

DEFINITIONS

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

“Accountants’ Report”	the accountants’ report of our Company, the text of which is set out in Appendix I to this Document
“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	Accounting and Financial Reporting Council (會計及財務匯報局)
“Articles” or “Articles of Association”	the twelfth amended and restated articles of association of our Company conditionally adopted on [●] with effect from the [REDACTED] (as amended from time to time), a summary of which is set out in Appendix III to this Document
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Beijing Tairuo”	Tairuo Technology (Beijing) Co., Ltd. (太若科技(北京)有限公司), a company with limited liability established in the PRC on June 7, 2017, an indirect wholly-owned subsidiary of our Group
“Beijing Unicorn”	Beijing Unicorn Technology Co., Ltd. (優奈柯恩(北京)科技有限公 司), a company with limited liability established in the PRC on July 23, 2018, an indirect wholly-owned subsidiary of our Group.
“Board”, “Board of Directors” or “our Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“BVI”	the British Virgin Islands

[REDACTED]

“China”, “Chinese Mainland” or “the PRC”	the People’s Republic of China, which, for the purpose of this Document and for geographical reference only, excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan Province
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“Circular 37”	the Notice of the SAFE on Issues Concerning Foreign Exchange Administration of the Overseas Investment and Financing and the Round-Tripping Investment Made by Domestic Residents through Special-Purpose Companies (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》)
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies Act” or “Cayman Companies Act”	the Companies Act (As Revised) of the Cayman Islands, as amended or 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”	XREAL Ltd. (previously known as Nreal Ltd.), an exempted company with limited liability incorporated under the laws of the Cayman Islands on June 5, 2018
“Compliance Adviser”	Somerley Capital Limited
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of our Company
“Dr. Xu”	Dr. Xu Chi (徐馳), our executive Director, the chairperson of the Board and the chief executive officer of our Company and a member of the Single Largest Group of Shareholders
“EIT”	enterprise income tax
“EIT Law”	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》)
“ESG”	Environmental, Social and Governance

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[REDACTED]

“Exreal HK” Exreal Technology Limited, a company limited by shares established in Hong Kong on April 26, 2022, a direct wholly-owned subsidiary of our Group

“Extreme Conditions” extreme conditions caused by a super typhoon as announced by the government of Hong Kong

[REDACTED]

“Fortitude Savour” FORTITUDE SAVOUR LIMITED, a company incorporated under the laws of the BVI on April 17, 2018, wholly-owned by Dr. Xu and a member of the Single Largest Group of Shareholders

[REDACTED]

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

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

“Heritage Anchor” Heritage Anchor Limited, a company incorporated under the laws of the BVI on February 11, 2026, and a member of the Single Largest Group of Shareholders

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

[REDACTED]

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“IIT Law”	the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》)
“Independent Third Party(ies)”	any person(s) or entity(ies) who/which is not a connected person of the Company within the meaning of the Listing Rules
“Infinite Halcyon”	INFINITE HALCYON LIMITED, a company incorporated under the laws of the BVI on May 2, 2018, wholly-owned by Dr. Xu and a member of the Single Largest Group of Shareholders
“Infinite Reality Shanghai”	Infinite Reality (Shanghai) Technology Co., Ltd. (無限現實(上海) 科技有限公司), a company with limited liability established in the PRC on October 31, 2024, an indirect wholly-owned subsidiary of our Group

[REDACTED]

“iResearch”	iResearch, the industry consultant of our Company, an independent professional market research and consulting company, which is an Independent Third Party
“iResearch Report”	an independent market research report commissioned by us and prepared by iResearch for the purposes of this Document

[REDACTED]

DEFINITIONS

“Joint Sponsors” and “Sponsor-Overall Coordinators”	China International Capital Corporation Hong Kong Securities Limited and Citigroup Global Markets Asia Limited (in alphabetical order)
“Latest Practicable Date”	March 23, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this Document prior to its publication
	[REDACTED]
“Listing Committee”	the listing committee of the Hong Kong Stock Exchange
	[REDACTED]
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“M&A Rules”	the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》)
“Macau”	the Macao Special Administrative Region of the PRC
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
“Matrixed Reality Wuxi”	Matrixed Reality (Wuxi) Technology Co., Ltd. (閃耀現實(無錫)科技有限公司), a company with limited liability established in the PRC on March 12, 2020, an indirect wholly-owned subsidiary of our Group
“Memorandum” or “Memorandum of Association”	the twelfth amended and restated memorandum of association of our Company conditionally adopted on [●] with effect from the [REDACTED] (as amended from time to time), a summary of which is set out in Appendix III to this Document
“MOFCOM” or “Ministry of Commerce”	the Ministry of Commerce of the PRC (中華人民共和國商務部) (formerly known as the Ministry of Foreign Trade and Economic Cooperation of the PRC (中華人民共和國對外經濟貿易部))
“NDRC”	the National Development and Reform Commission (中華人民共和國國家發展和改革委員會)
“Nomination Committee”	the nomination committee of the Board
“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)

DEFINITIONS

[REDACTED]

“Overall Coordinators” the overall coordinators as named in the section headed “Directors and Parties involved in the [REDACTED]”

[REDACTED]

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

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

“PRC Company Law” the Company Law of the People’s Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time

“PRC Legal Adviser” King & Wood, our legal adviser on PRC laws in connection with the [REDACTED]

“Pre-[REDACTED] Equity Incentive Plan” the equity incentive plan adopted by the Company on March 20, 2026, the principal terms of which are set out in the section headed “Statutory and General Information — D. Pre-[REDACTED] Equity Incentive Plan” in Appendix IV

“Pre-[REDACTED] Investment(s)” the investment(s) in our Company undertaken by the Pre-[REDACTED] Investors prior to this [REDACTED], details of which are set out in “History, Reorganization and Corporate Structure”

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“Pre-[REDACTED] Investor(s)”	holder(s) of Shares pursuant to the Pre-[REDACTED] Investments, details of which are set out in the section headed “History, Reorganization and Corporate Structure”
“Preferred Share(s)”	preferred shares(s) in the share capital of the Company

[REDACTED]

“Proceedings”	claims, disputes, legal or administrative proceedings or other related matters in relation to, among others, the intellectual properties of the Group as disclosed in the section headed “Business — Legal Proceedings and Compliance — Legal Proceedings”, including the progress and further development thereof, and any other or further claims, disputes, legal or administrative proceedings or other related matters among the parties thereof
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[REDACTED]

“Quartz Scene”	Quartz Scene Limited, a company incorporated under the laws of the BVI on April 26, 2018 and wholly-owned by Mr. Xiao Bing
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration Committee”	the remuneration committee of the Board
“Renminbi” or “RMB”	the lawful currency of the PRC
“Reorganization”	the reorganization of our Group in preparation for [REDACTED], see “History, Reorganization and Corporate Structure — Reorganization”
“R&D”	research and development
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“SAMR”	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
“SAT”	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)

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“SFC”	the Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary and/or preferred shares in the share capital of our Company of US\$0.0001 each
“Shareholder(s)”	holder(s) of our Share(s)
“Shenzhen Tairuo”	Tairuo Technology (Shenzhen) Co., Ltd. (深圳太若科技有限公司) (previously known as 杭州太若科技有限公司), a company with limited liability established in the PRC on January 25, 2017
“Single Largest Group of Shareholders”	being Dr. Xu, Fortitude Savour, Infinite Halcyon and Heritage Anchor
	[REDACTED]
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Track Record Period”	the period comprising financial years ended December 31, 2023, 2024 and 2025
“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“U.S. persons”	U.S. persons as defined in Regulation S
“U.S. Securities Act”	United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time

[REDACTED]

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

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“Vivid Future Changsha” Vivid Future (Changsha) Technology Co., Ltd. (耀動未來(長沙)科技有限公司), a company with limited liability established in the PRC on August 1, 2024, an indirect non-wholly owned subsidiary of our Group

[REDACTED]

“XREAL HK” Xreal Technology Limited (無限現實科技有限公司), a company limited by shares established in Hong Kong on June 29, 2018, a direct wholly-owned subsidiary of our Group

“XREAL Japan” XREAL Japan Limited (XREAL株式會社), a company established in Japan on March 26, 2020, an indirect wholly-owned subsidiary of our Group

“Xreality Japan” Xreality Japan Limited (XREAL日本株式會社), a company established in Japan on February 6, 2023, an indirect wholly-owned subsidiary of our Group

“XREAL Korea” Xreal Korea Limited, a company established in South Korea on December 1, 2019, an indirect wholly-owned subsidiary of our Group

“XREAL US” Xreal Inc., a company established in the United States on January 15, 2021, a direct wholly-owned subsidiary of our Group

“%” per cent

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

Certain amounts and percentage figures included in this Document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.