered address was changed into Hefei, Anhui Province, the PRC.

The Company was converted from a company with limited liability into a joint stock company with limited liability on September 10, 2025.

The Company and its subsidiaries (together, the "**Group**") are mainly engaged in providing industrial embodied AI robotic solutions for global industrial customers through mobile manipulation robots.

The financial statements of the Company for the years ended December 31, 2023 and 2024 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by RSM Certified Public Accountants LLP (容誠會計師事務所 (特殊普通合夥)). The financial statements of the Company for the year ended December 31, 2025 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by Shenzhen Hengrui Certified Public Accountants (General Partnership) (深圳恆瑞會計師事務所 (普通合夥)).

As at the date of this report, the Company has direct or indirect interests in the following subsidiaries, all of which are private companies:

Company name	Place and date of establishment	Registered and paid-up share capital	Proportion of ownership interest		Principal activities
			Held by the Company	*Held by the subsidiary*	
Hefei Youai Intelligent Manufacturing Equipment Co., Ltd. *(note i and iii)* (合肥優艾智能製造裝備有限公司)	Chinese Mainland June 26, 2024	RMB10,000,000/ RMB10,000,000	100%	—	Industrial embodied AI robot manufacturing and general equipment manufacturing
Huzhou Youai Zhihe Robot Technology Co., Ltd. *(note i and ii)* (湖州優艾智合機器人科技有限公司)	Chinese Mainland April 17, 2023	RMB50,000,000/ RMB39,000,000	100%	—	Industrial embodied AI robot manufacturing and general equipment manufacturing
Youibot Robotics Co., Ltd. *(note i and ii)* (深圳優艾智合機器人科技有限公司)	Chinese Mainland March 5, 2018	RMB100,000,000/ RMB100,000,000	100%	—	Industrial embodied AI robotic solutions R&D and sales
Suzhou Youai Zhichuang Robot Technology Co., Ltd. *(note i and ii)* (蘇州優艾智創機器人科技有限公司)	Chinese Mainland June 22, 2022	RMB30,000,000/ RMB23,000,000	100%	—	Industrial embodied AI robotic solutions R&D and sales
Shenzhen Youai Zhidian Intelligent Technology Co., Ltd. *(note i and v)* (深圳優艾之電智能科技有限公司)	Chinese Mainland November 8, 2019	RMB2,000,000/ RMB nil	55%	—	Industrial embodied AI robotic solutions sales

Company name	Place and date of establishment	Registered and paid-up share capital	Proportion of ownership interest		Principal activities
			Held by the Company	*Held by the subsidiary*	
Shenzhen Youai Zhijia Robot Technology Co., Ltd. *(note i and ii)* (深圳優艾智嘉機器人科技有限公司)	Chinese Mainland May 20, 2019	RMB2,000,000/ RMB400,000	55%	—	Industrial embodied AI robotic solutions R&D and sales
Youibot Robotics Hongkong Limited *(note iv)*	Hong Kong March 20, 2024	HKD10,000,000/ HKD2,000,000	—	100%	Industrial embodied AI robotic solutions sales
Youibot Robotics Japan Co., Ltd. *(note v)*	Japan October 24, 2024	JPY10,000,000/ JPY10,000,000	—	100%	Industrial embodied AI robotic solutions R&D and sales

Note:

(i) These entities are PRC limited liability companies. The official names of these entities are in Chinese. The English translation is for identification purpose only.

(ii) The financial statements of these entities for the years ended December 31, 2023 and 2024 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by RSM Certified Public Accountants LLP (容誠會計師事務所 (特殊普通合夥)). The financial statements of these entities for the year ended December 31, 2025 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by Shenzhen Hengrui Certified Public Accountants (General Partnership) (深圳恒瑞會計師事務所 (普通合夥)).

(iii) No audited financial statements have been prepared for the entity for the years ended December 31, 2023. The financial statements of the entity for the period ended December 31, 2024 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by RSM Certified Public Accountants LLP (容誠會計師事務所 (特殊普通合夥)). The financial statements of the entity for the year ended December 31, 2025 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by Shenzhen Hengrui Certified Public Accountants (General Partnership) (深圳恒瑞會計師事務所 (普通合夥)).

(iv) No audited financial statements have been prepared for the entity for the year ended December 31, 2023. The financial statements of the entity for the period ended December 31, 2024 were prepared in accordance with the Hong Kong Financial Reporting Standards issued by the HKICPA and audited by Zhongjie Overseas Group Co., Limited (中界海外集團有限公司). The audited financial statements for the year ended December 31, 2025 have not yet been issued.

(v) No audited financial statements have been prepared for these entities for the years ended December 31, 2023, 2024, and 2025.

All companies comprising the Group have adopted December 31 as their financial year end date.

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"). Further details of the material accounting policy information are set out in Note 2.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing the Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards to the Track Record Period, except for any new standards or interpretations that are not yet effective for the accounting period beginning on January 1, 2025. The revised and new accounting standards and interpretations issued but not yet effective for the accounting period beginning on January 1,2025 are set out in Note 32.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As at December 31, 2025, the Group had net liabilities of RMB1,942,539,000 and net current liabilities of RMB1,950,059,000, which is primarily due to redemption liabilities (see Note 24). The redemption liabilities will be reclassified to equity upon completion of the **[REDACTED]**

("**[REDACTED]**"). The directors have reviewed the Group's cash flow projections, which cover a period of at least twelve months from the date of this report. Notwithstanding the net current liabilities and net liabilities as at December 31, 2025, the directors of the Company consider that there are no material uncertainties related to events or conditions which, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern. Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

2 Material accounting policy information

(a) Basis of measurement

The Historical Financial Information are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis, except for certain financial assets measured at their fair value as explained in Note 2(e)(i).

(b) Use of estimates and judgements

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about 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 recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, 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. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the period between non-controlling interests and the shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the statement of financial position of the Company, investments in subsidiaries are stated at cost less impairment losses (see Note 2(h)(ii)).

(d) Interests in associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or the Company and other parties contractually agree to share control of the arrangement and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Note 2(h)(ii)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the period are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

(e) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates, and joint ventures are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. These investments are subsequently accounted for as follows, depending on their classification.

(i) Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

— amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see Note 2(r)(ii)(b)).

— fair value through other comprehensive income (FVOCI) — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

— FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVPL, unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognized in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and any accumulated impairment losses (see Note 2(h)(ii)):

— right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest; and

— items of equipment, including right-of-use assets arising from leases of underlying plant and equipment (see Note 2(g)).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values, if any, using the straight line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives are as follows:

— Properties leased for own use	Over the unexpired lease terms
— Leasehold improvements	Over the shorter of the lease term and the estimated useful lives
— Office equipment	3–5 years
— Machinery and equipment	3–5 years
— Electronic equipment	3–5 years
— Others	1–3 years

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less, and leases of low-value items such as laptops and office furniture. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability, and are charged to profit or loss as incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(f) and 2(h)(ii)). Depreciation is calculated using the straight line method over the unexpired term of lease.

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost. Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses ("ECL"s) on:

— financial assets measured at amortised cost (including cash and cash equivalents, restricted cash, trade receivables, bills receivables, other receivables and contract assets as defined IFRS 15).

— financial assets measured at FVOCI.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following rates if the effect is material:

— fixed-rate financial assets, trade and bills receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;

— variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

— 12-month ECLs: these are portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected live of the instrument is less than 12 months); and

— lifetime ECLs: these are ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

— financial instruments that are determined to have low credit risk at the reporting date; and

— other financial instruments (including loan commitments issued) for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument (including a loan commitment) has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held). The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

— failure to make payments of principal or interest on their contractually due dates;

— an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

— an actual or expected significant deterioration in the operating results of the debtor; and

— existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

— significant financial difficulties of the debtor;

— a breach of contract, such as a default;

— the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

— it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

— the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Inventories and contract costs

(i) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using weighted average cost formula and comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

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.

When inventories are sold, the carrying amount of those inventories is recognised as cost of sales in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as cost of sales in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as cost of sales in the period in which the reversal occurs.

(ii) Contract costs

Other than the costs which are capitalised as inventories, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

— the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

— the costs generate or enhances resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future;

— the costs are expected to be recovered.

Amortization of the capitalised contract costs are recognised in the statements of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

(j) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 2(r)) before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are reclassified to receivables when the right to the consideration becomes unconditional (see Note 2(k)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(r)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see Note 2(k)).

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

(l) Cash and cash equivalents and restricted cash

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

Demand deposit in regulatory accounts and frozen deposits which are restricted to use are presented separately in consolidated statements of financial position as "restricted cash". Restricted cash is excluded from cash and cash equivalents in the consolidated cash flow statements.

Cash and cash equivalents and restricted cash are assessed for ECLs in accordance with the policy set out in Note 2(h)(i).

(m) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(s).

(o) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Pursuant to the relevant laws and regulations of the PRC, the Group participates in a defined contribution basic pension insurance in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government. The local government authorities are responsible for the pension obligations payable to the retired employees covered under the defined contribution basic pension insurance. There are no forfeited contributions for the defined contribution basic pension insurance in the PRC social insurance system as the contributions are fully vested to the employees upon payments to the scheme.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Share-based payments

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

(p) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

— temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

— temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

— those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the report date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(q) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

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 of economic benefits 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 of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(r) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods and the provision of services in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognises revenue on a gross basis. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products or services.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

(a) Sales of industrial embodied AI robotic solutions

Industrial embodied AI robotic solutions involve design, production, deployment and commissioning of customized robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract. The Group determines that the promised goods and services in industrial embodied AI robotic solutions represent one performance obligation, because these promises are highly interdependent, and the customer is unable to derive significant benefits from the access to an individual promise for the intended purposes without receipt of the other goods or services.

Revenue from the sale of industrial embodied AI robotic solutions is recognised at point in time when the industrial embodied AI robotic solutions are accepted by the customers.

(ii) Revenue from other sources and other income

(a) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(b) Interest income

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

(s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(t) Related parties

(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 over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the 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).

(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.

(u) Redemption liabilities

A contract that contains an obligation to purchase the Company's equity instruments for cash or another financial asset gives rise to a financial liability for the redemption amount, even if the Company's obligations to purchase is conditional on the counterparty exercising a right to redeem. The redemption liability is measured at the highest redemption amount (on a present value basis) the Company could be required to pay from time to time. Any change in the carrying amount of the redemption liability arising from the remeasurement of the redemption amount is recognised in profit or loss. Then the carrying amount of the redemption liability is reclassified to equity upon a termination of the counterparty's redemption right.

The redemption liability is classified as current as the Company does not have the right at the reporting date to defer settlement of the liability for at least 12 months from the reporting date.

(v) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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 production 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.

The Group has only one single reportable segment. Accordingly, no segmental analysis is presented.

3 Accounting judgements and estimates

Note 29 contains information about the assumptions and their risk factors relating to measurement of ECL allowance for trade receivables. Other significant sources of estimation uncertainty are as follows:

(a) Fair value of share-based payments

The equity-settled share-based payments were recognised based on fair value of the awards as at the date of grant using valuation model as disclosed in Note 27. This requires the Group to determine the most appropriate inputs to the valuation model and make assumptions about them which involved judgements. Further details are included in Note 27 to the Historical Financial Information.

(b) Impairment of non-current assets

If circumstances indicate that the carrying value of a non-current asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in profit or loss. The carrying amounts of assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstance indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount.

The recoverable amount is the greater of the fair value less costs of disposal and the value in use. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and amount of operating costs.

(c) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated cost necessary to make the sale. These estimates are based on the current market conditions and the historical experience of selling products with similar nature. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down made in prior years and affect the Group's profit or loss and net assets value. The Group reassesses these estimates annually.

(d) Warranty provisions

As explained in Note 25, the Group makes provisions under the warranties provided on sale of products taking into account the Group's recent claim experience. As the Group is continually upgrading its product designs and launching new products it is possible that the recent claim experience is not indicative of future claims that it will receive in respect of past sales. Any increase or decrease in the provision would affect profit or loss in future years.

(e) Deferred tax assets

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

4 Revenue and segment reporting

The Group principally generates its revenue from the provision of industrial embodied AI robotic solutions.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by types of major products is as follows:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15			
Disaggregated by types of major products			
Industrial embodied AI robotic solutions	107,671	254,892	339,685
Disaggregated by timing of revenue recognition			
Goods transferred at a point in time	107,671	254,892	339,685

The amounts of revenue recognised in the Track Record Period that were included in the contract liabilities at the beginning of each reporting period of the Track Record Period are set out in Note 16(b).

(b) Information about major customers

Revenue from customers with whom transactions have exceeded 10% of the Group's total revenue during the years ended December 31, 2023, 2024 and 2025, are as follows:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Customer A	N/A*	N/A*	69,194
Customer B	11,300	N/A*	N/A*

* Revenue from relevant customers is less than 10% of the Group Group's total revenue for the respective year.

Details of concentrations of credit risk arising from these customers are set out in Note 29(a).

(c) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group takes advantage of the practical expedient in paragraph 121 of IFRS 15 and does not disclose the remaining performance obligation as all of the Group's sale contracts have an original expected duration of less than 1 year.

(d) Geographic information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location of the customers.

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	101,738	240,111	318,287
Others*	5,933	14,781	21,398
	107,671	254,892	339,685

* Others primarily include Germany, Japan, and Thailand.

As substantially all of the Group's non-current assets are mainly in the Chinese Mainland, no geographic information is presented.

5 Other net income

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants *(note)*	10,325	11,008	5,155
Interest income from bank deposits	679	459	463
Loss on disposal of property, plant and equipment, net	(20)	(55)	(27)
Net foreign exchange gain/(loss)	113	(66)	(256)
Others	(302)	(23)	95
	10,795	11,323	5,430

Note: The amounts mainly represented government incentive and support to the Group during the Track Record Period.

6 Loss before taxation

Loss before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest expenses on bank loans	614	2,231	4,715
Interest on lease liabilities	912	748	499
	1,526	2,979	5,214

(b) Staff costs (including directors' and supervisors' emoluments)

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, wages and other benefits	92,344	90,612	101,623
Contributions to defined contribution retirement plan	8,081	8,251	10,233
Equity-settled shared-based payment expenses	10,065	10,191	11,500
	110,490	109,054	123,356

Employees of the Company and its subsidiaries in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government.

The Company and its subsidiaries in the PRC contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

All other overseas subsidiaries of the Group are subject to the statutory enterprise contribution retirement scheme under the laws of the countries/jurisdictions.

The Group has no other material obligation for the payment of pension benefits beyond those schemes described above.

(c) Other items

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cost of inventories sold *(Note 15)*	62,380	140,933	191,772
Depreciation of property, plant and equipment *(Note 11)*	4,668	4,813	5,133
Depreciation of right-of-use assets *(Note 12(a))*	6,890	7,137	7,055
Provision of loss allowance on financial assets and contract assets	4,792	8,281	11,948
Provision for write-down of inventories and contract costs *(Note 15)*	405	2,268	—
Product warranty provision *(Note 25)*	5,959	12,790	14,272
Auditor's remuneration	165	165	220
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**

The amount of product warranty provision is included in "Selling and marketing expenses" in profit or loss.

7 Income tax in the consolidated statements of profit or loss

(a) Taxation in the consolidated statements of profit or loss represents:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Current tax			
Provision for the year	—	—	—
Deferred tax			
Origination and reversal of temporary differences	—	—	—
	—	—	—

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Income tax for the Company and its subsidiaries established and operated in the Chinese Mainland are subject to statutory tax rate of 25% unless otherwise specified.

Under the PRC Income Tax Laws, an enterprise which qualifies as a High and New Technology Enterprise ("**HNTE**") is entitled to a preferential tax rate of 15% provided it continues to meet HNTE qualification standards on an annual basis.

The Company was qualified as a HNTE and was subject to income tax at a preferential tax rate of 15% from the year 2023 to the year 2025.

Youibot Robotics Co., Ltd., a subsidiary of the Group in Chinese Mainland, was qualified as a HNTE and was subject to income tax at a preferential tax rate of 15% during the Track Record Period.

The notional tax of Youibot Robotics Hongkong Limited, a subsidiary of the Group in Hong Kong, is calculated in accordance with the two-tiered profits tax rate regime under which tax on the first HK$2 million of assessable profits is taxed at 8.25% and the remaining assessable profits is taxed at 16.5%.

Youibot Robotics Japan Co., Ltd. is a subsidiary of the Group in Japan. Its provision for Japan Corporate Income Tax is calculated at 15% of assessable profits up to JPY 8 million, and the remaining assessable profits are taxed at 23.2%.

Other certain subsidiaries in the PRC fulfil the micro and small enterprises qualification under the PRC Corporate Income Tax System. Therefore, assessable profits of these subsidiaries were subject to the preferential income tax rate of 20% during the Track Record Period.

According to the relevant tax rules in the PRC, qualified research and development costs are allowed for bonus deduction for income tax purpose, as a result, an additional 100% of the qualified research and development costs could be deemed as deductible expenses during the Track Record Period.

(b) Reconciliation between tax expense and accounting loss at applicable tax rates:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Loss before taxation	(259,994)	(200,216)	(384,333)
Tax at the PRC income tax rate of 25%	(64,999)	(50,054)	(96,083)
Effect of different tax rates enacted by local authorities	25,604	19,199	36,888
Effect of research and development expenses that are additionally deducted	(8,881)	(7,370)	(11,244)
Expenses not deductible for tax	18,446	16,842	38,238
Effect of deductible temporary difference not recognised	389	3,980	2,411
Tax losses not recognised	29,441	17,403	29,790
Income tax expense	—	—	—

(c) Deferred tax assets have not been recognised in respect of the following items:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Tax losses	562,530	672,739	854,387
Deductible temporary differences	51,749	72,447	90,918
	614,279	745,186	945,305

The tax losses mainly arising from operations in Chinese Mainland can be carried forward to offset against taxable profits of subsequent years for up to ten years from the year in which they arose.

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

8 Directors' and supervisors' emoluments

Directors' and supervisors' emoluments during the Track Record Period which were included in the staff costs as disclosed in Note 6(b) are as follows:

For the year ended December 31, 2023

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share-based payments *(i)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Mr. Zhang Zhaohui	—	760	120	33	913	—	913
Mr. Bian Xu	—	576	123	38	737	182	919
Mr. Zheng Hao	—	822	120	21	963	193	1,156
Mr. Xu Jin	—	580	120	35	735	182	917
Ms. Mei Wanqing *(ii)*	—	460	17	36	513	303	816
Non-executive directors							
Mr. Mei Xuesong *(iii)*	—	—	—	—	—	—	—
Mr. Du Zhen'an	—	—	—	—	—	—	—
Mr. Xuan Yihao	—	—	—	—	—	—	—
Ms. Qian Yu	—	—	—	—	—	—	—
Mr. Cao Wei	—	—	—	—	—	—	—
Supervisor							
Mr. Zhao Wanqiu	—	580	122	35	737	182	919
	—	3,778	622	198	4,598	1,042	5,640

For the year ended December 31, 2024

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share-based payments *(i)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Mr. Zhang Zhaohui	—	762	299	35	1,096	—	1,096
Mr. Bian Xu	—	625	299	38	962	182	1,144
Mr. Zheng Hao	—	846	299	35	1,180	193	1,373
Mr. Xu Jin	—	626	243	37	906	182	1,088
Ms. Mei Wanqing	—	515	19	38	572	283	855
Non-executive directors							
Mr. Du Zhen'an	—	—	—	—	—	—	—
Mr. Xuan Yihao	—	—	—	—	—	—	—
Ms. Qian Yu *(iv)*	—	—	—	—	—	—	—
Mr. Cao Wei	—	—	—	—	—	—	—
Mr. Zheng Hongfei *(v)*	—	—	—	—	—	—	—
Supervisor							
Mr. Zhao Wanqiu	—	626	299	37	962	182	1,144
	—	4,000	1,458	220	5,678	1,022	6,700

For the year ended December 31, 2025

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share-based payments *(i)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Mr. Zhang Zhaohui	—	979	—	37	1,016	—	1,016
Mr. Bian Xu	—	750	—	38	788	182	970
Mr. Zheng Hao	—	986	—	37	1,023	193	1,216
Mr. Xu Jin *(vi)*	—	559	—	30	589	136	725
Ms. Mei Wanqing	—	689	—	41	730	283	1,013
Non-executive directors							
Mr. Wang Xin *(vii)*	—	58	—	—	58	—	58
Mr. Yu Zhenzhong *(vii)*	—	58	—	—	58	—	58
Ms. Chiu Mun Wai *(vii)*	—	95	—	—	95	—	95
Mr. Du Zhen'an *(viii)*	—	—	—	—	—	—	—
Mr. Xuan Yihao *(viii)*	—	—	—	—	—	—	—
Mr. Caowei *(viii)*	—	—	—	—	—	—	—
Mr. Zheng Hongfei *(v)*	—	—	—	—	—	—	—
Supervisor							
Mr. Zhao Wanqiu *(ix)*	—	559	—	30	589	136	725
	—	4,733	—	213	4,946	930	5,876

Notes:

(i) The details of these benefits in kind, including the principal terms and number of incentive granted, are disclosed in Note 27.

(ii) Ms. Mei Wanqing was appointed as an executive director of the Company in July 2023.

(iii) Mr. Mei Xuesong was resigned as a non-executive director of the Company in July 2023, his resignation was due to personal reasons.

(iv) Ms. Qian Yu was resigned as a non-executive director of the Company in November 2024, her resignation was due to personal reasons.

(v) Mr. Zheng Hongfei was appointed as a non-executive director of the Company in November 2024 and resigned as a non-executive director of the Company in July 2025.

(vi) Mr. Xu Jin was resigned as an executive director of the Company in September 2025.

(vii) Mr. Wang Xin, Mr. Yu Zhenzhong and Ms. Chiu Mun Wai were appointed as non-executive directors of the Company in September 2025.

(viii) Mr. Du Zhen'an, Mr. Xuan Yihao and Mr. Caowei were resigned as non-executive directors of the Company in September 2025.

(ix) Mr. Zhao Wanqiu was resigned as a supervisor of the Company in September 2025.

The Company cancelled the supervisor positions when converted into a joint stock company.

During the Track Record Period, no director or supervisor has waived or agreed to waive any emoluments and no amounts were paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

9 Individuals with highest emoluments

The number of directors and supervisors and other employees included in the five highest paid individuals for the years ended December 31, 2023, 2024 and 2025 are set forth below:

	Year ended December 31,		
	2023	**2024**	**2025**
	Number of individuals	*Number of individuals*	*Number of individuals*
Directors and supervisors	—	—	—
Other employees	5	5	5
	5	5	5

The aggregates of the emoluments for the five highest paid non-director/supervisor individuals, are as follows:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Salaries and other emoluments	2,996	3,409	3,710
Discretionary bonuses	100	598	—
Share-based payments	4,406	4,503	4,503
Retirement scheme contributions	200	226	250
	7,702	8,736	8,463

The emoluments of the five highest paid non-director/supervisor individuals are within the following bands:

	Year ended December 31,		
	2023	2024	2025
	Number of individuals	*Number of individuals*	*Number of individuals*
HKD1,500,001– HKD2,000,000	5	4	5
HKD2,000,001– HKD2,500,000	—	1	—
	5	5	5

During the Track Record Period, no amounts were paid or payable by the Group to the above non-director/supervisor highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

10 Loss per share

(a) Basic loss per share:

Basic loss per share for the Track Record Period are calculated by dividing the loss attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares in issue or deemed to be in issue for the respective years.

As disclosed in Note 28(b)(i), the Company was converted into a joint stock limited liability company and issued 4,086,000 shares with the par value of RMB1 each on September 10, 2025. For the purpose of computing basic loss per share, the weighted average number of ordinary shares deemed to be in issue before the Company's conversion into a joint stock limited liability company was determined assuming the conversion into joint stock limited liability company had occurred since 1 January 2023, at the exchange ratio established in the conversion on September 10, 2025.

In addition, as disclosed in Note 28(b)(ii), the Company issued 4.63 shares for each share in issue by converting RMB18,919,000 from capital reserve to share capital on September 19, 2025. Accordingly, the weighted average number of ordinary shares has also been adjusted retrospectively from January 1, 2023 for such capitalisation issue.

The weighted average number of ordinary shares has not considered the impact of the share subdivision that is expected to be conducted immediately prior to **[REDACTED]** as disclosed in Note 28(b)(ii).

Loss for the year attributable to ordinary equity shareholders of the Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year attributable to all equity shareholders of the Company	(260,169)	(199,856)	(383,789)
Allocation of loss for the year attributable to shares with redemption rights	225,907	174,663	307,440
Loss for the year attributable to ordinary equity shareholders of the Company	(34,262)	(25,193)	76,349

Weighted average number of ordinary shares deemed to be in issue

	Year ended December 31,		
	2023	**2024**	**2025**
	No. of shares'000	*No. of shares'000*	*No. of shares'000*
Ordinary shares deemed to be in issue at January 1	2,808	2,945	3,102
Effect of ordinary shares deemed to be issued *(Note 28(b)(i))*	103	92	656
Effect of capitalisation issue *(Note 28(b)(ii))*	13,477	14,060	17,401
Effect of ordinary shares issued *(Note 28(b)(ii))*	—	—	115
Effect of ordinary shares with redemption rights *(Note 24)*	(13,774)	(14,483)	(15,483)
Effect of unvested shares held for employee incentive scheme *(Note 27)*	(525)	(525)	(1,946)
Weighted average number of ordinary shares deemed to be in issue at December 31	2,089	2,089	3,845

(b) Diluted loss per share:

During the Track Record Period, ordinary shares with redemption rights (see Note 24) and the restricted share units/share options (see Note 27) were not included in the calculation of diluted loss per share, as their inclusion would have been anti-dilutive. Accordingly, diluted loss per share were the same as basic loss per share for the respective years.

11 Property, plant and equipment

The Group

	Office equipment	Machinery and equipment	Electronic equipment	Others	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:						
At January 1, 2023	6,097	234	151	1,606	8,269	16,357
Additions	2,586	340	—	756	2,271	5,953
Disposals	(218)	(5)	—	—	—	(223)
At December 31, 2023 and January 1, 2024	8,465	569	151	2,362	10,540	22,087
Additions	1,606	1,033	165	6	3,612	6,422
Disposals	(211)	—	—	—	(240)	(451)
At December 31, 2024 and January 1, 2025	9,860	1,602	316	2,368	13,912	28,058
Additions	1,138	360	322	—	1,477	3,297
Disposals	(315)	(150)	—	(6)	—	(471)
At December 31, 2025	10,683	1,812	638	2,362	15,389	30,884

	Office equipment	Machinery and equipment	Electronic equipment	Others	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accumulated depreciation:						
At January 1, 2023	2,209	66	52	1,358	4,078	7,763
Charge for the year	1,875	89	47	648	2,009	4,668
Written back on disposals	(94)	(2)	—	—	—	(96)
At December 31, 2023 and January 1, 2024	3,990	153	99	2,006	6,087	12,335
Charge for the year	2,064	158	89	356	2,146	4,813
Written back on disposals	(117)	—	—	—	(135)	(252)
At December 31, 2024 and January 1, 2025	5,937	311	188	2,362	8,098	16,896
Charge for the year	1,712	399	332	—	2,690	5,133
Written back on disposals	(266)	(17)	—	—	—	(283)
At December 31, 2025	7,383	693	520	2,362	10,788	21,746
Net book value:						
At December 31, 2023	4,475	416	52	356	4,453	9,752
At December 31, 2024	3,923	1,291	128	6	5,814	11,162
At December 31, 2025	3,300	1,119	118	—	4,601	9,138

12 Lease

The Group has lease contracts for various items of buildings. Leases of buildings generally have lease terms between 2 and 5 years. None of the leases includes variable lease payments.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Track Record Period are as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At the beginning of the year	26,236	26,739	32,445
Additions	4,447	5,706	1,689
Expiration of lease term	(512)	—	—
Early termination of lease term	(3,432)	—	—
At the end of the year	26,739	32,445	34,134
Accumulated depreciation:			
At the beginning of the year	9,324	12,471	19,608
Charge for the year	6,890	7,137	7,055
Expiration of lease term	(512)	—	—
Early termination of lease term	(3,231)	—	—
At the end of the year	12,471	19,608	26,663
Net book value:			
At the end of the year	14,268	12,837	7,471

(b) Lease liabilities

As at December 31, 2023, 2024 and 2025, the lease liabilities were repayable as follows:

The Group

	As at December 31,					
	2023		2024		2025	
	Present value of the minimum lease payments	Total minimum lease payments	Present value of the minimum lease payments	Total minimum lease payments	Present value of the minimum lease payments	Total minimum lease payments
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	7,167	7,843	7,719	8,298	4,224	4,426
After 1 year but within 2 years	6,604	6,865	3,796	3,850	1,782	1,895
After 2 years but within 5 years	2,499	2,531	3,151	3,297	2,321	2,376
	9,103	9,396	6,947	7,147	4,103	4,271
	16,270	17,239	14,666	15,445	8,327	8,697
Less: total future interest expenses		(969)		(779)		(370)
Present value of lease liabilities		16,270		14,666		8,327

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

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation charge of right-of-use assets of buildings *(note 6(c))*	6,890	7,137	7,055
Interest on lease liabilities *(note 6(a))*	912	748	499
Expense relating to short-term leases	166	348	381

13 Investment in subsidiaries

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Investment in subsidiaries, at cost	519,800	629,588	855,452

Further details of the principal subsidiaries of the Group are set out in Note 1.

14 Interests in an associate and a joint venture

On September 30, 2023, the Group entered into an investment agreement with other independent investors to invest in Beijing Shengji Power Technology Co., Ltd. ("**Shengji Power**"), pursuant to which, the Group's subsidiary acquired 9.09% of equity interest in Shengji Power. Based on the investment agreement, all decisions require consent of all parties, therefore, the Group considered the arrangement to be a joint venture.

On December 22, 2023, the Group entered into an investment agreement with other independent investors to invest in Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd. ("**Pinggao Xinsong**"), pursuant to which, the Group's subsidiary acquired 12% of equity interest in Pinggao Xinsong. The Group has significant influence over Pinggao Xinsong as it has the power to participate in the financial and operating decisions by appointing a vice general manager in Pinggao Xinsong's management, therefore, the Group considered the arrangement to be an associate.

Details of the Group's interest in Shengji Power and Pinggao Xinsong, which are accounted for using the equity method in the consolidated financial statements, are as follows:

Name of associates and joint ventures	Form of business structure	Place of incorporation and business	Particulars of registered and paid up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Beijing Shengji Power Technology Co., Ltd	Incorporate	Chinese Mainland	RMB11,000,000 /RMB1,150,000	9.09%	—	9.09%	Selling intelligent robots
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd	Incorporate	Chinese Mainland	RMB20,000,000 /RMB10,000,000	12%	—	12%	Providing electric operation and maintenance services

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amounts of the associate and joint venture in the consolidated financial statements	961	1,596	2,586
Amounts of the Group's share of the associate and joint venture's (loss)/profit and total comprehensive income	(39)	(129)	226

15 Inventories and contract costs

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	9,917	4,404	5,962
Work in progress	6,311	3,556	5,931
Finished goods	14,699	14,207	32,688
Contract costs	99,995	77,775	5,319
	130,922	99,942	49,900

The analysis of the amount of inventories and contract costs recognised as cost of sales and included in profit or loss is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of inventories sold	62,380	140,933	191,772
Provision for write-down of inventories and contract costs	405	2,268	—
	62,785	143,201	191,772

16 Contract assets and contract liabilities

(a) Contract assets

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Warranty retention receivables	9,225	17,513	30,150

Contract assets are mainly generated by the industrial embodied AI robotic solutions contracts. According to the contract term, a certain percentage of contract amount is retention receivables which will be collected upon the completion of warranty period. The retention receivables are recognised as contract assets when the industrial embodied AI robotic solutions are accepted by the customer and are reclassified to trade receivables upon the completion of warranty period which is usually one year.

(b) Contract liabilities

The Group

Contract liabilities mainly include advance payment for sales of industrial embodied AI robotic solutions. Movement of contract liabilities are as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at the beginning of the year	45,088	83,266	67,417
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(24,553)	(37,663)	(63,341)
Increase in contract liabilities as a result of billing in advance of sales activities	62,731	21,814	8,498
Balance at the end of the year	83,266	67,417	12,574

All of the contract liabilities are expected to be recognised as income within one year as at December 31, 2023, 2024 and 2025.

17 Trade and bills receivables

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables, net of loss allowance			
— third parties	44,892	134,022	230,783
— related parties	3,889	12,022	11,065
Bills receivable	2,206	831	5,530
	50,987	146,875	247,378

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables, net of loss allowance			
— third parties	677	565	4,135
— related parties	—	17	—
	677	582	4,135

Trade receivables, net of loss allowance, and bills receivables, represent amounts in connection with the sales of industrial embodied AI robotic solutions due from customers.

An ageing analysis of the trade and bills receivables as at the end of each reporting period during the Track Record Period, based on the revenue recognition date (except for warranty retention receivables based on the completion date of warranty period) and net of allowance for expected credit losses, is as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	31,683	122,325	182,112
1 to 2 years	14,878	18,723	59,292
Over 2 years	4,426	5,827	5,974
	50,987	146,875	247,378

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	80	17	3,599
1 to 2 years	597	72	—
Over 2 years	—	493	536
	677	582	4,135

Further details on the Group's credit policy and credit risk arising from trade and bills receivables are set out in Note 29(a).

18 Financial assets at fair value through other comprehensive income

The Group

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Bank acceptance bills	—	1,109	13,197

The above bank acceptance bills are issued by reputable banks in Chinese Mainland. They are classified and measured at fair value through other comprehensive income as they are held within a business model with the objective of both collecting contractual cashflows and selling. The fair value approximates to the carrying value due to the short maturity.

19 Prepayments, other receivables and other assets

The Group

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Non-current:			
Deposits	2,156	2,925	2,698
Other receivables	5	4	4
	2,161	2,929	2,702
Current:			
Prepayments	2,802	4,470	5,543
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Value-added tax recoverable	7,316	25,160	35,449
Deposits	696	2,102	1,780
Other receivables	57	74	11
	10,871	31,806	45,624
	13,032	34,735	48,326

The Company

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Current:			
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Value-added tax recoverable	—	—	1,859
Other receivables	12,895	—	50,088
	12,895	—	54,788

All of the prepayments, other receivables and other assets are expected to be recovered or recognised as expense within one year, except for lease deposits paid to vendors for office premises and industrial factory facilities.

20 Cash and cash equivalents and restricted cash

(a) Cash and cash equivalents comprise:

The Group

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank and on hand	88,490	144,875	269,622
Less: restricted cash			
— Bank deposits pledged for the issuance of performance guarantee	(1,523)	(2,277)	(4,200)
— Bank deposits pledged for the issuance of bills payable	(11,135)	(11,267)	(12,000)
— Bank deposits pledged for issuing letter of credit	—	—	(10,000)
Cash and cash equivalents	75,832	131,331	243,422

The Company

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank and on hand	8,141	22,974	45,409
Less: restricted cash			
— Bank deposits pledged for the issuance of bills payable	(3,370)	—	—
Cash and cash equivalents	4,771	22,974	45,409

(b) ***Reconciliation of loss before taxation to cash used in operations:***

	Note	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Loss before taxation		(259,994)	(200,216)	(384,333)
Adjustments for:				
Depreciation	*6(c)*	11,558	11,950	12,188
Loss on disposal of property, plant and equipment, net	*5*	20	55	27
Gain on lease termination		(66)	—	—
Provision of loss allowance on financial assets and contract assets	*6(c)*	4,792	8,281	11,948
Interest income from bank deposits	*5*	(679)	(459)	(463)
Investment income from wealth management products		(3)	—	—
Finance costs	*6(a)*	1,526	2,979	5,214
Provision for write-down of inventories and contract costs	*6(c)*	405	2,268	—
Changes in the carrying amount of redemption liabilities	*24*	118,539	108,840	249,384
Share of losses/(profits) of an associate and a joint venture	*14*	39	129	(226)
Equity-settled share-based payment expenses	*6(b)*	10,065	10,191	11,500
Changes in working capital:				
(Increase)/decrease in inventories		(27,177)	28,712	50,042
Increase in trade and bills receivables		(7,505)	(104,169)	(112,451)
Decrease/(increase) in financial assets at fair value through other comprehensive income		75	(1,109)	(12,088)
Increase in contract assets		(1,881)	(8,288)	(12,637)
Decrease/(increase) in prepayments, other receivables and other assets		1,170	(21,703)	(10,750)
Increase in restricted cash		(5,439)	(886)	(12,656)
Increase in trade and bills payables		28,061	60,167	53,916
Increase/(decrease) in contract liabilities		38,178	(15,849)	(54,843)
(Decrease)/increase in other payables and accruals		(1,800)	35,522	22,236
Increase in provisions		148	1,509	912
(Decrease)/increase in deferred income		(5,125)	2,160	(2,389)
Cash used in operations		(95,093)	(79,916)	(185,469)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statements as cash flows from financing activities.

	Bank loans	Lease liabilities	Redemption liabilities	Total
	RMB'000 *(Note 23)*	*RMB'000* *(Note 12(b))*	*RMB'000* *(Note 24)*	*RMB'000*
At January 1, 2023	—	18,829	1,003,682	1,022,511
Changes from financing cash flows:				
Proceeds from bank loans	32,000	—	—	32,000
Interest of bank loans paid	(575)	—	—	(575)
Capital element of lease rentals paid	—	(6,739)	—	(6,739)
Interest element of lease rentals paid	—	(912)	—	(912)
Proceeds from financial instruments issued to investors	—	—	70,000	70,000
Total changes from financing cash flows	31,425	(7,651)	70,000	93,774
Other changes:				
Interest expenses on bank loans	614	—	—	614
Increase in lease liabilities from entering into new leases during the year	—	4,447	—	4,447
Interest on lease liabilities	—	912	—	912
Decrease in lease liabilities from ceasing leases contract during the year	—	(267)	—	(267)
Changes in the carrying amount of redemption liabilities	—	—	118,539	118,539
Other changes	—	—	35,000	35,000
Total other changes	614	5,092	153,539	159,245
At December 31, 2023	32,039	16,270	1,227,221	1,275,530

	Bank loans	Lease liabilities	Redemption liabilities	Total
	RMB'000 *(Note 23)*	*RMB'000* *(Note 12(b))*	*RMB'000* *(Note 24)*	*RMB'000*
At January 1, 2024	32,039	16,270	1,227,221	1,275,530
Changes from financing cash flows:				
Proceeds from bank loans	106,010	—	—	106,010
Repayment of bank loans	(33,800)	—	—	(33,800)
Interest of bank loans paid	(2,154)	—	—	(2,154)
Capital element of lease rentals paid	—	(7,310)	—	(7,310)
Interest element of lease rentals paid	—	(748)	—	(748)
Proceeds from financial instruments issued to investors	—	—	80,000	80,000
Total changes from financing cash flows	70,056	(8,058)	80,000	141,998
Other changes:				
Interest expenses on bank loans	2,231	—	—	2,231
Increase in lease liabilities from entering into new leases during the year	—	5,706	—	5,706
Interest on lease liabilities	—	748	—	748
Changes in the carrying amount of redemption liabilities	—	—	108,840	108,840
Other changes	—	—	40,000	40,000
Total other changes	2,231	6,454	148,840	157,525
At December 31, 2024	104,326	14,666	1,456,061	1,575,053

	Bank loans	Lease liabilities	Redemption liabilities	[REDACTED] payables (included in other payables and accruals)	Total
	RMB'000 *(Note 23)*	*RMB'000* *(Note 12(b))*	*RMB'000* *(Note 24)*	*RMB'000*	*RMB'000*
At January 1, 2025	104,326	14,666	1,456,061	**[REDACTED]**	1,575,053
Changes from financing cash flows:					
Proceeds from bank loans	210,000	—	—	**[REDACTED]**	210,000
Repayment of bank loans	(112,200)	—	—	**[REDACTED]**	(112,200)
Interest of bank loans paid	(6,738)	—	—	**[REDACTED]**	(6,738)
Capital element of lease rentals paid	—	(8,028)	—	**[REDACTED]**	(8,028)
Interest element of lease rentals paid	—	(499)	—	**[REDACTED]**	(499)
Proceeds from financial instruments issued to investors	—	—	219,972	**[REDACTED]**	219,972
Payment of **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Total changes from financing cash flows	91,062	(8,527)	219,972	**[REDACTED]**	301,329
Other changes:					
Interest expenses on bank loans	4,715	—	—	**[REDACTED]**	4,715
Increase in lease liabilities from entering into new leases during the year	—	1,689	—	**[REDACTED]**	1,689
Interest on lease liabilities	—	499	—	**[REDACTED]**	499
Changes in the carrying amount of redemption liabilities	—	—	249,384	**[REDACTED]**	249,384
Other changes	—	—	195,705	**[REDACTED]**	198,546
Total other changes	4,715	2,188	445,089	**[REDACTED]**	454,833
At December 31, 2025	200,103	8,327	2,121,122	**[REDACTED]**	2,331,215

(d) Total cash outflow for leases

Amounts included in the consolidated cash flow statements for leases comprise the following:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within operating cash flows	264	1,450	443
Within financing cash flows	7,651	8,058	8,527
	7,915	9,508	8,970

21 Trade and bills payables

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables			
— third parties	52,582	111,714	153,089
— related parties	—	3,395	1,488
Bills payables	22,573	20,213	34,661
	75,155	135,322	189,238

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables			
— third parties	128	111	374
— related parties	617	617	9,033
Bills payables	11,232	—	—
	11,977	728	9,407

All trade and bills payables are expected to be settled within one year or are repayable on demand.

As of the end of each of the reporting period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	69,884	108,877	148,695
1 to 2 years	2,269	23,735	25,934
Over 2 years	3,002	2,710	14,609
	75,155	135,322	189,238

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	11,360	111	8,790
1 to 2 years	617	—	—
Over 2 years	—	617	617
	11,977	728	9,407

22 Other payables and accruals

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll payables	12,598	9,207	6,617
Other tax payables	722	745	1,118
Output value added tax to be transferred	5,230	34,886	52,102
Payable to employee for reimbursement	1,964	3,404	3,059
Payable to universities for R&D cooperation	—	8,201	—
Other payables and accruals	4,933	4,526	21,972
	25,447	60,969	84,868

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll payables	454	313	55
Other tax payables	92	36	67
Output value added tax to be transferred	—	—	1,285
Payable to employee for reimbursement	27	44	61
Other payables due to related parties*	12,803	47,861	121,397
Other payables and accruals	486	486	11,964
	13,862	48,740	134,829

All other payables and accruals are expected to be settled or recognised as income within one year or repayable on demand.

* Other payables due to related parties are unsecured, interest free and repayable on demand.

23 Bank loans

The Group

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year or on demand	32,039	104,326	190,096
After 1 year but within 2 years	—	—	10,007
	32,039	104,326	200,103

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Non-current:			
Bank loans — unsecured and guaranteed *(note)*	—	—	10,007
Current:			
Bank loans — unsecured and guaranteed *(note)*	32,039	86,275	190,096
Bank loans — unsecured and unguaranteed	—	18,051	—
	32,039	104,326	190,096
	32,039	104,326	200,103

Note: The bank loans were guaranteed by the chairman of the Board and his close family member. The details have been disclosed in Note 31(e). The directors of the Company confirm that all of the guarantees by related parties will either be replaced by a corporate guarantee of the Company or be fully released prior to or upon the **[REDACTED]** of the Company in the Main Board of the Stock Exchange.

As at December 31, 2023, 2024 and 2025, all bank loans of the Group were denominated in RMB and interest-bearing at 3.85%–4.4%, 1.91%–4.4%, and 1.84% - 3.2% per annum, respectively.

All of the Group's banking facilities are subject to the fulfilment of covenants relating to the Group's financial metrics which are tested periodically, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the related loans would become payable on demand. As at December 31, 2023, 2024 and 2025, none of the covenants relating to the drawn down facilities had been breached.

24 Redemption liabilities

The Group and the Company

	Redemption liabilities
	RMB'000
At January 1, 2023	1,003,682
Grant of redemption right upon issuance of registered capital	105,000
Changes in the carrying amount of redemption liabilities	118,539
At December 31, 2023 and January 1, 2024	1,227,221
Grant of redemption right upon issuance of registered capital	120,000
Changes in the carrying amount of redemption liabilities	108,840
At December 31, 2024 and January 1, 2025	1,456,061
Grant of redemption right upon issuance of registered capital	415,677
Changes in the carrying amount of redemption liabilities	249,384
At December 31, 2025	2,121,122

From May 2017 to December 2025, the Company conducted several rounds of financing by issuing registered capital to investors and granting them redemption right to put back the registered capital acquired to the Company upon the occurrence of any of the following events:

(i) a Qualified **[REDACTED]** has not been consummated by the Company by June 30, 2026;

(ii) The founder shareholders terminate employment, or unilaterally terminate or materially change the core business of the Group without a shareholders' resolution.

(iii) the Group, any founder shareholders or share incentive platform materially breaches the provisions of the investment agreement or related documents, commits criminal acts, material violations, or fraud, or other actions materially harming the interests of the Group or other shareholders.

The redemption price is as follows in case of event (i) above:

The higher of (i) the investment amount paid by the investors plus an annual interest rate (as per the respective investment agreement) on the investment amount for the period commencing from the issue date to the date on which the investors receive the redemption amount, and any declared but unpaid dividends; and (ii) the market fair value of the Company corresponding to the proportion of registered capital put by the investors.

The redemption price is as follows in case of events (ii) — (iii) above:

The higher of (i) 150% of the investment amount paid by the investors, plus an annual simple interest rate of 10% on the investment amount for the period commencing from the issue date to the date on which the investors receive the redemption amount, and any declared but unpaid dividends; and (ii) the market fair value of the Company corresponding to the proportion of registered capital put by the investors.

25 Provisions

The Group

	Warranties
	RMB'000
At January 1, 2023	1,239
Additional provision	5,959
Amounts utilised during the year	(5,811)
At December 31, 2023 and January 1, 2024	1,387
Additional provision	12,790
Amounts utilised during the year	(11,281)
At December 31, 2024 and January 1, 2025	2,896
Additional provision	14,272
Amounts utilised during the year	(13,360)
At December 31, 2025	3,808

The Group generally provides warranties of one year to its customers on certain of its products for general repairs of defects occurring during the warranty period. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

26 Deferred income

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	496	2,656	267

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	259	646	69

The Group's deferred income represented government fundings received for projects with conditions to be satisfied.

27 Equity settled share-based transactions

(a) Description of share-based payment arrangements

For the purpose of rewarding the eligible participants for their service and to incentive them to further contribute to the Group, since 2021 the Group operates share incentive schemes (the "**Scheme**") which grant the eligible participants the restricted share units ("**RSUs**") or employee share options ("**ESOs**")). Eligible participants of the Scheme are the employees of the Group who contribute directly to the overall business performance and sustainable development of the Group.

In order to implement the Scheme, Xi'an Youai Zhonghe Technology Partnership Enterprise (Limited Partnership) ("**Youai Zhonghe**") was designated as a share incentive platform to hold the shares reserved for the Scheme.

The Group modified the Scheme of 2021 for further improve the employee's incentive mechanism in September 2025. Pursuant to the Scheme modified, the Group has additionally established Xi'an Youai Hezhi Technology Partnership (Limited Partnership) ("**Youai Hezhi**"), Xi'an Youai Zhongshi Technology Partnership (Limited Partnership) ("**Youai Zhongshi**"), Xi'an Youai Zhongwei Technology Partnership (Limited Partnership) ("**Youai Zhongwei**"), and Xi'an Youai Zhongyi Technology Partnership (Limited Partnership) ("**Youai Zhongyi**"), which were also designated as share incentive platforms. All unvested ESOs have been converted to the RSUs at the modification date. Other terms and conditions have no changes compare with the Scheme of 2021 except the changes above mentioned.

*(i) Restricted share units ("**RSUs**")*

On June 20, 2021 (the "**First Batch**"), 78 employees of the Group were granted with a total of 21,017,600 RSUs.

On December 30, 2021 (the "**Second Batch**"), 82 employees of the Group were granted with a total of 8,308,900 RSUs.

On October 1, 2023 (the "**Third Batch**"), 91 employees of the Group were granted with a total of 2,157,603 RSUs.

On December 1, 2024 (the "**Fourth Batch**"), 24 employees of the Group were granted with a total of 807,529 RSUs.

On July 1, 2025 (the "**Fifth Batch**"), 8 employees of the Group were granted with a total of 1,694,300 RSUs.

The RSUs vest at the later of three years from the date of grant and one year after an **[REDACTED]** of the Company that has been consummated. The transfer restriction of 25% of the vested RSUs would be released year by year in the following four years from one year after an **[REDACTED]** that has been consummated.

*(ii) Employee share options ("**ESOs**")*

On June 20, 2021, December 30, 2021, October 1, 2023, and December 1, 2024, the certain ESOs were separately offered to key management and senior employees of the Group. Holder of each vested option is entitled to purchase an ordinary share of the Company at the exercise price. The shares obtained through the exercise of the share options are subject to the same transfer restriction as that for the RSUs (see note (i) above).

The Key terms and conditions related to the ESOs granted are as follows:

Grant date/employees entitled	Number of employees	Number of options	Vesting conditions	Contractual life of options
Options granted to key management personnel				
On June 20, 2021	1	1,425,000	Remain in service until the later of four years from the date of grant and one year after an **[REDACTED]** that has been consummated	2.78 years
On December 30, 2021	20	7,177,950	Same as above	2.21 years
On October 1, 2023	10	1,511,600	Same as above	1.91 years
On December 1, 2024	1	14,450	Same as above	1.83 years
Options granted to senior employees				
On June 20, 2021	28	2,199,196	Same as above	2.71 years
On December 30, 2021	58	4,050,650	Same as above	2.23 years
On October 1, 2023	81	2,542,936	Same as above	1.62 years
On December 1, 2024	22	1,032,937	Same as above	2.3 years
Total share options		19,954,719		

(b) Measurement of fair values

The grant-date fair value of the RSUs has been measured by reference to the fair value of ordinary shares with a liquidity discount. The grant-date fair value of the ESOs has been measured using the Black-Scholes formula. Key valuation assumptions used to determine the grant-date fair value of the equity settled share-based payment were as follows:

	ESOs												
	Key management personnel				Senior employees				RSUs				
	First Batch	*Second Batch*	*Third Batch*	*Fourth Batch*	*First Batch*	*Second Batch*	*Third Batch*	*Fourth Batch*	*First Batch*	*Second Batch*	*Third Batch*	*Fourth Batch*	*Fifth Batch*
Fair value at grant date *(RMB)*	1.59–1.61	1.43–1.75	1.65–2.04	1.77–1.91	1.64–1.72	1.43–1.75	1.65–2.12	1.77–2.25	1.81–1.89	1.81–1.89	2.14–2.27	2.27–2.39	2.40–2.52
Share price at grant date *(RMB)*	1.91	1.91	2.33	2.48	1.91	1.91	2.33	2.48	1.91	1.91	2.33	2.48	2.63
Exercise price *(RMB)*	0.25	0.1–0.43	0.18–0.51	0.51	0.18	0.1–0.43	0.1–0.51	0.1–0.51	N/A	N/A	N/A	N/A	N/A
Liquidity discount rate	3%–5%	1%–5%	3%–8%	4%–9%	1%–5%	1%–5%	3%–8%	4%–10%	1%–5%	1%–5%	3%–8%	4%–9%	4%–9%
Expected volatility	49.49%–50.62%	45.17%–50.03%	38.64%–48.18%	58.56%–62.08%	49.49%–50.62%	45.17%–50.03%	38.64%–48.18%	56.16%–62.08%	50.30%	50.30%	48.16%	59.99%	64.88%
Expected life of the options	2.78	2.21	1.91	1.83	2.71	2.23	1.62	2.3	N/A	N/A	N/A	N/A	N/A
Expected dividends	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Risk-free interest rates	2.32%–2.49%	2.25%–2.45%	2.04%–2.29%	1.33%	2.32%–2.49%	2.25%–2.45%	2.04%–2.29%	1.33%–1.41%	2.50%	2.50%	2.23%	1.10%	1.33%

Expected volatility has been based on an evaluation of the historical volatility of the comparative company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

(c) Reconciliation of outstanding ESOs

The number and weighted–average exercise prices of ESOs were as follows:

	As at December 31,					
	2023		2024		2025	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	RMB		*RMB*		*RMB*	
Outstanding at the beginning of the year	0.24	9,522,402	0.25	8,420,674	0.18	3,515,364
Forfeited during the year	0.18	(460,175)	0.30	(123,548)	0.18	(67,291)
Exercised during the year	0.24	(4,696,089)	0.28	(5,829,149)	—	—
Granted during the year	0.25	4,054,536	0.18	1,047,387	—	—
Options are modified to shares during the year	—	—	—	—	0.18	(3,448,073)
Outstanding at the end of the year	0.25	8,420,674	0.18	3,515,364	—	—

The ESOs outstanding at December 31, 2023 had an exercise price in the range of RMB0.1 to RMB0.51 and a weighted-average remaining contractual life of 1.87 years. The weighted-average share price at the date of exercise for ESOs exercised in 2023 was RMB0.24.

The ESOs outstanding at December 31, 2024 had an exercise price in the range of RMB0.1 to RMB0.51 and a weighted-average remaining contractual life of 2.51 years. The weighted-average share price at the date of exercise for ESOs exercised in 2024 was RMB0.28.

There was no ESOs outstanding at December 31, 2025 since all unvested ESOs have been converted to the RSUs at the modification date.

(d) Expense recognised in the consolidated statements of profit or loss

The total expenses recognized in the consolidated statements of profit or loss for share-based incentives granted to the participants are RMB10,065,000, RMB10,191,000 and RMB11,500,000 for the years ended December 31, 2023, 2024 and 2025, respectively.

28 Capital, reserves and dividends

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Note	**Paid-in capital**	**Share capital**	**Capital reserve**	**Share-based payments reserve**	**Accumulated losses**	**Total**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023		2,808	—	(304,706)	27,094	(291,486)	(566,290)
Loss and total comprehensive income for the year		—	—	—	—	(120,577)	(120,577)
Capital contribution by investors		137	—	69,863	—	—	70,000
Equity settled share-based transactions	27	—	—	—	10,065	—	10,065
Recognition of redemption liabilities	24	—	—	(105,000)	—	—	(105,000)
As at December 31, 2023 and January 1, 2024		2,945	—	(339,843)	37,159	(412,063)	(711,802)
Loss and total comprehensive income for the year		—	—	—	—	(111,416)	(111,416)
Capital contribution by investors		157	—	79,843	—	—	80,000
Equity settled share-based transactions	27	—	—	—	10,191	—	10,191
Recognition of redemption liabilities	24	—	—	(120,000)	—	—	(120,000)
As at December 31, 2024 and January 1, 2025		3,102	—	(380,000)	47,350	(523,479)	(853,027)
Loss and total comprehensive income for the year		—	—	—	—	(267,802)	(267,802)
Capital contribution by investors		984	1,375	218,790	—	—	221,149
Payment of financing service fees		—	—	(1,509)	—	—	(1,509)
Equity settled share-based transactions	27	—	—	—	11,500	—	11,500
Conversion into a joint stock company with limited liability		(4,086)	4,086	(24,498)	—	24,498	—

	Note	Paid-in capital	Share capital	Capital reserve	Share-based payments reserve	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Capital reserve transfer to share capital		—	18,919	(18,919)	—	—	—
Recognition of redemption liabilities	*24*	—	—	(415,677)	—	—	(415,677)
As at December 31, 2025		—	24,380	(621,813)	58,850	(766,783)	(1,305,366)

(b) Paid-in capital/share capital

For the purpose of the Historical Financial Information, the paid-in capital of the Group represents the paid-in capital of the Company before it was converted into a joint stock company with limited liability.

(i) Paid-in capital

	Paid-in capital
	RMB'000
As at January 1, 2023	2,808
Capital contribution by investors	137
As at December 31, 2023 and January 1, 2024	2,945
Capital contribution by investors	157
As at December 31, 2024 and January 1, 2025	3,102
Capital contribution by investors	984
Conversion into a joint stock company	(4,086)
As at December 31, 2025	—

Note: On September 10, 2025, the Company was converted into a joint stock company with limited liability and issued 4,086,000 shares with a nominal value of RMB1.00 each.

(ii) Issued share capital

	Number of shares	Share capital
	'000	*RMB'000*
Issued and fully paid:		
As at January 1, 2025	—	—
Conversion into a joint stock company	4,086	4,086
Capital reserve transfer to share capital	18,919	18,919
Issuance of new shares	1,375	1,375
As at December 31, 2025	24,380	24,380

Note: On September 19, 2025, the shareholders passed resolutions approving, among other things, the conversion of capital reserves of the Company into share capital by issuing 4.63 new shares for every one existing share to all shareholders, resulting in the issuance of a total of 18,919,000 new shares. Upon such conversion, the Company's issued share capital increased from RMB4,086,000 to RMB23,005,000, and the total number of shares increased from 4,086,000 to 23,005,000 shares.

During the period from September 19 to December 31, 2025, the Company received capital contributions of RMB149,500,000. The capital contributions increased the share capital and capital reserve by RMB1,375,000 and RMB148,125,000, respectively.

The Company expect to conduct the share subdivision immediately prior to the **[REDACTED]** of the Company in the Main Board of the Stock Exchange, pursuant to which each of share with par value of RMB1.00 will be subdivided into ten shares with par value of RMB0.1 each.

(c) Nature and purpose of reserves

(i) Capital reserve

The capital reserve mainly comprises the following: (i) the excess of total consideration contributed by the shareholders of the Company over paid-in capital/share capital; (ii) the amounts in relation to the recognition of the redemption liabilities as set out in Note 24.

(ii) Share-based payment reserve

The share-based payment reserve comprises the Company's equity settled share-based payments (see Note 27).

(d) Dividends

No dividends were paid by the companies comprising the Group during the Track Record Period.

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

29 Financial risk management and fair values of financial instruments

Exposure to credit risk, liquidity risk, interest rate risk, currency risk and fair value measurement arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents, restricted cash, bills receivable, and financial assets at fair value through other comprehensive income is limited because the counterparties are banks and financial institutions with high credit standing, for which the Group considers to represent low credit risk.

As at December 31, 2023, 2024 and 2025, the management of the Group has assessed that contract assets, deposits and other receivables have not had a significant increase in credit risk since initial recognition and risk of default is insignificant, and therefore, the expected credit loss rate is insignificant.

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The Group has no significant concentration of credit risk in industries or countries in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at December 31, 2023, 2024 and 2025, 24.70%, 27.94% and 21.08% of the total trade receivables was due from the Group's top five largest customers, respectively.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

	As at December 31, 2023		
	Amount	Expected loss rate	Impairment
	RMB'000	%	*RMB'000*
Within 1 year	30,267	2.61	790
1 to 2 years	16,343	8.96	1,465
Over 2 years	6,623	33.17	2,197
	53,233		4,452

	As at December 31, 2024		
	Amount	Expected loss rate	Impairment
	RMB'000	%	*RMB'000*
Within 1 year	126,920	4.28	5,426
1 to 2 years	21,249	11.89	2,526
Over 2 years	10,139	42.53	4,312
	158,308		12,264

	As at December 31, 2025		
	Amount	Expected loss rate	Impairment
	RMB'000	%	*RMB'000*
Within 1 year	185,575	4.85	8,993
1 to 2 years	67,839	12.60	8,547
Over 2 years	11,946	49.99	5,972
	265,360		23,512

Expected loss rates are based on actual loss experience during the Track Record Period. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the Track Record Period is as follows:

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	609	4,452	12,264
Provision of loss allowance on trade receivables	4,553	7,444	10,614
Transfer from contract assets	207	368	634
Write-off	(917)	—	—
At the end of the year	4,452	12,264	23,512

(b) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that is maintains sufficient reserves of cash and adequate committed funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities as at the end of the reporting periods of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates on, if floating, based on rates current at the end of the reporting periods) and the earliest date the Group can be required to pay.

	As at December 31, 2023				
	Contractual undiscounted cash outflow				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Total**	**Carrying amount**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans	32,762	—	—	32,762	32,039
Trade and bills payables	75,155	—	—	75,155	75,155
Financial liabilities included in other payables and accruals	4,933	—	—	4,933	4,933
Redemption liabilities	1,227,221	—	—	1,227,221	1,227,221
Lease liabilities	7,843	6,865	2,531	17,239	16,270
	1,347,914	6,865	2,531	1,357,310	1,355,618

	As at December 31, 2024				
	Contractual undiscounted cash outflow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans	107,128	—	—	107,128	104,326
Trade and bills payables	135,322	—	—	135,322	135,322
Financial liabilities included in other payables and accruals	12,727	—	—	12,727	12,727
Redemption liabilities	1,456,061	—	—	1,456,061	1,456,061
Lease liabilities	8,298	3,850	3,297	15,445	14,666
	1,719,536	3,850	3,297	1,726,683	1,723,102

	As at December 31, 2025				
	Contractual undiscounted cash outflow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans	192,477	10,237	—	202,714	200,103
Trade and bills payables	189,238	—	—	189,238	189,238
Financial liabilities included in other payables and accruals	21,972	—	—	21,972	21,972
Redemption liabilities	2,121,122	—	—	2,121,122	2,121,122
Lease liabilities	4,426	1,895	2,376	8,697	8,327
	2,529,235	12,132	2,376	2,543,743	2,540,762

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from the Group's bank loans, lease liabilities, restricted cash and cash at banks. The Group does not use financial derivatives to hedge against the interest rate risk. However, if interest rate fluctuates significantly, appropriate measures would be taken to manage interest risk exposure. The Group's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group at the end of the reporting periods.

	As at December 31,					
	2023		2024		2025	
	Effective interest rate %	*RMB'000*	*Effective interest rate %*	*RMB'000*	*Effective interest rate %*	*RMB'000*
Fixed rate instruments						
Lease liabilities	4.55%–5.35%	16,270	3.85%–5.35%	14,666	3.5%–5.35%	8,327
Bank loans	3.85%–4.4%	32,039	1.91%–4.4%	104,326	1.84%–3.2%	200,103
Restricted cash	0.2%–1.2%	12,658	0.1%–1.1%	13,544	0.05%–1.45%	26,200
		60,967		132,536		234,630
Variable rate instruments						
Cash and cash equivalents	0.05%–0.35%	75,832	0.05%–0.35%	131,331	0.05%–0.45%	243,422
		136,799		263,867		478,052

(ii) Sensitivity analysis

As at December 31, 2023, 2024 and 2025, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would have decrease/increase the Group's loss and accumulated losses by approximately RMB321,000, RMB555,000 and RMB514,000 respectively.

In respect of the exposure to cash flow interest rate risk arising from floating rate non–derivative instruments held by the Group at the end of the reporting period, the impact on the Group's loss for the year (and accumulated losses) is estimated as an annualised (pro–rata as required) impact on interest expense or income of such a change in interest rates.

(d) Currency risk

The Group is not exposed to significant foreign currency risk since financial assets and liabilities denominated in currencies other than the functional currencies of the Company and its subsidiaries are not significant.

As the Group's principal activities are carried out in the PRC, the Group's transactions are mainly dominated in Renminbi, which is not freely convertible into foreign currencies. All foreign exchange transactions involving Renminbi must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand.

As at December 31, 2023, 2024 and 2025, cash and cash equivalents situated in Chinese Mainland amounted to RMB75,832,000, RMB129,336,000 and RMB237,830,000. Remittance of funds out of Chinese Mainland is subject to relevant rules and regulations of foreign exchange control.

(e) Fair value measurement

(i) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.

	Fair value at December 31, 2025	Fair value measurements as at December 31, 2025 categorised into		
		Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income	13,197	—	13,197	—

	Fair value at December 31, 2024	Fair value measurements as at December 31, 2024 categorised into		
		Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income	1,109	—	1,109	—

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

Valuation techniques and inputs used for fair value measurement at the Level 2:

The fair value of financial assets at fair value through other comprehensive income are measured by discounted cash flow method using the expected return based on observable market inputs.

(ii) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortized cost are not materially different from their fair values at December 31, 2023, 2024 and 2025.

30 Commitments

The Group did not have any capital commitments as at December 31, 2023, 2024 and 2025.

31 Material related party transactions

The material related party transactions entered into by the Group during the Track Record Period and the balances with related parties at the end of each reporting period are set out below.

(a) Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Company's directors and supervisors.

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and supervisors as disclosed in Note 8, is as follows:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	4,803	5,052	6,228
Discretionary bonuses	701	1,757	—
Share-based payments	1,423	1,499	1,498
Retirement scheme contributions	244	268	290
	7,171	8,576	8,016

Total above remuneration to key management personnel is included in "staff costs" (Note 6(b)).

(b) Names and relationships of the related parties that had material transactions and / or material balances with the Group for the Track record period

Names of related parties	Nature of relationship
Beijing Shengji Power Technology Co., Ltd.	A joint venture of the Group
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	An associate of the Group
Mr. Zhang Zhaohui	The chairman of the Board, an executive Director, and one of the controlling shareholders
Ms. Ti Jian	The close family member of Mr. Zhang Zhaohui

(c) Significant transactions with related parties

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Sales of goods and rendering of services:			
Beijing Shengji Power Technology Co., Ltd.	4,190	8,912	534
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	2,325	221	2,664
	6,515	9,133	3,198
Purchase of goods and services:			
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	—	3,284	—
Rental expense:			
Beijing Shengji Power Technology Co., Ltd.	—	198	50

(d) Balances with related parties

Trade in nature:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables, net of loss allowance			
Beijing Shengji Power Technology Co., Ltd.	3,670	11,591	10,168
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	219	413	897
Others	—	18	—
	3,889	12,022	11,065
Prepayments, other receivables and other assets			
Beijing Shengji Power Technology Co., Ltd.	—	—	—
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	369	—	—
	369	—	—
Trade payables			
Beijing Shengji Power Technology Co., Ltd.	—	54	—
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	—	3,341	1,488
	—	3,395	1,488

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract assets			
Beijing Shengji Power Technology Co., Ltd.	447	956	57
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	250	202	270
	697	1,158	327
Contract liabilities			
Beijing Shengji Power Technology Co., Ltd.	303	—	—
Pinggao Xinsong Electric Power Intelligent Equipment (Henan) Co., Ltd.	—	63	—
	303	63	—

(e) Guarantees provided by related parties

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Banking facilities granted to the Group with guarantees by related parties	32,039	86,275	200,103

Certain facilities granted to the Group were guaranteed by the chairman of the Board and his close family member. The directors of the Company confirm that all of the guarantees by related parties will either be replaced by a corporate guarantee of the Company or be fully released prior to or upon the **[REDACTED]** of the Company in the Main Board of the Stock Exchange.

32 Possible impact of amendments, new standards and interpretations issued but not yet effective for the accounting period beginning on January 1, 2025

Up to the date of issue of this report, the IASB has issued a number of new or amended standards, which are not yet effective for the Track Record Period and which have not been adopted in Historical Financial Information. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: disclosures — Amendments to the classification and measurement of financial instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7, Contracts Referencing Nature-dependent Electricity	January 1, 2026
Annual improvements to IFRS Accounting Standards — Volume 11	January 1, 2026
IFRS 18, Presentation and disclosure in financial statements	January 1, 2027
IFRS 19, Subsidiaries without public accountability: disclosures	January 1, 2027

	Effective for accounting periods beginning on or after
Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Historical Financial Information except for the following:

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

33 Significant non-adjusting events after the reporting period

Subsequent to December 31, 2025 and up to the date of this report, there is no material subsequent event.

SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company and its subsidiaries comprising the Group in respect of any period subsequent to December 31, 2025.

The following information does not form part of the Accountants Report received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, as set out in Appendix I to this document, and is included herein for illustrative purposes 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. UNAUDITED [REDACTED] STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited **[REDACTED]** statement of adjusted net tangible assets of the Group is prepared in accordance with paragraph 4.29 of the Listing Rules, and is set out below to illustrate the effect of the **[REDACTED]** on the consolidated net tangible liabilities attributable to equity shareholders of the Company as at December 31, 2025 as if the **[REDACTED]** had taken place on December 31, 2025.

The unaudited **[REDACTED]** statement of adjusted net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the **[REDACTED]** been completed as at December 31, 2025 or at any future date.

	Consolidated net tangible liabilities attributable to the equity shareholders of the Company as at December 31, 2025(1)	Estimated [REDACTED] from the [REDACTED](2)(5)	Estimated impact to net tangible assets upon reclassification of redemption liabilities(3)	Unaudited [REDACTED] adjusted net tangible assets attributable to equity shareholders of the Company	Unaudited [REDACTED] adjusted net tangible assets per Share(4)	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB*	*HK$(5)*
Based on an **[REDACTED]** of **[REDACTED]** per H share	(1,940,297)	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Based on an **[REDACTED]** of **[REDACTED]** per H share	(1,940,297)	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**

Notes:

(1) The consolidated net tangible liabilities attributable to equity shareholders of the Company as at December 31, 2025 is arrived at from the consolidated total deficit attributable to equity shareholders of the Company of RMB1,940,297,000 as at December 31, 2025, which is extracted from "Appendix I — Accountants' Report" to this document.

(2) The estimated **[REDACTED]** from the **[REDACTED]** are based on the indicative **[REDACTED]** of **[REDACTED]** per H Share (being the minimum **[REDACTED]**) and **[REDACTED]** per H Share (being the **[REDACTED]**) and **[REDACTED]** H Shares expected to be issued under the **[REDACTED]**, after deduction of the **[REDACTED]** fees and other related expenses to be paid by the Company (excluding the **[REDACTED]** which have been charged to profit or loss up to December 31, 2025), and do not take into account any H Shares which may be issued upon the exercise of the **[REDACTED]**.

(3) As at December 31, 2025, the carrying amount of the redemption liabilities was RMB2,121,122,000, which was related to redemption rights issued to investors (as set out in Note 24of "Appendix I — Accountants' Report" to this document). Upon **[REDACTED]**, the redemption rights shall be automatically terminated, and the redemption liabilities will be reclassified from liabilities to equity accordingly.

(4) The unaudited **[REDACTED]** adjusted net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and based on **[REDACTED]** Shares (of which the calculation takes into account the number of shares of 24,380,426 as at December 31, 2025, the impact of share subdivision immediately prior to the **[REDACTED]** and **[REDACTED]** H shares to be issued pursuant to the **[REDACTED]**, but excludes 26,051,019 shares held by Xi'an Youai Zhonghe Technology Partnership Enterprise (Limited Partnership) and Youai Hezhi Technology Partnership (Limited Partnership)), and does not take into account any H Shares which may be issued upon the exercise of the **[REDACTED]**.

(5) The estimated **[REDACTED]** from the **[REDACTED]** and the unaudited **[REDACTED]** adjusted net tangible assets per Share are converted into Hong Kong dollars at exchange rate of HK$1 to RMB0.8792. No presentation is made that the RMB amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(6) Save for the adjustments made in the preceding paragraphs, no adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to December 31, 2025.

[REDACTED]

[REDACTED]

[REDACTED]

TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of the H shares are subject to the laws and practices of the PRC and of jurisdictions in which holders of the H shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices, and has not taken into account the expected change or amendment to the relevant laws or policies and does not constitute any opinion or advice. The discussion does not deal with all possible tax consequences relating to an investment in the H shares, nor does it take into account the specific circumstances of any particular investor, some of which may be subject to special regulation. Accordingly, you should consult your own tax advisor regarding the tax consequences of an investment in the H shares. The discussion is based upon laws and relevant interpretations in effect as of the Latest Practicable Date, all of which are subject to change or adjustment and may have retrospective effect.

This discussion does not address any aspects of PRC taxation other than income tax, capital gains tax and profits tax, sales tax, value-added tax, stamp duty and estate duty. Prospective investors are urged to consult their financial advisors regarding the PRC and other tax consequences of owning and disposing of the H shares.

TAXATION IN CHINESE MAINLAND

Tax on Dividends

Individual Investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》), or the Individual Income Tax Law, amended by the SCNPC on August 31, 2018 and effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》) amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the Ministry of Finance, the State Administration of Taxation and the CSRC on September 7, 2015 and effective on September 8, 2015, where an individual holds the shares of a listed company obtained from the public offering for more than one year and transfers the stock of the listed company on the stock market, the dividend and bonus income shall be temporarily exempted from individual income tax. Where an individual acquires shares of a listed company from the public offering and transfers the stock of the listed company on the stock market, if the holding period is within one month (inclusive), the dividend and bonus income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend and bonus income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), or the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, executed on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《國家稅務總局關於<

內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排>第五議定書》), or the Fifth Protocol, issued by the State Administration of Taxation and effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), or the EIT Law, amended by the SCNPC and effective on December 29, 2018, and the Implementation Rules of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》), or the Implementation Rules of the EIT Law, amended by the State Council and effective on January 20, 2025, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or place of business in the PRC but the PRC-sourced income is not actually connected with such establishment or place of business in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which Are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the State Administration of Taxation and effective on November 6, 2008, a PRC resident enterprise is required to withhold enterprise income tax at a rate of 10% on dividends paid to non-PRC resident enterprise holders of H Shares which are derived out of profit generated since 2008. The Reply on the Collection of Enterprise Income Tax on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares (《關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》) promulgated by the State Administration of Taxation and effective July 24, 2009 further provides that PRC-resident enterprises listed on Chinese and overseas stock exchanges by issuing stocks (including A shares, B shares and overseas shares) must withhold enterprise income tax at a flat rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprise shareholders. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has concluded with a relevant jurisdiction, where applicable.

According to the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of equity interest in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including HKSCC Nominees). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' approval.

Tax on Share Transfer

Value-Added Tax on Share Transfer

Pursuant to the Notice of Ministry of Finance and State Administration of Taxation on Fully Implementing the Pilot Reform for the Transition from Business Tax to Value-added Tax (《財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知》) (the "Circular 36"), which was implemented on May 1, 2016, entities and individuals engaged in the services sale in the PRC are subject to VAT and "engaged in the services sale in the PRC" means that the seller or buyer of the taxable services is located in the PRC. Circular 36 also provides that transfer of financial products, including transfer of the ownership of marketable securities, shall be subject to VAT at 6% on the taxable revenue (which is the balance of sales price upon deduction of purchase price), for a general or a foreign VAT taxpayer. However, individuals who transfer financial products are exempt from VAT, which is also provided in the Notice of Ministry of Finance and State Administration of Taxation on Several Tax Exemption Policies for Business Tax on Sale and Purchase of Financial Commodities by Individuals (《財政部、國家稅務總局關於個人金融商品買賣等營業稅若干免稅政策的通知》) effective on January 1, 2009.

According to these regulations, if the holder is a non-resident individual, the PRC VAT is exempted from the sale or disposal of H shares; if the holder is a non-resident enterprise and the H-share buyer is an individual or entity located outside the PRC, the holder is not necessarily required to pay the PRC VAT, but if the H-share buyer is an individual or entity located in China, the holder may be required to pay the PRC VAT.

Income Tax on Share Transfer

Individual Investors

Under the Individual Income Tax Law and its implementation rules, individuals are subject to individual income tax at a rate of 20% on gains realised on the sale of equity interests in PRC resident enterprises. Pursuant to the Circular on Continuing the Temporary Exemption of Individual Income Tax on Gains from Share Transfers by Individuals (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》), which was promulgated by the MOF and the State Administration of Taxation and became effective on March 30, 1998, from 1 January 1997, income of individuals from the transfer of shares in listed companies continues to be temporarily exempted from individual income tax. The State Administration of Taxation does not specify whether to continue to exempt individuals from personal income tax on the income from the transfer of shares in a listed company in the newly revised EIT Law and Implementation Rules of the EIT Law.

Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to enterprise income tax at the rate of 10% with respect to PRC-sourced income, including gains derived from the disposal of shares in a PRC resident enterprise, if it does not have an establishment or premises in the PRC or has an establishment or premises in the PRC but the PRC-sourced income is not actually connected with such establishment or premises in the PRC. The aforementioned income tax payable by non-PRC resident enterprises is subject to source withholding, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted under applicable tax treaties or arrangements.

Stamp Duty

According to the Stamp Duty Law of the People's Republic of China (《中華人民共和國印花稅法》), which was promulgated on June 10, 2021 and came into effect on July 1, 2022, the disposal of H Shares by non-Chinese mainland investors outside of the Chinese mainland is not subject to the requirements of the Stamp Duty Law of the People's Republic of China.

Estate duty

According to PRC law, no estate duty is currently levied in Chinese mainland.

MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to 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》), enterprises and other income-generating organizations (hereinafter collectively referred to as "enterprises") within the territory of the People's Republic of China are the taxpayers of enterprise income tax and shall pay enterprise income tax in accordance with the provisions of the EIT Law. The Enterprise Income Tax rate is 25%. The high-tech enterprises that need full support from the PRC's government will enjoy a reduced tax rate of 15% for enterprise income tax.

Enterprises are classified into resident enterprises and non-resident enterprises. A non-resident enterprise that does not have an establishment or place of business in the PRC, or has an establishment or place of business in the PRC but the income has no actual connection to such establishment or place of business, shall pay enterprise income tax on its income within the PRC and withhold at source, where the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Meanwhile, any gains realised on the transfer of shares by such investors are subject to enterprise income tax and shall be withheld at source if such gains are regarded as income derived from the transfer of property within the PRC.

Value-added tax

Pursuant to the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值稅暫行條例》) amended by the State Council and became effective on November 19, 2017 and the Detailed Rules for the Implementation of the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值稅暫行條例實施細則》) amended by the MOF on October 28, 2011 and effective on November 1, 2011, all entities and individuals in the PRC engaging in the sale of goods, the provision of processing, repairs and replacement services, and the importation of goods are required to pay value-added tax. For taxpayers selling or importing goods, the general tax rate shall be 17% unless otherwise specified in the aforesaid regulations. According to the Notice on the Adjustment to VAT Rates (《關於調整增值稅稅率的通知》), promulgated by the MOF and the State Administration of Taxation on April 4, 2018, and effective on May 1, 2018, the VAT rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively.

According to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (《關於深化增值稅改革有關政策的公告》), promulgated by the MOF, the State Administration of Taxation and the General Administration of Customs on March 20, 2019 and effective on April 1, 2019, the VAT rates of 16% and 10% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 13% and 9%, respectively.

FOREIGN EXCHANGE ADMINISTRATION IN THE PRC

The lawful currency of the PRC is the Renminbi. The SAFE, authorised by the PBOC, is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Control (《中華人民共和國外匯管理條例》) amended by the State Council and became effective on August 5, 2008, all international payments and transfers are classified into current account items and capital account items. The PRC does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaging in the settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State.

Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the PBOC on June 20, 1996 and became effective on July 1, 1996, the remaining restrictions on convertibility of foreign exchange in respect of current account items are abolished while the existing restrictions on foreign exchange transactions in respect of capital account items are retained.

According to relevant laws and regulations of the PRC, PRC enterprises (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items may, without the approval of SAFE, effect payment from their foreign exchange accounts at the designated foreign exchange banks, on the strength of valid receipts and proof of transactions. Foreign-invested enterprises that need to distribute profits to their shareholders in foreign exchange and Chinese enterprises that need to pay fixed dividends in foreign exchange in accordance with the requirements shall pay from their foreign exchange account or pay at the designated foreign exchange bank by a resolution of the board of directors on the distribution of profits.

According to the Decision of the State Council on Canceling and Adjusting a Group of Administrative Approval Items and Other Matters (《國務院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 and effective on October 23, 2014, the administrative approval of the SAFE and its branches on matters concerning the repatriation and settlement of foreign exchange of overseas-raised funds through overseas listing has been canceled. According to the Circular of the SAFE on Relevant Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE and became effective on December 26, 2014, the relevant provisions on foreign exchange administration of domestic joint stock companies (hereinafter referred to as "domestic companies") listed overseas are as follows:

(i) The SAFE and its branches and the Foreign Exchange Management Department, or the Foreign Exchange Bureau, supervise, manage and inspect the business registration, account opening and use, cross-border income and expenditure, and capital exchange involved in the overseas listing of domestic companies.

(ii) A domestic company shall, within 15 working days after the completion of the overseas listing and issuance, register the overseas listing with the Foreign Exchange Bureau at the place where it is registered with the relevant material.

(iii) After the overseas listing of a domestic company, its domestic shareholders who intend to increase or reduce their shareholding in an overseas listed company according to relevant regulations shall register the overseas shareholding with the local foreign exchange bureau at the place where the domestic shareholders are located within 20 working days prior to the proposed increase or reduction of shareholding with relevant materials.

(iv) A domestic company (other than banking financial institutions) shall, by virtue of its registration certificate for overseas listing business, open a "special foreign exchange account for overseas listing of domestic companies" with a domestic bank for its initial offering (or additional offering) and repurchase business to handle the remittance and transfer of funds for the relevant business.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), which was issued on February 13, 2015 and came into effect on June 1, 2015, the SAFE canceled the confirmation of foreign exchange registration under domestic direct investment and overseas direct investment. Instead, banks shall directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment, and the SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionising and Regulating Capital Account Settlement Management Policies (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) issued and implemented by the SAFE on June 9, 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in the capital account of domestic institutions is 100%, subject to adjustment by the SAFE in due time in accordance with international revenue and expenditure situations.

This Appendix summarises certain aspects of PRC laws and regulations which are relevant to our Company's operations and business. Laws and regulations relating to taxation in the PRC are discussed separately in "Appendix III — Taxation and Foreign Exchange" to this document. This Appendix also contains a summary of laws and regulatory provisions of the PRC Company Law. The principal objective of this summary is to provide potential investors with an overview of the principal laws and regulatory provisions applicable to our Company. This summary is not intended to include all the information which is important to potential investors. For a discussion of laws and regulations which are relevant to our Company's business, see "Regulatory Overview" in this document.

THE PRC LEGAL SYSTEM

The PRC legal system is based on the PRC Constitution (《中華人民共和國憲法》), or the Constitution, and is made up of written laws, administrative regulations, local regulations, separate regulations, rules and regulations of departments of the State Council, rules and regulations of local governments, autonomous regulations, separate regulations of autonomous regions, special administrative region law and international treaties and other regulatory documents signed by the PRC government. Court decisions do not constitute binding precedents, although they are used for the purposes of judicial reference and guidance.

According to the Constitution and the Legislation Law of the People's Republic of China (《中華人民共和國立法法》), or the Legislation Law, which was amended by the NPC on March 13, 2023 and became effective on March 15, 2023, the NPC and the SCNPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing criminal and civil matters, state organs and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provision of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their standing committees may formulate local regulations on matters such as urban and rural construction and management, environmental protection and historical and cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of such provinces or autonomous regions. Where laws have other stipulations on matters of local regulations formulated by cities divided into districts, such stipulations shall prevail. The local regulations of cities are divided into autonomous regions for approval before implementation.

The standing committees of the people's congresses of provinces or autonomous regions shall examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in the light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned. The ministries, commissions, PBOC, NAO of the State Council and institutions with administrative functions directly under the State Council may formulate rules and regulations within the jurisdiction of their respective departments based on the laws and the administrative regulations, decisions and rulings of the State Council.

The Constitution has supreme legal authority, and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of the rules enacted by the people's governments of the provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities divided into districts within their respective administrative regions.

The NPC has the power to alter or annul any inappropriate laws enacted by the SCNPC, and to annul any autonomous regulations and separate regulations which have been approved by the SCNPC but which contravene the Constitution and the Legislation Law; the SCNPC has the power to annul administrative regulations that contravene the Constitution and laws, to annul local regulations that contravene the Constitution, laws and administrative regulations, and to annul autonomous regulations and separate regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government, but which contravene the Constitution and the Legislation Law; the State Council has the power to alter or annul any inappropriate ministerial rules and rules of local governments; the people's congresses of provinces, autonomous regions and municipalities directly under the Central Government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees; the standing committees of the local people's congresses have the power to annul inappropriate rules enacted by the people's governments at the corresponding level; the people's governments of provinces and autonomous regions have the power to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the SCNPC. According to the Decision of the SCNPC Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) passed by the SCNPC and effective on June 10, 1981, the Supreme People's Court shall give interpretation on questions involving the specific application of laws and decrees in court trials. The Supreme People's Procuratorate shall interpret all issues involving the specific application of laws and decrees in the procuratorial work. Interpretation of questions involving the specific application of laws and decrees in areas unrelated to judicial and procuratorial work shall be provided by the State Council and competent authorities.

Where the scope of local regulations needs to be further defined or additional stipulations need to be made, the standing committees of the people's congresses of provinces, autonomous regions and municipalities directly under the Central Government which have enacted these regulations shall provide the interpretations or make the stipulations. Interpretation of questions involving the specific application of local regulations shall be provided by the competent departments of the people's governments of provinces, autonomous regions and municipalities.

THE PRC JUDICIAL SYSTEM

According to the Constitution and the Law of the PRC of Organization of the People's Courts (《中華人民共和國人民法院組織法》) amended by the SCNPC on October 26, 2018 and becoming effective on January 1, 2019, the PRC People's Court is made up of the Supreme People's Court, the local people's courts, and other special people's courts. The local people's courts are divided into three levels, namely the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up certain people's tribunals based on the status of the region, population and cases. The Supreme People's Court shall be the highest judicial organ of the state. The Supreme People's Court shall supervise the administration of justice by the local people's courts at all levels and by the special people's courts. The people's courts at a higher level shall supervise the judicial work of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) revised by SCNPC on October 26, 2018 and taking effect on January 1, 2019, the People's Procuratorate is the law supervision organ of the state. The Supreme People's Procuratorate shall be the highest procuratorial organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

The people's courts employ a two-tier appellate system, and judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's court. The people's procuratorate may present a protest to the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court or the people's courts at the next higher level finds any definite errors in a legally effective final judgment or ruling of the people's court at a lower level, or if the chief judge of a people's court at any level finds any definite errors in a legally effective final judgment or ruling of such court, the case can be retried according to judicial supervision procedures.

The PRC Civil Procedure Law (《中華人民共和國民事訴訟法》), amended by the SCNPC on September 1, 2023 and effective on January 1, 2024 sets forth the requirements for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the PRC must comply with the PRC Civil Procedure Law. Civil cases are generally heard by the courts where the defendants are located. The court of jurisdiction in a civil action may be chosen by express agreement between the parties, provided that the court is located at a place that has direct connection with the dispute, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed or the object of the action is located. However, the choice of the court cannot be in conflict with the regulations of different jurisdictions and exclusive jurisdictions in any case.

A foreign individual, a person without nationality, a foreign-invested enterprise or a foreign organization must have the same litigation rights and obligations as a PRC citizen, legal person or other organizations when initiating or defending any proceedings at a people's court. If a foreign court limits the litigation rights of PRC citizens and enterprises, the PRC court may apply the same limitations to the citizens and enterprises of such foreign country. A foreign individual, a person without nationality, a foreign-invested enterprise or a foreign organization must engage a PRC lawyer if such person needs to engage a lawyer in initiating or defending any proceedings at a people's court. Under an international treaty or the principle of reciprocity signed or acceded to by the PRC, the people's court and foreign courts may require each other to act on their behalf to serve documents, conduct investigations, collect evidence and take other actions on behalf of each other. If the request by a foreign court would result in the violation of the PRC's sovereignty, security or public interest, the people's court shall decline the request.

All parties must comply with legally effective civil judgments and rulings. If any party to a civil action refuse to comply with a judgment or order made by a people's court or an award made by an arbitration tribunal in the PRC, the other party may apply to the people's court for enforcement within two years. Suspension or disruption of the time limit for applying for such enforcement shall comply with the provisions of the applicable law concerning the suspension or disruption of the time-bar of actions.

When a party applies to a people's court for enforcing an effective judgment or ruling by a people's court against a party who is not located within the territory of the PRC or whose property is not within the PRC, the party may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognised and enforced by the people's court according to the PRC enforcement procedures if the PRC has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless among other exceptions, the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security, or for reasons of social and public interests.

THE PRC COMPANY LAW, THE OVERSEAS LISTING TRIAL MEASURES AND THE GUIDELINES FOR ARTICLES OF ASSOCIATION OF LISTED COMPANIES

A joint stock limited company established in the PRC seeking a listing on The Stock Exchange of Hong Kong Limited is mainly subject to the following laws and regulations of the PRC.

The PRC Company Law (《中華人民共和國公司法》), or the Company Law, was adopted by the Fifth Standing Committee Meeting of the Eighth NPC on December 29, 1993 and came into effect on July 1, 1994, and was amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023. The latest revised Company Law came into effect on July 1, 2024.

On February 17, 2023, with the approval of the State Council, the CSRC promulgated 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》), or the Overseas Listing Trial Measures, and relevant five guidelines, which came into force on March 31, 2023. The Overseas Listing Trial Measures are enacted in accordance with the Securities Law and other laws and are applicable to domestic enterprises that issue securities overseas or list their securities for trading. According to the Guidelines for the Applications of Regulatory Rules – Overseas Issuance and Listing Category No. 1 promulgated by the CSRC on February 17, 2023, direct overseas issuance and listing by domestic companies shall abide by the relevant provisions of the Overseas Listing Trial Measures and refer to the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) and other relevant provisions of the CSRC on corporate governance to formulate their articles of association and standardize corporate governance.

Set out below is a summary of the major provisions of the Company Law, the Trial Measures and the Guidelines for Articles of Association (2025 Revision) (《上市公司章程指引(2025年修正)》), which are applicable to our Company.

General Provisions

"A joint stock limited company" means a corporate legal person incorporated under the Company Law, whose registered capital is divided into shares of equal par value. The liability of its shareholders is limited to the extent of the shares held by them, and the liability of a company is limited to the full value of all the property owned by it.

A company must conduct its business in accordance with laws as well as public and commercial ethics. A company may invest in other limited liability companies. The liabilities of the company to such invested companies are limited to the amount invested. Unless otherwise provided by law, a company cannot be the capital contributor that has the joint liabilities associated with the debts of the invested enterprises.

Incorporation

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have a residence within the PRC.

The promoters shall convene an inaugural meeting of the company within 30 days after the share capital has been paid up and shall notify all subscribers of the date of the meeting or make an announcement in this regard 15 days before the meeting. The inaugural meeting may be held only in the presence of promoters and subscribers holding more than 50% of the total number of shares. Powers to be exercised at the inaugural meeting include, but are not limited to, the adoption of articles of association and the election of members of the board of directors and the supervisory committee of a company. The aforesaid matters shall be resolved by more than 50% of the votes to be cast by subscribers present at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors shall apply to the registration authority for registration of the incorporation of the joint stock limited company. A company is formally established and has the status of a legal person after the business license has been issued by the relevant registration authority.

Registered Shares

Under the Company Law, shareholders may make capital contributions in cash, or with non-monetary property that may be valued in money and legally transferred, such as contributions in kind or with intellectual property rights, land use rights, shareholding or claims.

The Trial Measures provides that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi.

Under the Company Law, a joint stock limited company is required to maintain a register of shareholders, detailing the following information: (i) the name and domicile of each shareholder; (ii) the class and number of shares subscribed for by each shareholder; (iii) the serial number of shares if issued in paper form; and (iv) the date on which each shareholder acquired the shares.

Allotment and Issue of Shares

All issues of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. It may issue shares at par value or at a premium, but it may not issue shares below the par value.

Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with the Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholder information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer shall file with the CSRC. If a domestic enterprise is indirectly listed overseas, the issuer shall designate a major domestic operating entity as the domestic responsible person and file with the CSRC.

Increase in Share Capital

Under the Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the shareholders' meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of new shares and the class and number of the new shares proposed to be issued to existing shareholders, if any. If no-par-value stock is issued, the proceeds from the issuance of the new stock shall be included in the registered capital. Additionally, if a company intends to make a public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the document.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law:

(i) to prepare a balance sheet and a property list;

(ii) a company makes a resolution at a shareholders' meeting to reduce its registered capital;

(iii) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the approval of the resolution of reducing registered capital;

(iv) the creditors shall have the right to require a company to repay its debts or provide corresponding guarantees within 30 days after receiving the notice or within 45 days after the announcement if the creditors have not received the notice;

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or agreed upon by all the shareholders of a limited liability company, or as specified in the articles of association of a joint stock limited company.

Share Buy-Back

Under the Company Law, a company shall not purchase its own shares, except for any of the following circumstances:

(i) reducing the registered capital;

(ii) merging with another company that holds the shares of the company;

(iii) using the shares for employee stock plans or equity incentives;

(iv) with respect to shareholders voting against any resolution adopted at the shareholders' meeting on the merger or division of our Company, the right to demand that the Company acquire the shares held by them;

(v) using the shares for the conversion of convertible corporate bonds issued by the listed company;

(vi) as required for the maintenance of the corporate value and shareholders' rights and interests of a listed company.

The purchase of shares of a company for reasons specified in the case of (i) to (ii) above shall be subject to the resolution of the meeting; the purchase of shares of a company for reasons specified in the case of (iii), (v) and (vi) above shall be subject to the resolution of the Board meeting attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the meeting.

Following the purchase of a company's shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of buy-back in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) and (iv) above; the total numbers of share of our Company held by a company shall not exceed 10% of the total issued shares of a company, and shall be transferred or canceled within three years in the case of items (iii), (v) and (vi) above.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder should effect a transfer of his shares on the established securities exchanges according to the law or by any other means as required by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of shareholders. No changes of registration in the share register provided in the foregoing requirement shall be affected during a period of 20 days prior to the convening of shareholder's meeting or 5 days prior to the record date for a company's distribution of dividends. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the register of shareholders of a listed company, such provisions should prevail.

Under the Company Law, shares issued by a company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of a company are listed and traded on a securities exchange. The directors, supervisors and senior management of the company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of the company. Shares of a company held by its directors, supervisors and senior management shall not be transferred within one year from the date of a company's listing on a securities exchange, nor within six months after their resignation from their positions with a company.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such restricted period.

Shareholders

Under the Company Law and Guidelines for Articles of Association, the rights of a shareholder of a company include:

(i) To receive dividends and other forms of interest distribution according to the number of shares held;

(ii) To legally require, convene, preside over, participate in or authorise proxies of Shareholders to attend the General Meeting and exercise corresponding voting rights;

(iii) To supervise business operations of our Company, provide suggestions or submit queries;

(iv) To transfer, grant or pledge the Company's shares held according to the provisions of the laws, administrative regulations and the Articles of Association;

(v) To read and copy the Articles of Association, the register of Shareholders, General Meeting minutes, resolutions of meetings of the Board of Directors, resolutions of meetings of the Board of Supervisors and financial and accounting reports;

(vi) Shareholders who hold more than 3% of the company's shares individually or collectively for more than 180 consecutive days may inspect the company's accounting books and accounting vouchers as required by law.

(vii) To participate in the distribution of the remaining assets of our Company according to the proportion of shares held upon our termination or liquidation;

(viii) To require our Company to acquire the shares from Shareholders voting against any resolutions adopted at the General Meeting concerning the merger and division of the Company;

(ix) Other rights conferred by laws, administrative regulations, regulations of the authorities, regulatory rules where our Company's shares are listed, or the Articles of Association.

The obligations of a shareholder of a company include:

(i) To abide by laws, administrative regulations and the Articles of Association;

(ii) To provide Share capital according to the Shares subscribed for and share participation methods;

(iii) Not to withdraw Shares unless prescribed otherwise in laws and administrative regulations;

(iv) Not to abuse Shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors;

(v) To perform other duties prescribed in laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the Company's shares are listed.

Shareholder's Meetings

Under the Company Law, the shareholders' meeting of a joint stock limited company is made up of all shareholders. The shareholders' meeting is the organ of authority of a company, which exercises the following functions and powers:

(i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors;

(ii) to examine and approve reports of the board of directors;

(iii) to examine and approve reports of the supervisory committee;

(iv) to examine and approve a company's profit distribution plans and loss recovery plans;

(v) to resolve on the increase or reduction of a company's registered capital;

(vi) to resolve on the issuance of corporate bonds;

(vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of a company;

(viii) to amend the company's articles of association;

(ix) other functions and powers specified in the provisions of the articles of association.

Under the Company Law, annual shareholders' meetings are required to be held once every year. An extraordinary shareholders' meeting is required to be held within two months after the occurrence of any of the following circumstances:

(i) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the articles of association;

(ii) when the unrecovered losses of a company amount to one-third of the total paid-up share capital;

(iii) shareholders individually or jointly holding 10% or more of the company's shares request;

(iv) when deemed necessary by the Board;

(v) the Supervisory Committee proposes to convene the meeting;

(vi) other circumstances as stipulated in the articles of association.

Shareholders' general meetings shall be convened by the board of directors and presided over by the chairman of the board of directors. In the event that the chairman is incapable of performing or not performing his duties, the meeting shall be presided over by the Deputy Chairman. In the event that the Deputy Chairman is incapable of performing or not performing his duties, a director nominated by more than half of the directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the general meeting, the supervisory board should convene and preside over the shareholders' general meeting in a timely manner. If the supervisory board fails to convene and preside over shareholders' general meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' general meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an interim shareholders' meeting, the board of directors and the board of supervisors should, within 10 days after the receipt of such request, decide whether to hold an interim shareholders' meeting and reply to the shareholders in writing.

Notice of meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of an extraordinary meeting shall be given to all shareholders 15 days prior to the meeting.

Shareholders who individually or jointly hold more than 1% of the company's shares may put forward interim proposals and submit them to the convener in writing 10 days before the meeting of shareholders. The convener shall issue a supplementary notice of the meeting of shareholders within two days after receiving the proposal and announce the contents of the interim proposal.

Under the Company Law, a shareholder may entrust a proxy to attend a shareholders' meeting, and it should clarify the matters, rights and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to the company and shall exercise their voting rights within the scope of authorisation. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting.

Under the Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

The cumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting in accordance with the provisions of the articles of association or the resolutions of the shareholders' meeting. Under the cumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders' meeting, and shareholders may consolidate their voting rights when casting a vote.

Under the Company Law and the Guidelines for Articles of Association, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the shareholders' meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Directors

Under the Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of office shall not exceed three years. Directors may serve consecutive terms if re-elected.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be notified 10 days before the meeting for every meeting. The Board exercises the following functions and powers:

(i) to convene shareholders' general meetings and report its work to the shareholders' general meetings;

(ii) to implement the resolutions of the shareholders' general meeting;

(iii) to decide on a company's business plans and investment plans;

(iv) to formulate a company's profit distribution plan and loss recovery plan;

(v) to formulate proposals for the increase or reduction of a company's registered capital and the issue of corporate bonds;

(vi) to formulate plans for the cake, division, dissolution or change of corporate form of a company;

(vii) to decide on the internal management structure of a company;

(viii) to decide on the appointment or dismissal of the manager of a company and their remuneration; to decide on the appointment or dismissal of the deputy manager and financial officer of a company based on the nomination of the manager and as well as remuneration;

(ix) to formulate a company's basic management system;

(x) other functions and powers specified in the articles of association or granted by the shareholders' meeting.

Board meetings shall be held only if more than half of the directors are present. If a director is unable to attend a board meeting, he may appoint another director by a power of attorney specifying the scope of the authorisation for another director to attend the meeting on his behalf. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Supervisors

Under the Company Law, a joint stock limited company shall have a supervisory committee composed of not less than three members. The supervisory committee shall comprise shareholder representatives and an appropriate proportion of the company's staff representatives, of which the proportion of staff representatives shall not be less than one-third, and the specific proportion shall be stipulated in the articles of association. Employee representatives of the supervisory committee shall be democratically elected by the company's employees at the employee representative assembly, employee meeting or otherwise. Directors or senior management may not act concurrently as supervisors.

The Supervisory Committee exercises the following powers:

(i) to examine the company's financial affairs;

(ii) to supervise the directors and senior management in their performance of their duties and to propose the removal of directors and senior management who have violated laws, administrative regulations, the articles of association or resolutions of shareholders' meetings;

(iii) to demand rectification by a director or senior management when the acts of such persons are harmful to the company's interest;

(iv) to propose the convening of extraordinary meetings, and to convene and preside over shareholders' meetings when the Board fails to perform the duty of convening and presiding over shareholders' meetings under the Company Law;

(v) to submit proposals to the shareholders' meeting;

(vi) to initiate legal proceedings against directors and senior management in accordance with the Company Law;

(vii) other functions and powers specified in the articles of association.

Managers and Senior Management

Under the Company Law, a company should have a manager who is appointed or removed by the board of directors. The manager is responsible to the board of directors and exercises his/her functions and powers according to the Articles of Association or the authorisation of the board of directors. The manager attends the meetings of the board of directors as a non-voting member.

According to the Company Law, senior management shall refer to the manager, deputy manager(s), financial controller, secretary of the board of directors and other personnel as stipulated in the articles of association of the company.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. Directors, supervisors and senior management are prohibited from abusing their powers to accept bribes or other unlawful income and from misappropriating the company's properties.

Directors, supervisors and senior management are prohibited from:

(i) embezzling the company's property or misappropriating the company's capital;

(ii) depositing the company's capital into accounts under his own name or the name of other individuals;

(iii) giving bribes or accepting any other illegal proceeds by taking advantage of their power;

(iv) accept and possess commissions paid by a third party for transactions conducted with the company;

(v) unauthorised divulgence of confidential business information of the company; or

(vi) other acts in violation of their fiduciary duty to the company.

If any director, supervisor or senior management directly or indirectly concludes a contract or conducts a transaction with the company, he/she should report the matters relating to the conclusion of the contract or transaction to the board of directors or shareholders' meeting, subject to the approval of the board of directors or shareholders according to the articles of association.

The provisions of the preceding paragraph shall apply if any near relatives of the directors, supervisors or senior management, or any of the enterprises directly or indirectly controlled by the directors, supervisors or senior management or any of their near relatives, or any related parties with any other related-party relationship with the directors, supervisors or senior management, concludes a contract or conducts a transaction with the company.

Neither director, supervisor, nor senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances:

(i) where he/she has reported to the board of directors or the shareholders' meeting and has been approved by a resolution of the board of directors or the shareholders' meeting according to the Articles of Association; or

(ii) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the Articles of Association.

Where any director, supervisor or senior management fails to report to the board of directors or the shareholders' meeting and obtain an approval by resolution of the board of directors or the shareholders' meeting according to the articles of association, he/she may not engage in any business that is similar to that of the company where he/she holds office for himself/herself or for any other person.

A director, supervisor or senior management who contravenes any law, regulation or the company's articles of association in the performance of their duties, resulting in any loss to the company, shall be personally liable for the damages to the company.

Finance and Accounting

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare financial and accounting reports, which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

A joint stock limited company shall make its financial and accounting reports available at the company for inspection by the shareholders 20 days before the convening of an annual meeting of shareholders. A joint stock limited company issuing its shares in public must publish its financial and accounting reports.

When distributing each year's after-tax profits, the company shall set aside 10% of its profits into its statutory reserve fund. The company can no longer withdraw the statutory reserve fund if it has accumulated more than 50% of the registered capital. If the statutory reserve fund of the company is insufficient to make up for the losses of the previous years, the current year's profits shall be used to make up for the losses before making allocations to the statutory reserve in accordance with the preceding paragraph. After the company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the meeting or the shareholders' meeting.

A joint stock limited company may distribute profits in proportion to the number of shares held by its shareholders, except for profit distributions that are not in proportion to the number of shares held in accordance with the provisions of the Articles of Association of the joint stock limited company.

The premium over the nominal value of the shares of a joint stock limited company from the issue of shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital and other incomes required by the financial department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund of the company.

The reserve fund of the company shall be used to make up losses of the company, expand the production and operation of the company or increase the capital of the company. Where the reserve fund of a company is used for making up losses, the discretionary reserve and statutory reserve shall be used first. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital before such conversion.

The company shall not keep accounts other than those provided by law.

Appointment and Dismissal of Accounting Firms

Pursuant to the Company Law, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by a shareholders' meeting, the board of directors or the board of supervisors in accordance with the articles of association. The accounting firm should be allowed to make representations when the meeting, board of directors or the board of supervisors conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

The Guidelines for Articles of Association provide that the company guarantees to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the employed accounting firm, and shall not refuse, conceal or falsely report. And the audit fee of the accounting firm shall be decided by the meeting of shareholders.

Profit Distribution

Where a company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall refund the profits distributed to the company, and the shareholders, directors, supervisors, and senior management personnel who are responsible for causing losses to the company shall bear compensation liability.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved for the following reasons:

(i) the term of business stipulated in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;

(ii) the meeting or the shareholders' meeting resolves to dissolve the company;

(iii) dissolution is necessary due to a merger or division of the company;

(iv) the business license is revoked, or the business license is ordered to be closed or revoked in accordance with the laws;

(v) where the company encounters serious difficulties in its operation and management and its continuance shall cause a significant loss in the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold more than 10% of the total shareholders' voting rights of the company may present a petition to a people's court for the dissolution of the company with the support of the judgment.

If any of the situations mentioned in the preceding paragraph arise, a company shall publicise the situation through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with sub-paragraph (i) above, it may carry on its existence by amending its articles of association or upon a resolution of the shareholders' meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting. Where the company is dissolved pursuant to sub-paragraphs (i), (ii), (iv) or (v) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation group shall be composed of the directors, unless it is otherwise provided for in the company's Articles of Association or it is otherwise elected by the shareholders' meeting. The liquidation obligors shall be liable for compensation if they fail to fulfil their obligations of liquidation in a timely manner, and thus any loss is caused to the company or the creditors.

If the liquidation group fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation group. The people's court shall accept such a request and organise a liquidation group to carry out the liquidation in a timely manner.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

(i) to liquidate the company's property and respectively prepare a balance sheet and a list of property;

(ii) to notify creditors by notice or public announcement;

(iii) to deal with the outstanding business of the company involved in the liquidation;

(iv) to pay all outstanding taxes and taxes arising in the course of liquidation;

(v) to liquidate claims and debts;

(vi) distributing the remaining property of the company after paying off debts;

(vii) to participate in civil litigations on behalf of the company.

The liquidation group shall notify the company's creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days as of the receipt of the notice or within 45 days as of the issuance of the public announcement in the case of failing to receive such notice.

The remaining property of the company after the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The company's assets shall not be distributed to the shareholders before the liquidation in accordance with the preceding paragraph.

If the liquidation committee, having thoroughly examined the company's assets and having prepared a balance sheet and an inventory of assets, discovers that the company's assets are insufficient to pay its debts in full, it shall file an application to a people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report to be submitted to the shareholders' meeting or the people's court for confirmation, and submit to the company registration authority to apply for cancellation of the company's registration.

The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation group who neglects to fulfil his/her liquidation duties, thus causing any loss to the company, shall be liable for compensation, and any member of the liquidation group who causes any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Where, after three years since the business license of a company is revoked, or the company is ordered to close down or is revoked, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company's deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

Overseas Listing

According to the Trial Measures, where an issuer makes an overseas initial public offering or listing, it shall file with the CSRC within 3 working days after submitting the application documents for overseas issuance and listing. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the CSRC within 3 working days after the completion of the issuance. If an issuer issues and lists in other overseas markets after overseas issuance and listing, it shall be filed in accordance with the provisions of the first paragraph of this article. Moreover, if the filing materials are complete and meet the requirements, the CSRC shall complete the filing within 20 working days from the date of receiving the filing materials, and publicise the filing information through the website. If the filing materials are incomplete or do not meet the requirements, the CSRC shall inform the issuer of the materials to be supplemented within 5 working days after receiving the filing materials. The issuer shall supplement the materials within 30 working days.

Loss of Share Certificates

A shareholder may, in accordance with the public notice procedures set out in the PRC Civil Procedure Law, apply to a people's court if his share certificate(s) in registered form are either stolen, lost or destroyed, for a declaration that such certificate(s) will no longer be valid. After the people's court declared that such certificate(s) will no longer be valid, the shareholder may apply to the company for the issue of a replacement certificate(s).

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Trial Measures, in case of active or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

SECURITIES LAW AND REGULATIONS

In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by Chinese companies in Chinese mainland or overseas, regulating the trading of securities, compiling securities-related statistics and undertaking research and analysis. On March 29, 1998, the State Council consolidated the above two departments and reformed the CSRC.

The Provisional Regulations Concerning the Issue and Trading of Shares (《股票發行與交易管理暫行條例》) promulgated by the State Council and effective on April 22, 1993 provide the application and approval procedures for public offerings of shares, trading in shares, the acquisition of listed companies, the deposit, settlement and transfer of listed shares, the disclosure of information with respect to a listed company, investigation and penalties and dispute arbitration.

The Regulations of the State Council Concerning the Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》), which were promulgated by the State Council and came into effect on December 25, 1995, mainly provide for the issue, subscription, trading and payment of dividends of domestic listed foreign shares and disclosure of information of joint stock limited companies with domestic listed foreign shares.

The Securities Law of the People's Republic of China (《中華人民共和國證券法》), or the PRC Securities Law, which was amended by the Standing Committee of the NPC on December 28, 2019 and came into effect on March 1, 2020, provides a series of provisions regulating, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities in the PRC, and comprehensively regulates activities in the PRC securities market. The PRC Securities Law provides that a domestic enterprise must comply with the relevant provisions of the State Council in issuing securities directly or indirectly outside the PRC or listing and trading its securities outside the PRC. Currently, the issue and trading of foreign issued shares are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

Under the Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》), or the Arbitration Law, amended by the Standing Committee of the NPC on September 1, 2017 and effective on January 1, 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the PRC Civil Procedure Law. Where both parties have agreed to settle disputes by means of arbitration, the people's court will refuse to take legal action brought by a party in the people's court.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement according to the PRC Civil Procedure Law. A people's court may refuse to enforce an arbitral award made by an arbitration commission if there is any procedural irregularity (including irregularity in the composition of the arbitration committee or the making of an award on matters beyond the scope of the arbitration agreement or the jurisdiction of the arbitration commission). A party seeking to enforce an arbitral award of a foreign arbitration commission against a party who or whose property is not within the PRC shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognised and enforced by the people's court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on 1 February 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by PRC arbitral authorities can be enforced in Hong Kong, and Hong Kong arbitration awards are also enforceable in the PRC.

OVERVIEW

This Appendix contains the summary of the principal provisions of the Articles of Association. As the main purpose of this Appendix is to provide potential investors with an overview of the Company's Articles of Association, it may not necessarily contain all information that is important for prospective investors.

SHARES

Issuance of Shares

Our Company's shares shall be in the form of registered share certificates. A share certificate is a document issued by our Company certifying the shares held by a shareholder. All shares issued by our Company shall be ordinary shares. Shares of the same class shall rank pari passu with each other.

The shares of our Company shall be issued in accordance with the principles of open, fairness and justice. Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the shares it/he/she subscribes for. The shares issued by our Company, all of which are ordinary shares, are denominated in RMB with a par value of RMB0.10 per share.

Capital Increase, Reduction and Repurchase of Shares

Capital Increase

In light of the operational and developmental needs, our Company may increase its capital in accordance with the laws and regulations, regulatory rules of the place where our Company's Shares are listed, and subject to a resolution of the general meeting, by any of the following methods:

(I) a public offering of shares;

(II) a private offering of shares;

(III) allotment of bonus shares to existing shareholders;

(IV) conversion of other reserve to share capital;

(V) other methods permitted by laws, administrative regulations, regulatory rules of the place where our Company's Shares are listed, and the relevant national competent authorities such as the CSRC.

The Board of Directors may, pursuant to an authorization under the Company's Articles of Association or by a resolution of the general meeting, resolve to issue new shares within a 3-year period, all of which exceed 50% of the already issued shares. Nevertheless, any capital contribution through in-kind contributions shall be subject to the approval by a resolution of the general meeting.

If the issuance of new shares by the Board of Directors in accordance with the preceding paragraph results in changes to our Company's registered capital or the total number of issued shares, any corresponding amendment to the relevant provision of the Articles of Association reflecting such changes shall not require further resolution by the general meeting.

Where the Board of Directors is authorized to issue new shares by the Articles of Association or a resolution of the shareholders' meeting, any resolution in respect of such share issuance must be adopted by the affirmative vote of not less than two-thirds of all directors.

Reduction of Capital

Our Company may reduce its registered capital. If our Company reduces its registered capital, it shall comply with the procedures set forth in the Company Law, The Rules Governing the Listing of Stock Exchange (the "Stock Exchange Listing Rules"), other relevant regulations and the Articles of Association.

Repurchase of Shares

Our Company shall not acquire its own shares. However, without violating the regulations of other relevant regulatory bodies where our Company's Shares are listed, our Company may repurchase its own shares under the following circumstances:

(I) to reduce the registered capital of our Company;

(II) to merge with other companies that hold shares in our Company;

(III) to use the shares for employee shareholding schemes or as share incentives;

(IV) acquire the shares of shareholders (upon their request) who object to resolutions on our Company's merger or division passed at the shareholders' general meeting, demanding that our Company purchase their shares;

(V) to satisfy the conversion of those corporate bonds convertible into shares issued by our Company;

(VI) safeguard corporate value and the interests of the shareholders as necessary;

(VII) other circumstances permitted by laws, administrative regulations, regulatory rules of the place where our Company's Shares are listed and Stock Exchange Listing Rules.

Where our Company repurchases its own shares under the circumstances set forth in Items (III), (V) and (VI) above, such repurchase shall be carried out through public centralized trading means, provided that all requirements under the Stock Exchange Listing Rules and the regulatory rules and guidelines of Stock Exchange are satisfied.

In the event that our Company acquires shares of our Company for the circumstances set out in items (I) and (II) above, such acquisition shall be resolved by the general meeting; in the event that our Company acquires shares of our Company for the reasons set forth in (III), (V) and (VI) above, such acquisition may be resolved by a resolution adopted at a board meeting attended by more than two-thirds of all directors, pursuant to the Articles of Association or an authorization of the shareholders' general meeting, unless otherwise provided in the Stock Exchange Listing Rules.

After our Company acquires its own shares, under the circumstance in (I) above, the shares so acquired shall be canceled within 10 days from the acquisition. In the case of (II) or (IV) above, the shares so acquired shall be transferred or canceled within 6 months.

In the case of (III), (V) or (VI) above, the total number of our Company's shares held by our Company shall not exceed 10% of the total issued shares of our Company, and the shares so acquired shall be transferred or canceled within 3 years.

In the event that the law, administrative regulations, the Article of the Association, regulatory rules of the place where our Company's Shares are listed, the securities regulatory authorities in the jurisdiction where our Company's securities are listed have specific provisions regarding matters related to the repurchase of H-shares, such provisions shall prevail.

In the event that our Company acquires its own shares, it shall fulfill the information disclosure obligations in compliance with the law, administrative regulations, rules, normative documents, the Stock Exchange Listing Rules, and the regulatory rules of the place where our Company's Shares are listed.

Transfer of Shares

Shares held by our Company's shareholders can be freely transferred to other shareholders or to non-shareholders. All transfers of H-shares shall be effected by a written instrument of transfer in a general or common form or in any other form acceptable to the Board of Directors (including the standard transfer form or instrument of transfer prescribed from time to time by the Stock Exchange).

Such instrument of transfer shall be signed manually or, where the transferor or transferee is a corporation, under its valid seal. Where the transferor or transferee is a recognized clearing house (as defined in any applicable Hong Kong laws) or its proxy, the instrument of transfer may be signed manually or by machine. All instruments of transfer shall be deposited at the registered office of our Company or at such other place as the Board of Directors may from time to time designate.

Our Company shall not accept its own shares as the subject matter of a pledge.

Shares issued by our Company before its **[REDACTED]** shall not be transferred within 1 year from the date of listing of our Company's shares on a stock exchange.

Directors and senior management of our Company shall declare their holdings of our Company's shares to our Company and any changes therein. During their term of office, as determined at the time of appointment, they may transfer no more than 25% of their total shareholding in our Company annually.

Such shares shall not be transferred within one year from the date of listing of our Company's shares. Where the Stock Exchange Listing Rules impose stricter restrictions, such stricter requirements shall apply.

The aforementioned persons may not transfer their shares in our Company within 6 months after resignation. If shares are pledged during a legally or administratively mandated restricted transfer period, the pledgee may not exercise its rights under the pledge during such restricted period.

Where the regulatory rules of the place where our Company's Shares are listed impose additional restrictions on the transfer of H-shares, such requirements shall prevail.

FINANCIAL ASSISTANCE FOR PURCHASE OF COMPANY SHARES

Neither our Company nor its subsidiaries shall provide financial assistance. Exception shall be made for the implementation of employee share ownership plans. The total amount of financial assistance shall not exceed 10% of the total issued share capital. Any resolution of the Board shall be passed by two-thirds of all directors. Liable directors and senior managers shall compensate for losses caused by violations.

SHAREHOLDERS AND GENERAL MEETINGS

Shareholders

Register of Shareholders

Our Company shall establish a register of shareholders based on the certificates provided by the securities registration authorities. The register of shareholders shall be sufficient evidence of the shareholders' shareholding in our Company. A shareholder is entitled to rights and assumes obligations pursuant to the classification and ratio of his/her shares.

Shareholders holding the same classification of shares shall be entitled to the same rights and assume the same obligations. The Register of Members shall serve as conclusive evidence of shareholders' ownership of shares in our Company. Shareholders shall enjoy rights and assume obligations according to the category of shares they hold.

Shareholders holding shares of the same category shall enjoy equal rights and assume identical obligations. When our Company convenes a shareholders' meeting, distributes dividends, undergoes liquidation, or conducts other activities that require confirmation of shareholder identity, the Board of Directors or the convener of the shareholders' meeting shall determine a record date.

Shareholders registered in the Register of Members at the close of business on the record date shall be deemed the shareholders entitled to relevant rights and interests.

Rights of Shareholders

The rights of our Company's shareholders are as follows:

(I) to receive distribution of dividends and other forms of benefits according to the number of shares held;

(II) to legally require, convene, preside over, participate in or appoint a shareholder proxy to participate in the shareholders' general meeting and exercise corresponding voting right, unless individual shareholders are required by the Stock Exchange Listing Rules to abstain from voting on specific matters;

(III) to supervise our Company's business operations, put forward proposals or raise enquiries;

(IV) to transfer, donate or pledge the shares held in accordance with the laws, administrative regulations, Stock Exchange Listing Rules, rules of relevant supervisory bodies and the Articles of Association;

(V) to inspect and duplicate the Articles of Association, register of shareholders, minutes of general meetings, resolutions of meetings of the Board of Directors, and financial accounting reports;

(VI) in the event of the termination or liquidation of our Company, to participate in the distribution of the remaining assets of our Company in proportion to the number of shares held;

(VII) dissenting shareholders who object to resolutions on the merger or division of our Company passed by the general meeting of shareholders are entitled to demand our Company to buy back the shares held by them;

(VIII) any other rights stipulated in the laws, administrative regulations, departmental rules, regulatory rules of the place where our Company's Shares are listed or the Articles of Association.

A shareholder requesting to inspect the information or materials mentioned in the preceding article shall provide our Company with written documents proving the class and quantity of shares they hold.

After verifying the shareholder's identity, our Company shall provide the materials as requested. Shareholders holding individually or collectively 3% or more of our Company's shares for 180 consecutive days or more may request to inspect our Company's accounting books and vouchers by submitting a written request stating their purpose.

If our Company has reasonable grounds to believe that the shareholder has an improper purpose that may harm our Company's legitimate interests, it may refuse the request and shall provide a written response with reasons within 15 days of receiving the written request. Shareholders and their engaged intermediaries shall comply with laws and administrative regulations regarding the protection of state secrets, trade secrets, personal privacy, and personal information when inspecting or copying relevant materials.

If the content of a resolution of the shareholders' meeting or the Board of Directors violates laws or administrative regulations, shareholders have the right to petition the People's Court to declare it invalid.

If the procedures for convening a shareholders' meeting or Board meeting or the voting methods violate laws, administrative regulations, or these Articles of Association, or if the content of a resolution violates these Articles of Association, shareholders have the right to petition the People's Court to revoke the resolution within 60 days of its adoption. A shareholder who was not notified of a shareholders' meeting may petition the People's Court to revoke the resolution within 60 days of becoming aware or ought to have become aware of its adoption.

If no such petition is filed within one year of the resolution's adoption, the right to revoke is extinguished. If a director or senior manager not serving on the Audit Committee violates laws, administrative regulations, or these Articles of Association in performing their duties and causes loss to our Company, shareholders holding individually or collectively 1% or more of our Company's shares for 180 consecutive days or more may submit a written request to the Audit Committee to initiate litigation in the People's Court.

If a member of the Audit Committee commits such a violation, shareholders may submit a written request to the Board of Directors to initiate litigation. If the Audit Committee or the Board of Directors refuses to initiate litigation within 30 days of receiving a written request under the preceding paragraph, or if the situation is urgent and delay would cause irreparable harm to our Company, the shareholders described above have the right to initiate litigation directly in the People's Court in their own name for our Company's benefit.

If a third party infringes upon our Company's lawful rights and interests and causes loss to our Company, the shareholders described in the first paragraph of this Article may initiate litigation in accordance with the preceding two paragraphs.

If a director or senior manager violates laws, administrative regulations, or these Articles of Association and damages shareholders' interests, shareholders may initiate litigation in the People's Court. Where a shareholder requests to inspect or duplicate relevant materials of a wholly-owned subsidiary of our Company, or where a director, supervisor, or senior manager of such subsidiary is involved in the circumstances mentioned above, the provisions above shall apply mutatis mutandis.

Obligations of Shareholders

Shareholders of our Company shall have the following obligations:

(I) To comply with laws, administrative regulations, and these Articles of Association;

(II) To contribute capital in accordance with the shares subscribed for and the method of contribution;

(III) Not to withdraw capital except as permitted under laws, regulations, regulatory rules of the place where our Company's Shares are listed;

(IV) Not to abuse shareholder rights to the detriment of our Company or other shareholders; not to abuse our Company's independent legal status or the limited liability of shareholders to harm the interests of our Company's creditors;

(V) Other obligations specified in laws, administrative regulations, and these Articles of Association.

Any shareholder who abuses shareholder rights and causes losses to our Company or other shareholders shall be liable for compensation in accordance with the law.

Any shareholder who abuses our Company's independent legal status or the limited liability of shareholders to evade debts and severely harms the interests of our Company's creditors shall bear joint and several liability for the debts of our Company.

Where a shareholder uses two or more companies under its control to commit the acts described in the preceding paragraph, each such company shall bear joint and several liability for the debts of any one of them.

RESTRICTION ON RIGHTS OF THE CONTROLLING SHAREHOLDERS

The controlling shareholders and de facto controllers of our Company shall not use their connected relationship to harm the interests of our Company. Any person who violates this provision and causes losses to our Company shall be liable for compensation. The controlling shareholders and de facto controllers of our Company shall have fiduciary duties towards our Company and other shareholders of our Company.

The controlling shareholders shall exercise their rights as contributors in strict compliance with the laws. The controlling shareholders shall not infringe the legitimate rights of our Company and other shareholders of our Company through profit distribution, asset restructuring, foreign investment, capital appropriation and loan guarantee, and shall not make use of their controlling status to jeopardize the interests of our Company and other shareholders of our Company.

SHAREHOLDERS' GENERAL MEETING

Power of shareholders' general meeting

The shareholders' general meeting is the authority of our Company and shall exercise the following powers in accordance with the law:

(I) To elect and replace directors and decide on matters concerning their remuneration;

(II) To consider and approve the reports of the Board of Directors;

(III) To consider and approve our Company's profit distribution plans and plans for making up losses;

(IV) To consider and make resolutions on increases or decreases in the registered capital of our Company;

(V) To consider and make resolutions on the issuance of corporate bonds;

(VI) To consider and make resolutions on the merger, division, dissolution, liquidation, or change in corporate form of our Company;

(VII) To amend the Articles of Association of our Company;

(VIII) To consider and make resolutions on the appointment, dismissal, and audit fees of the accounting firm engaged by our Company;

(IX) To consider and approve the guarantee matters specified in Article 45 of these Articles of Association;

(X) To consider matters relating to the purchase or sale of major assets by our Company within one year exceeding 30% of the total audited assets of our Company as of the most recent period;

(XI) To consider and approve changes in the use of raised funds;

(XII) To consider our Company' s equity incentive plans and employee share ownership plans;

(XIV) To consider other matters required by laws, administrative regulations, departmental rules, regulatory rules of the place where our Company's Shares are listed or these Articles of Association to be decided by the shareholders' general meeting.

The shareholders' general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

Shareholder's general meetings shall be classified into annual shareholder's general meetings and interim shareholder's general meetings. An annual shareholder's general meeting shall be convened once each year and shall be held within six months after the end of the previous fiscal year.

The shareholder's general meeting of our Company shall be held at our Company's domicile or at such other venue as specified in the notice of the meeting.

The shareholder's general meeting shall be convened as an on-site meeting at a designated venue. In addition, our Company shall provide other means, including electronic communication, to facilitate shareholder's participation in the meeting in accordance with the securities regulatory rules of the place where our Company's shares are listed. Shareholders participating by such means shall be deemed present at the meeting.

After the notice of a shareholder's general meeting has been issued, the venue for the on-site meeting shall not be changed without justifiable reason.

If a change is necessary, the convener shall announce the change and state the reasons at least two working days prior to the date of the on-site meeting.

An interim shareholder's general meeting shall be convened within two months after the occurrence of any of the following events:

(I) When the number of Directors falls below the minimum number required by the Company Law or two-thirds of the number stipulated in these Articles of Association;

(II) When our Company's unrecovered losses reach one-third of the total paid-in share capital;

(III) Upon the request of shareholder(s) holding individually or collectively 10% or more of our Company's shares (excluding treasury shares);

(IV) When the Board of Directors deems it necessary;

(V) When the Audit Committee proposes to convene a meeting;

(VI) Other circumstances specified by laws, administrative regulations, departmental rules, regulatory requirements of the place where our Company's shares are listed, or these Articles of Association.

Convening of shareholders' general meeting

An independent non-executive director may propose to the Board of Directors to convene an interim shareholders' general meeting. The Board shall, within 10 days after receiving such proposal, provide a written response indicating its agreement or refusal to convene the meeting in accordance with applicable laws, administrative regulations, and these Articles of Association.

If the Board agrees, it shall issue a notice convening the meeting within 5 days after adopting a resolution to that effect. If the Board refuses, it shall state the reasons and make a public announcement.

The Audit Committee may propose in writing to the Board to convene an interim shareholders' general meeting.

The Board shall, within 10 days after receiving the proposal, provide a written response indicating its agreement or refusal in accordance with applicable laws, administrative regulations, and these Articles of Association. Shareholder(s) holding individually or collectively 10% or more of our Company's shares (excluding treasury shares) may request in writing that the Board convene an interim shareholders' general meeting. The Board shall, within 10 days after receiving the request, provide a written response indicating its agreement or refusal in accordance with applicable laws, administrative regulations, the Stock Exchange Listing Rules, and these Articles of Association.

The shareholding ratio of the convener(s) (excluding treasury shares) shall not fall below 10% prior to the adoption of any resolution at the shareholders' general meeting.

Proposals of shareholders' general meeting

A proposal submitted to the shareholders' general meeting shall fall within the scope of its authority, specify a clear topic and concrete resolution matters, and comply with the provisions of applicable laws, administrative regulations, and these Articles of Association.

The Board of Directors, the Audit Committee, or shareholder(s) holding individually or collectively 1% or more of our Company's shares shall have the right to submit proposals to our Company for deliberation at a shareholders' general meeting.

Shareholder(s) holding individually or collectively 1% or more of our Company's shares may submit an interim proposal in writing to the convener at least 10 days prior the meeting. The convener shall, within two days after receiving such proposal, issue a supplementary notice of the meeting announcing the content of the interim proposal.

Except under the circumstances described in the preceding paragraph, after the notice of the shareholders' general meeting has been issued, the convener may not modify existing proposals or add new proposals to the agenda.

No proposal that is not included in the meeting notice or fails to comply with Article 55 of these Articles of Association may be put to a vote or adopted as a resolution at the shareholders' general meeting.

Notices of shareholders' general meeting

The convener shall issue a written notice for an annual shareholders' general meeting at least 21 days in advance, and for an interim shareholders' general meeting at least 15 days in advance. The calculation of these periods shall exclude the day on which the meeting is held.

If laws, regulations, or the Stock Exchange Listing Rules prescribe otherwise, such provisions shall prevail.

The notice of a shareholders' general meeting shall include the following content:

(I) The date, venue, and duration of the meeting;

(II) The matters and proposals to be considered and voted on at the meeting;

(III) A prominent statement that all shareholders are entitled to attend the meeting and may appoint a proxy in writing to attend and vote on their behalf, and that such proxy need not be a shareholder of our Company;

(IV) The record date for determining shareholders entitled to attend the meeting;

(V) The name and contact number of the designated contact person for the meeting;

(VI) The time and procedures for voting by other means permitted under these Articles of Association;

(VII) Any other information required by laws, administrative regulations, the Stock Exchange Listing Rules, or other securities regulatory rules of the place where our Company's shares are listed. The notice and any supplementary notice of the shareholders' general meeting shall fully and accurately disclose the complete and specific content of all proposals.

Holding of shareholders' general meeting

Shareholders may attend shareholders' general meetings in person or by proxy. Shareholders have the right to speak and vote at meetings, unless otherwise required to abstain from voting on specific matters under the Stock Exchange Listing Rules.

Individual shareholders attending in person shall present valid identification. Proxies shall present their own valid identification and a proxy form duly authorized by the shareholder. A recognized clearing house (or its proxy) may appoint one or more representatives to act on its behalf. The authorization shall specify the number and class of shares represented by each appointee. Such representatives may exercise rights (without producing share certificates, upon presentation of notarized authorization) as if they were individual shareholders. Corporate shareholders shall be represented by their legal representative or a duly authorized proxy.

The legal representative or proxy shall present valid identification and written authorization. Corporate representation (except for recognized clearing houses) shall be deemed personal attendance. Partnership shareholders shall be represented by the executive managing partner or a duly authorized proxy, who shall present valid identification and written authorization.

A proxy form shall specify:

(I) The proxy's name;

(II) The shareholder's name/share class/quantity;

(III) Voting instructions (approve/oppose/abstain for each agenda item);

(IV) Issue date and validity period;

(V) Shareholder's signature/seal (corporate seals required for legal entities);

(VI) Other content required by applicable laws, rules, or regulatory requirements.

The proxy form shall indicate whether the proxy may vote at their discretion if no specific instructions are given.

Proxy forms authorized by another person shall be notarized.

Notarized authorization documents and proxy forms shall be deposited at our Company's registered office or another specified location.

For corporate shareholders, the legal representative or a board-authorized representative shall attend.

Shareholder-convened meetings shall be chaired by the convener or their elected representative. If the chair violates procedural rules and disrupts the meeting, a majority of shareholders present may elect a new chair to continue the meeting.

Voting and Resolutions at shareholders' general meeting

Resolutions of the shareholders' general meeting shall be classified as ordinary resolutions and special resolutions. An ordinary resolution shall require the approval of more than half of the voting rights held by shareholders (including proxies) present at the meeting.

A special resolution shall require the approval of two-thirds or more of the voting rights held by shareholders (including proxies) present at the meeting.

The following matters shall be adopted by an ordinary resolution:

(I) Work report of the Board of Directors;

(II) Profit distribution and loss recovery plans prepared by the Board;

(III) Appointment, removal, remuneration, and payment methods for Directors

(IV) Annual report of our Company;

(V) Appointment, dismissal, and remuneration of the accounting firm;

(VI) Other matters required by laws, administrative regulations, securities regulatory rules of the place where our Company's shares are listed, or these Articles of Association that do not require a special resolution.

The following matters shall be adopted by a special resolution:

(I) Increase or decrease of our Company's registered capital;

(II) Division, demerger, merger, dissolution, or liquidation of our Company;

(III) Amendments to these Articles of Association;

(IV) Purchase or sale of major assets within one year, or provision of guarantees to others, exceeding 30% of our Company's total audited assets as of the most recent period;

(V) Equity incentive plans;

(VI) Other matters requiring a special resolution under laws, administrative regulations, securities regulatory rules of the place where our Company's shares are listed, these Articles of Association, or matters deemed by an ordinary resolution to have a material impact on our Company.

Shareholders (including proxies) shall exercise voting rights based on the number of voting shares they represent, with each share carrying one vote.

Resolutions of the shareholders' general meeting shall be promptly announced. The announcement shall specify: the number of shareholders and proxies present; the total number of voting shares held and their proportion to our Company's total voting shares; the voting methods adopted; the voting results for each proposal; and the detailed content of all resolutions passed.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors shall be elected or replaced by the shareholders' general meeting and may be removed by the shareholders' general meeting prior to the expiration of their term. The term of office for Directors shall be 3 years. Directors may be re-elected upon the expiration of their term in accordance with the securities regulatory rules of the place where our Company's shares are listed.

When the number of employees of a company reaches 300 or more, the board of directors shall have directors representing employees. The number of Directors representing employees shall be 1. The employee representative Director shall be elected or replaced by the employees' congress of our Company and may be removed by the employees' congress prior to the expiration of their term. The term of office shall be the same as that of non-employee representative Directors, and re-election is permitted upon expiration.

Directors shall observe laws, administrative regulations, regulatory rules of the place where our Company's shares are listed and the Articles of Association, and shall fulfil the obligations of fiduciary and diligence duty to our Company.

Independent Non-Executive Directors

The number of independent non-executive directors shall be not less than one-third (inclusive) of the total number of Directors, and shall include at least 1 with appropriate professional qualifications as required under the Stock Exchange Listing Rules or possessing appropriate expertise in accounting or related financial management. 1 independent non-executive director shall permanently reside in Hong Kong. All independent non-executive directors must meet the independence requirements prescribed by the Stock Exchange Listing Rules. Independent non-executive directors shall perform their duties in accordance with laws, administrative regulations, departmental rules, the Stock Exchange Listing Rules, other regulatory requirements of the place where our Company's shares are listed, and the provisions of these Articles of Association.

Board of Directors

Our Company shall have a Board of Directors, which shall be accountable to the shareholders' general meeting.

The Board of Directors shall consist of 7 Directors, including 3 independent non-executive directors. The Board shall have 1 Chairman.

The Board of Directors shall exercise the following powers:

(I) Convene shareholders' general meetings and report to them;

(II) Implement resolutions of shareholders' general meetings;

(III) Decide on our Company's business plans and investment schemes;

(IV) Formulate profit distribution and loss recovery plans;

(V) Prepare plans for increases or decreases in registered capital, issuance of bonds or other securities, and listing;

(VI) Draft plans for major acquisitions, repurchase of our Company's shares, mergers, divisions, dissolution, or changes in corporate form;

(VII) Within the scope authorized by the shareholders' general meeting, decide on matters such as external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, connected transactions, and external donations;

(VIII) Determine the structure of our Company's internal management bodies;

(IX) Appoint or remove the General Manager, the Board Secretary, and other senior management personnel, and decide on their remuneration and incentives; upon the nomination of the General Manager, appoint or remove Deputy General Managers, the Chief Financial Officer, and other senior management personnel, and decide on their remuneration and incentives;

(X) Formulate our Company's basic management systems;

(XI) Prepare proposals for amendments to these Articles of Association;

(XII) Manage matters related to information disclosure;

(XIII) Propose to the shareholders' general meeting the appointment or removal of the accounting firm auditing our Company;

(XIV) Listen to work reports from the General Manager and supervise their work;

(XV) Exercise other powers granted by laws, regulations, the Stock Exchange Listing Rules, these Articles of Association, or the shareholders' general meeting.

Matters exceeding the authorization scope of the shareholders' general meeting shall be submitted to the shareholders' general meeting for deliberation. The Board of Directors shall provide explanations to the shareholders' general meeting regarding any non-standard audit opinions issued by the certified public accountants on our Company's financial reports.

The Board of Directors shall, in accordance with laws, administrative regulations, the Stock Exchange Listing Rules, and these Articles of Association, define its authority over matters such as external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, connected transactions, and external donations, and establish rigorous review and decision-making procedures. Major investment projects shall be evaluated by relevant experts and professionals and submitted to the shareholders' general meeting for approval.

Special Committees under the Board of Directors

The Audit Committee, Remuneration and Appraisal Committee are established under the Board of Directors of our Company. The Audit Committee shall consist of 3 members, who shall be Directors not serving as senior managers of our Company. 3 of them shall be independent non-executive directors, and the convener shall be an independent non-executive director with accounting expertise.

The terms of reference and procedures of each special committee are set out in the rules of procedure for each special committee formulated by the Board of Directors of our Company.

Secretary to the Board of Directors of our Company

Our Company shall have a secretary to the Board of Directors of our Company. The secretary to the Board of Directors of our Company shall be responsible for the preparation of general meetings and Board meetings, documents custody and management of our Company shareholders' records, handling information disclosure matters, etc.

The secretary to the Board of Directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules, Stock Exchange Listing Rules and the Articles of Association.

General Manager and Other Senior Management Members

Our Company shall have 1 General Manager and several Deputy General Managers, who shall be appointed or removed by the Board of Directors. Directors may be appointed to concurrently serve as the General Manager, Deputy General Manager, or other senior managers. The term of office for the General Manager and Deputy General Managers shall be 3 years, and they may be reappointed upon expiration of their term.

The General Manager shall be responsible to the Board of Directors and exercise the following powers:

(I) Preside over the production and operation management of our Company, implement resolutions of the Board of Directors, and report to the Board;

(II) Implement the annual business plans and investment schemes of our Company;

(III) Draft plans for the structure of our Company's internal management bodies;

(IV) Draft the basic management systems of our Company;

(V) Formulate specific rules and regulations of our Company;

(VI) Propose to the Board of Directors the appointment or removal of Deputy General Managers and the Chief Financial Officer;

(VII) Decide on the appointment or removal of management personnel other than those whose appointment or removal falls under the authority of the Board of Directors;

(VIII) Draft salary, welfare, reward, and punishment systems for employees, and decide on the employment and dismissal of employees;

(IX) Sign daily administrative, business, and financial documents;

(X) Represent our Company in handling external affairs and signing routine business contracts upon authorization by the Board of Directors;

(XI) Decide on other significant transactions not requiring approval by the shareholders' general meeting or the Board of Directors;

(XII) Exercise other powers granted by these Articles of Association or the Board of Directors.

FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Our Company shall establish its financial accounting systems in accordance with laws, administrative regulations, securities regulatory rules of the place where our Company's shares are listed, and the provisions of relevant state authorities.

Our Company shall prepare its annual financial report within 4 months after the end of each fiscal year, and its interim financial report within 2 months after the end of the first 6 months of each fiscal year.

If laws, administrative regulations, normative documents issued by competent authorities, the Stock Exchange Listing Rules, or other regulatory requirements of the place where our Company's shares are listed prescribe specific provisions for financial reports, such provisions shall prevail.

Our Company shall not maintain any accounting books other than those required by law. In no case shall our Company's assets be deposited in any account opened in the name of an individual.

Profit Distribution

In distributing the after-tax profit of the current year, our Company shall withdraw 10% of the profit as its statutory reserve fund. When the aggregate amount of the statutory reserve fund of our Company is more than 50% of its registered capital, further appropriations are not required.

Where the statutory reserve fund of our Company is insufficient to make up for the losses of the previous year, the profits of the current year shall be used to make up for such losses before making allocation to its statutory reserve fund in accordance with the preceding paragraph.

After withdrawing statutory reserve fund from after-tax profit, our Company may, subject to are solution of the shareholders' general meeting, withdraw discretionary reserve fund from after-tax profit.

After making up for the losses and making allocations to the reserve funds, any remaining after-tax profit shall be distributed by our Company to the shareholders in proportion to their respective shareholdings unless otherwise specified in the Articles of Association.

If the shareholders' general meeting has, in violation of the provisions of the preceding paragraph, distributed profits to shareholders before our Company has made up for its losses and made allocations to its statutory reserve fund, the shareholders shall return to our Company the profit distributed in violation of the provisions.

Our Company's shares held by our Company are not entitled to any profit distribution.

Following a resolution on the profit distribution plan adopted by the shareholders' general meeting, or after the Board of Directors formulates a specific plan based on the conditions and limits for interim dividends in the following year approved by the annual shareholders' general meeting, our Company shall complete the distribution of dividends (or shares) within 2 months.

Our Company may distribute dividends in cash or in stock, and shall generally give priority to cash dividends in principle.

Audit

Our Company shall implement its internal audit system with professional auditors to carry out internal audit supervision to the financial income and expenditure and economic activities of our Company.

Our Company shall engage an accounting firm which complies with the requirements of the Securities Law and the regulatory rules of the place where our Company's shares are listed to audit the financial statements, net assets verification and other relevant consultancy services. The engagement term is 1 year, renewable. The Board shall not appoint an accounting firm prior to shareholders' approval. If dismissed, the accounting firm may state its opinion at the shareholders' general meeting.

NOTICE AND ANNOUNCEMENT

Notices of our Company may be delivered by the following means:

(I) By personal delivery;

(II) By mail;

(III) By fax or email;

(IV) By public announcement;

(V) Orally in urgent circumstances, provided that written confirmation from the recipient is obtained;

(VI) Any other means permitted by laws, administrative regulations, regulatory rules of the place where our Company's shares are listed, and these Articles of Association.

With respect to the provision or delivery of company communications to H-share shareholders as required under the Stock Exchange Listing Rules, our Company may, in compliance with laws, administrative regulations, departmental rules, securities regulatory requirements of the place where our Company's shares are listed, and these Articles of Association, provide or deliver such communications to H-share shareholders via our Company's designated website, the website of the Stock Exchange of Hong Kong Limited, or by electronic means. "Company communications" refers to any documents issued or to be issued by our Company for the reference or action of any H-share shareholder or other person required under the Stock Exchange Listing Rules.

Where a notice is issued by public announcement in accordance with the powers/rights under these Articles of Association, such announcement shall be published in the manner prescribed by the Stock Exchange Listing Rules. Notices delivered by public announcement shall be deemed received by all relevant parties upon publication.

If the listing rules of the Stock Exchange where our Company's shares are listed require our Company to send, mail, distribute, issue, publish, or otherwise provide relevant documents in both English and Chinese versions, our Company may (based on the expressed preference of shareholders) provide only the English version or only the Chinese version to relevant shareholders, provided that our Company has made appropriate arrangements to determine such preferences and that such action is permitted under applicable laws and regulations.

Notices for convening shareholders' general meetings or Board meetings shall be issued in the manner specified in these Articles of Association.

Notices for convening shareholders' general meetings shall be published by means of a public announcement on our Company's website, the website of the Stock Exchange, or through other notification methods permitted under these Articles of Association.

MERGER, DIVISION, DISSOLUTION AND LIQUIDATION

Merger and Division

In the event of a merger involving our Company, the parties shall execute a merger agreement and formulate a balance sheet and a list of assets. Our Company will notify creditors within 10 days of the resolution date and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days. Creditors may, within 30 days of receiving notice or within 45 days of the announcement if they have not received notice, require our Company to settle its debt or provide a relevant guarantee.

Upon a merger, the claims and debts of involved parties shall be assumed by the surviving company or newly established company. In the event of a division of our Company, its properties shall be allocated accordingly. For the division, a balance sheet and a list of assets shall be formulated. Our Company shall notify creditors within 10 days of the merger resolution and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days.

Dissolution and Liquidation

Our Company is dissolved for the following reasons:

(I) the term of operations specified in the Articles of Association has expired, or another circumstance for dissolution outlined in the Articles of Association has occurred;

(II) the general meeting decides to dissolve it;

(III) it is necessary to dissolve due to a merger or division of our Company;

(IV) its business license is canceled, or it is ordered to close down or dissolve according to the law;

(V) when our Company faces severe operational and management difficulties, its continuous existence may cause material losses to shareholders' interests, and such difficulties cannot be resolved otherwise, shareholders holding more than 10% of the voting rights may apply to the people's court to dissolve our Company.

If our Company experiences dissolution causes as stipulated in the preceding article, it shall publicize the dissolution causes through the National Enterprise Credit Information Publicity System within 10 days.

If our Company falls under circumstances (I) or (II) of the preceding article and has not yet distributed its assets to shareholders, it may continue to exist by amending these Articles of Association or through a resolution of the shareholders' general meeting.

Any amendment to these Articles of Association or resolution of the shareholders' general meeting pursuant to the preceding paragraph shall require the approval of two-thirds or more of the voting rights held by shareholders present at the meeting.

If our Company is dissolved under circumstances (I), (II), (IV), or (V) of the preceding article, it shall form a liquidation group within 15 days after the dissolution cause arises to conduct liquidation. The liquidation group shall be composed of Directors, unless otherwise stipulated in these Articles of Association or resolved by the shareholders' general meeting. If the obligor fails to perform liquidation duties promptly and causes losses to our Company or its creditors, it shall be liable for compensation.

If our Company fails to form a liquidation group within the specified period or fails to commence liquidation after forming such a group, interested parties may apply to the People's Court to designate relevant personnel to form a liquidation group.

If our Company is dissolved under circumstance (IV) of the preceding article, the department that issued the decision to revoke the business license, order closure, or cancellation, or our Company registration authority may apply to the People's Court to designate relevant personnel to form a liquidation group.

The liquidation group shall notify creditors within 10 days after its establishment and make a public announcement in a newspaper at our Company's location or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall declare their claims to the liquidation group within 30 days after receiving the notice or within 45 days after the announcement if not be notified

When declaring claims, creditors shall specify relevant details and provide supporting documents. The liquidation group shall register all claims. During the creditor claims period, the liquidation group shall not repay any creditors.

After disposing of our Company's assets, preparing a balance sheet, and compiling an asset inventory, the liquidation group shall formulate a liquidation plan and submit it to the shareholders' general meeting or the People's Court for confirmation.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Our Company shall amend these Articles of Association under any of the following circumstances:

(I) If any provision herein contradicts the Company Law, other applicable laws, administrative regulations, or the regulatory rules of the place where our Company's shares are listed, after any amendment to such laws or rules;

(II) If changes in our Company's circumstances contradict the provisions of these Articles of Association;

(III) If the shareholders' general meeting resolves to amend these Articles of Association.

If any amendment to these Articles of Association adopted by a resolution of the shareholders' general meeting requires approval from the competent authority, such amendment shall be submitted to the original approving authority for approval. If the amendment involves matters registered with our Company registration authority, our Company shall complete the change registration in accordance with the law.

The Board of Directors shall amend these Articles of Association in accordance with the resolution of the shareholders' general meeting and the approval opinions of the relevant competent authority. Matters related to the amendment that require disclosure under laws, regulations, or the Stock Exchange Listing Rules shall be publicly announced as required.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Establishment of Our Company

Our Company was established as a limited liability company in the PRC on May 16, 2017 and was converted to a joint stock company with limited liability under the laws of the PRC with effect from September 10, 2025. As of the Latest Practicable Date, the registered capital of our Company was RMB24,380,426.

Our Company has established a principal place of business in Hong Kong at 46/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and has been registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on October 14, 2025. Ms. Leung Hoi Yan (梁暟欣), our joint company secretary, has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in "Appendix V — Summary of Articles of Association" to this document.

2. Changes in the Share Capital of Our Company

Save as disclosed in the section headed "History, Development and Corporate Structure — Establishment and Major Shareholding Changes of Our Company," there has been no other alteration in the share capital of our Company during the two years immediately preceding the date of this document.

3. Changes in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries as of December 31, 2025 are set out in the Accountants' Report in Appendix I to this document. The changes in the share capital of our Company during the two years immediately preceding the date of this document is set out as follows:

On March 20, 2024, Youibot Robotics Hongkong Limited (優艾智合機器人香港有限公司) was incorporated under the laws of Hong Kong with a registered capital of HK$10.0 million.

On June 26, 2024, Hefei Youai Intelligent Manufacturing Equipment Co., Ltd. (合肥優艾智能製造裝備有限公司) was established under the laws of the PRC with a registered capital of RMB10.0 million.

On October 24, 2024, Youibot Robotics Japan (優艾智合機器人日本株式會社) was established under the laws of Japan with a registered capital of Japanese Yen 10.0 million.

4. Restriction of Share Repurchase

For details of the restrictions on the share repurchase by our Company, see "Appendix V — Summary of Articles of Association" to this document.

5. Resolutions of Our Shareholders

At the extraordinary general meeting of our Company held on September 19, 2025 among other things, our Shareholders had resolved that:

(a) the issuance by our Company of the H Shares of nominal value of RMB0.10 each (taking into account the Share Subdivision) and such H Shares being listed on the Main Board of the Stock Exchange

(b) the number of H Shares to be issued pursuant to the **[REDACTED]** shall be no more than **[REDACTED]**% of the total issued share capital of our Company as enlarged by the **[REDACTED]** before the exercise of the **[REDACTED]**, and the grant to **[REDACTED]** of the **[REDACTED]** of not more than **[REDACTED]**% of the number of H Shares issued pursuant to the **[REDACTED]**;

(c) subject to the filing with CSRC being completed, upon completion of the **[REDACTED]**, **[REDACTED]** Unlisted Shares will be converted into H Shares on a one-for-one basis;

(d) subject to the completion of the **[REDACTED]**, the conditional adoption of the Articles of Association, which shall become effective on the Listing Date and the authorization of the Board to amend the Articles of Association in accordance with relevant laws and regulations and upon the request from the Stock Exchange and relevant PRC regulatory authorities;

(e) subject to the completion of the **[REDACTED]**, the granting of a general mandate to the Board to allot, issue Shares, or sell and/or transfer Shares out of treasury that are held as treasury shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, provided that, the number of Shares to be issued or sold and/or transferred out of treasury that are held as treasury shares shall not exceed **[REDACTED]**% of the number of the H Shares in issue as at the date of **[REDACTED]**;

(f) our Board and/or its authorized person(s) have been authorized to handle all relevant matters relating to, among other things, the **[REDACTED]**, the issue of H Shares and **[REDACTED]**.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this document that are or may be material:

(a) a capital increase agreement dated May 21, 2024 entered into among our Company, Shenzhen Youibot, Shenzhen Youai Zhijia, Shenzhen Youai Zhidian, Suzhou Youibot, Huzhou Youibot, Xi'an Youai, Hefei Dongcheng, Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Zheng, Mr. Xu, and Mr. Zhao, pursuant to which the parties agreed to increase the registered capital of our Company;

(b) a shareholders' agreement dated May 21, 2024 entered into among our Company, Shenzhen Youibot, Shenzhen Youai Zhijia, Shenzhen Youai Zhidian, Suzhou Youibot, Huzhou Youibot, Xi'an Youai, Shenzhen Yingnuo, XiJiao 1896, Xi'an Bole, SOSV III, SOSV IV, SOSV Sanya, SOSV Select, Zhenge Jingyuan, Changjian Changyu, SIG China, Lanchi Shanghai Xinzhong, SBVA Entity, Suzhou Fangguang, Changzhou Fangguang, FG Venture SZFZ, Sharp Dynasty, Shenzhen Greenpine, Chongqing Greenpine, Beijing New Power, Xingchan (Huzhou), Hefei Dongcheng, Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Xu, Mr. Zheng and Mr. Zhao;

(c) a capital increase agreement dated April 29, 2025 entered into among our Company, Shenzhen Youibot, Shenzhen Youai Zhijia, Shenzhen Youai Zhidian, Suzhou Youibot, Huzhou Youibot, Hefei Youibot, Youibot Hong Kong, Xi'an Youai, Anqing Greenpine, Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Zheng, Mr. Xu and Mr. Zhao and pursuant to which the parties agreed to increase the registered capital of our Company;

(d) a shareholders' agreement dated April 29, 2025 entered into among our Company, Shenzhen Youibot, Shenzhen Youai Zhijia, Shenzhen Youai Zhidian, Suzhou Youibot, Huzhou Youibot, Hefei Youibot, Youibot Hong Kong, Xi'an Youai, Shenzhen Yingnuo, XiJiao 1896, Xi'an Bole, SOSV III, SOSV IV LP, SOSV Sanya, SOSV Select, Zhenge Jingyuan, Changjian Changyu, SIG China, Lanchi Shanghai Xinzhong, SBVA Entity, Suzhou Fangguang, Changzhou Fangguang, FG Venture SZFZ, Sharp Dynasty, Shenzhen Greenpine, Chongqing Greenpine, Beijing New Power, Xingchan (Huzhou), Hefei Dongcheng, Anqing Greenpine, Mr. Zhang, Mr. Mei, Dr. Bian, Mr. Zheng, Mr. Xu and Mr. Zhao;

(e) the **[REDACTED]**.

2. Intellectual Property Rights

(a) 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	Class	Registered Owner	Place of Registration	Registration Number	Date of Registration
1	YOUIBOT 优艾智合	9	Shenzhen Youibot	China	49827448	2021.11.28
2	YOUIBOT 优艾智合	12	Shenzhen Youibot	China	49674147	2021.5.7
3	YOUIBOT	7	Shenzhen Youibot	China	49688875	2021.7.7
4	YOUIBOT	7	Shenzhen Youibot	China	49672675	2021.7.7
5	YOUIBOT	9	Shenzhen Youibot	China	49680621	2021.7.7
6	YOUIBOT	12	Shenzhen Youibot	China	49689798	2021.5.7

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Date of Registration
7	YOUIBOT 优艾智合	9	Shenzhen Youibot	China	49697082	2021.7.7
8	YOUIBOT	7	Shenzhen Youibot	China	25138637	2018.09.21
9	优艾智合	7	Shenzhen Youibot	China	47630950	2021.5.7
10	YOUIBOT	9	Shenzhen Youibot	China	25138650	2018.07.07
11	YOUIBOT 优艾智合 YOUIBOT 優艾智合	7, 9, 42	Shenzhen Youibot	Hong Kong	306950980	2025.7.3
12	YOUIBOT	7	Shenzhen Youibot	Hong Kong	306950999	2025.7.3

(b) Patents

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	Registered Owner	Place of Registration	Patent Number	Date of Registration
1	An operating method and system for an intelligent robot in a power switchroom (一種配電間智能機器人的作業方法及作業系統)	Invention	Shenzhen Youibot	China	ZL 201911238578.X	2022.04.01
2	Drive device for automated guided vehicles, automated guided vehicle, and robot (用於自動導引車的驅動裝置、自動導引車及機器人)	Invention	Shenzhen Youibot	China	ZL 202110180517.3	2024.12.24
3	Path planning method, path planning device, management system, and storage medium (路徑規劃方法、路徑規劃裝置、管理系統和存儲介質)	Invention	Shenzhen Youibot	China	ZL 202110271767.8	2024.04.19
4	Inspection robot and inspection method (一種巡檢機器人及巡檢方法)	Invention	Shenzhen Youibot	United States	US11766788	2023.09.26

No.	Patent	Type	Registered Owner	Place of Registration	Patent Number	Date of Registration
5	Wafer box handling robot (晶圓盒搬運機器人)	Invention	Shenzhen Youibot	China	ZL 202110189522.0	2025.3.11
6	Wafer box carrying device and wafer box handling robot (晶圓盒承載裝置和晶圓盒搬運機器人)	Utility Model	Shenzhen Youibot	China	ZL 202120379250.6	2021.11.05
7	Clamping device and wafer box handling robot (夾持裝置及晶圓盒搬運機器人)	Utility Model	Shenzhen Youibot	China	ZL 202120378471.1	2022.01.25
8	Robot positioning method, positioning device, management system, and storage medium (機器人的定位方法、定位裝置、管理系統和存儲介質)	Invention	Shenzhen Youibot	China	ZL 202110627563.3	2024.03.01
9	Robot scheduling method, apparatus, and storage medium (機器人調度方法、設備及存儲介質)	Invention	Shenzhen Youibot	China	ZL 202210374057.2	2024.03.19
10	Robot manipulator control method, electronic device, and storage medium (機器人的機械臂控制方法、電子設備及存儲介質)	Invention	Shenzhen Youibot	China	ZL 202410764848.5	2024.11.12
11	Robot movement path detection method and mobile platform (機器人移動路徑檢測方法及移動平台)	Invention	The Company	China	ZL 202210193098.1	2024.04.16

(c) Copyrights

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.	Copyright	Registered Owner	Type	Place of Registration	Copyright Number	Date of Registration
1	YOUIFleet Robot Map Management System V1.0 (YOUIFleet機器人地圖管理系統版本1.0)	Shenzhen Youibot	Software Copyright	China	2020SR0329638	2020.4.14
2	YOUITMS Robot Material Distribution Management System V1.0 (YOUITMS機器人物料配送管理系統版本1.0)	Shenzhen Youibot	Software Copyright	China	2020SR0329778	2020.4.14
3	Youibot Robot Multi-Machine Collaboration System V1.0.0 (優艾智合機器人多機協同系統版本1.0.0)	Shenzhen Youibot	Software Copyright	China	2022SR0191361	2022.01.29
4	Mobile Manipulators Rapid Deployment Calibration Tool System V1.0.0 (移動操作機器人快速部署標定工具系統版本1.0.0)	Shenzhen Youibot	Software Copyright	China	2022SR0480145	2022.04.18
5	Multi-Robot Intra-factory Logistics Management System V1.0.0 (多機器人廠內物流管理系統版本1.0.0)	Shenzhen Youibot	Software Copyright	China	2022SR1526888	2022.11.17

No.	Copyright	Registered Owner	Type	Place of Registration	Copyright Number	Date of Registration
6	YOUIINS Intelligent Inspection Robot Management System V1.0.0 (YOUIINS 智能巡檢機器人管理系統版本1.0.0)	Shenzhen Youibot	Software Copyright	China	2023SR0353719	2023.03.17
7	Semiconductor Packaging and Testing Factory Multi-Robot Transportation Management System V1.0.0 (半導體封測工廠多機器人運輸管理系統版本1.0.0)	Shenzhen Youibot	Software Copyright	China	2023SR0966063	2023.08.23
8	Substation Intelligent Inspection Manipulator Background Monitoring System V1.0.0 (變電站智能巡檢操作機器人後台監控系統版本1.0.0)	Shenzhen Youibot	Software Copyright	China	2023SR1134261	2023.09.21
9	Smart Factory Robot Data Monitoring System Based on Digital Twin V1.0.0 (智能工廠基於數位孿生的機器人數據監控系統版本1.0.0)	Shenzhen Youibot	Software Copyright	China	2024SR0839563	2024.06.20
10	AGV Intelligent Task Management System V1.0.0 (AGV智能任務管理系統版本1.0)	Shenzhen Youibot	Software Copyright	China	2024SR0892270	2024.06.28

(d) Domain names

As of the Latest Practicable Date, our Group had registered the following domain names which we consider to be or may be material to our business:

No.	Domain name	Registered Owner	Date of Registration	Date of Expiry
1	youibot.com	the Company	2016.11.15	2029.11.15

C. FURTHER INFORMATION ABOUT DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Directors and the chief executive of our Company

Save as disclosed in the section headed "Substantial Shareholders" in this document, immediately following the completion of the **[REDACTED]** and conversion of Unlisted Shares into H Shares, so far as our Directors are aware, none of our Directors or chief executive of our Company has any interests or short positions in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, under section 352 of the SFO, to be entered in the register referred to in that section, or which will be required, under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code"), to be notified to our Company and the Stock Exchange once the H Shares are listed.

(b) Substantial Shareholders

For the information on the persons who will, immediately following the completion of the **[REDACTED]**, have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company 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 the nominal value of any class of share capital carrying voting rights in all circumstances at general meetings of our Company, see the section headed "Substantial Shareholders" in this document.

Save as disclosed in the section headed "Substantial Shareholders" in this document, our Directors are not aware of any persons (other than our Directors and chief executive) who will, immediately following the completion of the **[REDACTED]**, have or be deemed or taken to have interests and/or short position in our Shares or underlying Shares which would be required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the nominal value of any types of the issued voting shares of our Company.

As of the Latest Practicable Date, so far as our Directors are aware, the following persons (other than members of our Group) were interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of other members of our Group:

Name of Member of our Group	Name of Shareholder	Percentage of Shareholding
Shenzhen Youai Zhidian Intelligent Technology Co., Ltd. (深圳優艾之電智慧科技有限公司)	Shenzhen Zhidian Technology Co., Ltd. (深圳市之電科技有限公司)	45%
Shenzhen Youai Zhijia Robot Technology Co., Ltd. (深圳優艾智嘉機器人科技有限公司)	Mr. Chen Bing (陳兵)	45%

2. Service Contracts

Each of our Directors [has entered] into a service contract with our Company. The principal particulars of these service contracts comprise (a) a term of three years which is equivalent to the term of the Board; and (b) termination provisions in accordance with their respective terms. Our Directors may be re-appointed subject to Shareholders' approval. The service contracts can be renewed pursuant to our Articles of Association and applicable rules.

Save as disclosed above, we have not entered, and do not propose to enter, into any service contracts with any of our Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation)).

3. Directors' Remuneration

Save as disclosed in "Directors and Senior Management" and Note 8 to "Appendix I — Accountants' Report," for the three financial years ended December 31, 2025, none of our Directors received other remunerations of benefits in kind from us.

4. Disclaimers

Save as disclosed in this document:

(a) none of our Directors or any of the parties listed in " — E. Other Information — 4. Qualification and Consents of Experts" of this Appendix is:

(i) interested in our promotion, or in any assets which, within the two years immediately preceding the date of this Document, have 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; or

(ii) materially interested in any contract or arrangement subsisting at the date of this Document which is significant in relation to our business;

(b) save in connection with the **[REDACTED]** and the **[REDACTED]**, none of our Directors or any of the parties listed in " — E. Other Information — 4. Qualification and Consents of Experts" of this Appendix:

(i) is interested legally or beneficially in any shares in any member of our Group; or

(ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;

(c) none of our Directors or their close 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 top five customers or suppliers; and

(d) none of our Directors is a director or employee of a company that has an interest in the share capital of our Company which, once the H Shares are listed on the Hong Kong Stock Exchange, would have to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO.

D. EMPLOYEE INCENTIVE SCHEME

We adopted our Employee Incentive Scheme in June 2021, as amended and replaced in September 2025. The following is a summary of the principal terms of our Employee Incentive Scheme. The terms of the Employee Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as all awards pursuant to the Employee Incentive Scheme have been granted and the Employee Incentive Scheme does not involve any grant of awards or any issuance of new Shares by our Company after **[REDACTED]**. The Employee Incentive Scheme will not cause any dilution of the shareholding of our Shareholders after the **[REDACTED]** given all Shares under the Employee Incentive Scheme has been issued to the Employee Ownership Platforms.

As of the Latest Practicable Date, our Shares were held as to approximately 14.73% and 1.73% by Xi'an Youai and Youai Hezhi, respectively. Participants under the Employee Incentive Scheme hold interests through the Employee Shareholding Platforms as limited partners of the respective Employee Shareholding Platforms. See "History, Development and Corporate Structure — Employee Ownership Platforms" for further details.

1. Number of underlying Shares subject to the Employee Incentive Scheme

As of the Latest Practicable Date, our Company had established the Employee Shareholding Platforms pursuant to the Employee Incentive Scheme, which in total held 4,013,065 Shares, representing in aggregate approximately 16.46% of our Shares in issue immediately before the completion of the **[REDACTED]** and approximately **[REDACTED]**% of our Shares immediately upon completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised). All Shares underlying the awards granted under Employee Incentive Scheme have been allotted and issued and are held by the Employee Shareholding Platforms. No further awards would be granted under the Employee

Incentive Scheme, nor would any new Shares be issued pursuant to the Employee Incentive Scheme after **[REDACTED]**. Accordingly, the awards granted under the Employee Incentive Scheme will not cause any dilution effect on the shareholdings of our Shareholders nor have any impact on the earnings per Share.

2. Objectives

The purposes of the Employee Incentive Scheme are to improve our employee incentive mechanism and enhance the sense of responsibility and mission of our Company's employees, so as to align employees' interests with our development goals and promote our sustainable development and profitability.

3. Participants

Participants of the Employee Incentive Scheme include our core employees, senior management members and employees who have made significant contributions to our Group. The participants are limited partners of the Employee Shareholding Platforms, and indirectly receive economic interest in the corresponding number of underlying Shares held by the Employee Shareholding Platforms.

4. Administration

The Employee Shareholding Platforms are established for the purpose of administering awards granted under the Employee Incentive Scheme. The respective general partner of the Employee Shareholding Platforms is the decision-maker in relation to the partnership's overall management and operations.

5. Lock-up Arrangements

Prior to **[REDACTED]**, participants of the Employee Incentive Scheme shall not directly or indirectly transfer their partnership interests in the Employee Shareholding Platforms without the consent of the Employee Shareholding Platforms' respective general partner. If consent is obtained, the relevant Employee Shareholding Platform, general partner or other designated participants of the Employee Incentive Scheme shall repurchase or acquire the relevant partnership interest, as the case may be.

After **[REDACTED]**, no transfer of the underlying Shares held by the Employee Shareholding Platforms shall be made within 12 months from the date of Listing. In addition, participants of the Employee Incentive Scheme shall comply with lock-up arrangements under the respective partnership agreements of the Employee Shareholding Platforms.

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or our subsidiaries.

2. Litigation

Saved as disclosed in this document, to the knowledge of our Directors, no member of our Group has significant litigation or claims pending or threatened against any member of our Group.

3. Sole Sponsor

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

The Sole Sponsor has made an application on behalf of our Company to the Stock Exchange for the listing of, and permission to deal in, the H Shares to be converted from Unlisted Shares and the H Shares to be issued pursuant to the **[REDACTED]**. The Sole Sponsor will receive a fee of US$1,000,000 for acting as the sponsor for **[REDACTED]**.

4. Qualification and Consents of Experts

The qualifications of the experts who have given opinions or advice in this document are as follows:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	Licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
KPMG	Certified Public Accountants Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Global Law Office	Legal adviser to our Company as to the PRC laws
Frost & Sullivan	Independent industry consultant

Each of the experts has given and has not withdrawn its written consents to the issue of this document with the inclusion of its reports, letters, opinions or summaries of opinions (as the case may be) and the references to its names and logos included herein in the form and context in which it is respectively included.

Save as disclosed in this document, as of the Latest Practicable Date, none of the experts named above has any of our shareholding interests in any member of our Group or rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities in any member of our Group.

5. Compliance Advisor

Our Company has appointed Rainbow Capital (HK) Limited as our Compliance Advisor in compliance with Rule 3A.19 of the Listing Rules.

6. Taxation of Holders of H Shares

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.10% on the higher of the consideration for or the market value of the H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of any Hong Kong securities, including H Shares (in other words, a total of 0.20% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed stamp duty of HK$5.00 is currently payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to ten times the duty payable may be imposed.

7. Binding Effect

This document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

8. 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 (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

9. Promoters

The promoters of our Company comprised all of the 26 then shareholders of our Company as of September 10, 2025 before our conversion into a joint stock company with limited liability. Save as disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities or benefits have been paid, allotted or given, or are proposed to be paid, allotted or given to the promoters named above in connection with the **[REDACTED]** or the related transactions described in this document.

10. Preliminary Expenses

Our Company did not incur any material preliminary expenses.

11. No Material Adverse Change

Our Directors confirm that, as of the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

12. Miscellaneous

(a) within the two years immediately preceding the date of this document:

(i) save as disclosed in "History, Development and Corporate Structure" in this document, no share or loan capital of our Company or our subsidiaries had been issued or agreed to be issued or proposed to be fully or partly paid either for cash or for a consideration other than cash;

(ii) no share or loan capital of our Company or our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) save as disclosed in "**[REDACTED]** — **[REDACTED]** Arrangements and Expenses — Commissions and Expenses" in this document, no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or our subsidiaries; and

(iv) save as disclosed in "**[REDACTED]** — **[REDACTED]** Arrangements and Expenses — Commissions and Expenses" in this document, no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or our subsidiaries;

(b) there are no founder, management or deferred shares nor any debentures in our Company or our subsidiaries;

(c) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document;

(d) no company within our Group is presently listed on any stock exchange or traded on any trading system;

(e) all necessary arrangements have been made to enable our H Shares to be admitted into CCASS for clearing and settlement;

(f) our Company has no outstanding convertible debt securities or debentures;

(g) there is no arrangement under which future dividends are waived or agreed to be waived, and there is no restriction affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong; and

(h) none of the equity and debt securities of our Company, if any, is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought.

A. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were:

(a) the written consents referred to in "Appendix VI — Statutory and General Information — E. Other Information — 4. Qualification and Consents of Experts" in this document; and

(b) a copy of each of the material contracts referred to in "Appendix VI — Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts" in this document.

B. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**youibot.com**) up to and including the date which is 14 days from the date of this document:

(a) the Articles of Association;

(b) the Accountants' Report from KPMG, the text of which is set out in Appendix I in this document;

(c) the report from KPMG in respect of the unaudited **[REDACTED]** financial information, the text of which is set out in Appendix II in this document;

(d) the audited consolidated financial statements of our Group for the three years ended December 31, 2025;

(e) the material contracts referred to in "Appendix VI — Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts" in this document;

(f) the service agreements and letters of appointment entered into between our Company and each of our Directors referred to in "Appendix VI — Statutory and General Information — C. Further Information about Directors and Substantial Shareholders — 2. Service Contracts" in this document;

(g) the legal opinion issued by Global Law Office, our PRC Legal Advisors, in respect of certain general corporate matters and property interests in the PRC of the Group;

(h) the industry report issued by Frost & Sullivan;

(i) the written consents referred to in "Appendix VI — Statutory and General Information — E. Other Information — 4. Qualification and Consents of Experts" in this document; and

(j) the PRC Company Law, the PRC Securities Law, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, together with their unofficial English translation.