
SUMMARY

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 the entire Document before you decide to [REDACTED] in our H Shares. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in our Shares are set out in the section headed “Risk Factors” in this Document. You should read that section carefully before you decide to [REDACTED] in our H Shares. Various expressions used in this section are defined in the sections headed “Definitions” and “Glossary” in this Document.

OVERVIEW

Mission

Pioneer the global industrialization and commercialization of solid-state batteries.

Vision

Deliver green energy safely and efficiently across the globe.

Who We Are

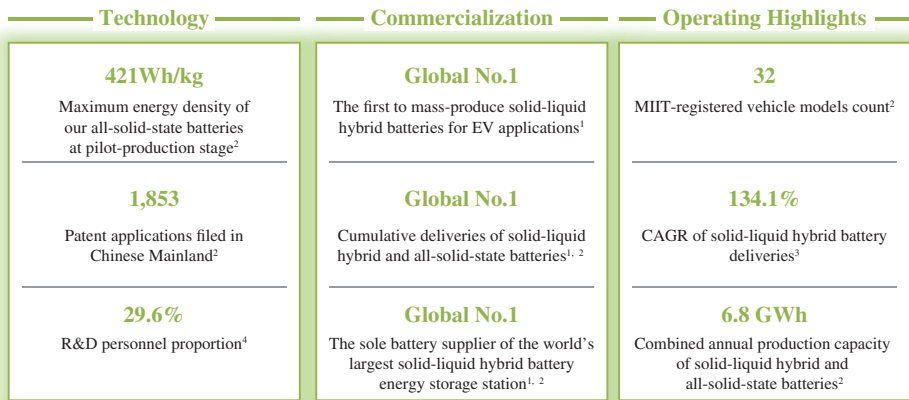
We are a pioneer in the industrialization and commercialization of solid-state batteries, with advanced solid-state battery technology and strong capabilities in developing and delivering solid-state battery products. We focus on the development, manufacture and sales of solid-liquid hybrid and all-solid-state batteries for electric vehicle (EV) and energy storage system (ESS) applications. At a time when battery safety, reliability and performance are becoming increasingly critical to the energy transition and the broader electrification of transportation and industry, we are committed to building a robust solid-state battery ecosystem and delivering safer, more affordable and higher-performance battery solutions to customers worldwide, supporting the broader adoption of green energy, to alleviate the global energy and environmental crisis.

We have built solid R&D capabilities integrating materials, equipment and manufacturing processes, and a clear and distinctive technological pathway since our inception. Centered on organic-inorganic composite solid electrolytes, this pathway has provided a coherent route for us to advance from liquid batteries to solid-liquid hybrid batteries and, ultimately, to all-solid-state batteries. Our innovation capabilities are supported by a full-stack R&D team covering materials, electrochemistry, electrical engineering, advanced manufacturing and software development. According to Frost & Sullivan, we hold one of the industry’s broadest patent portfolios in solid-state battery technologies.

We have translated our technology capabilities into commercial deployment across both EV and ESS markets. For EV batteries, as of the Latest Practicable Date, we had delivered over 16,800 units of our solid-state battery products across more than 30 passenger and commercial vehicle models from well-known automotive OEM brands, including IM Motors, Morris Garages (MG), and Foton. For ESS batteries, we were among the first to introduce solid-state battery technology into the energy storage sector, targeting markets with stringent safety requirements and high value-added potential across grid, industrial and commercial, as well as residential applications. We are the sole battery supplier of the world’s largest solid-liquid hybrid battery energy storage station, located in Wuhai, Inner Mongolia, with a capacity of 800 MWh, demonstrating our ability to deliver large-scale commercial deployment.

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We have achieved the following technological and commercial milestones:



Notes:

- 1. According to Frost & Sullivan
- 2. As of Latest Practicable Date
- 3. From 2023 to 2025
- 4. As of December 31, 2025

OUR STRENGTHS

We believe our following core competitive strengths will allow us to further consolidate our market leading position: (i) the pioneer in advancing the industrialization and commercialization of solid-state battery technologies; (ii) innovations across materials, processes and equipment strengthening our technology moat; (iii) robust engineering capabilities accelerating commercial deployments; (iv) deep customer integration driving commercial adoption; and (v) experienced and visionary leadership team with a clear commercialization strategy. For details, see “Business — Our Strengths.”

OUR STRATEGIES

We intend to pursue the following strategies: (i) continue to invest in R&D to ensure a leading position in technology; (ii) expand solid-liquid hybrid battery production capacity; (iii) reduce production cost through materials innovation, supply chain optimization and scaled manufacturing; (iv) advance all-solid-state battery commercialization; (v) expand customer base and increase market share; (vi) drive international expansion and localized execution; and (vii) enhance ESG capabilities to support sustainable growth. For details, see “Business — Our Strategies.”

OUR DIFFERENTIATED TECHNOLOGICAL PATHWAY

A fundamental challenge facing the solid-liquid hybrid and all-solid-state battery industry is that no single solid electrolyte material can deliver the full set of properties required for large-scale commercial application. To address this limitation, we have pursued a differentiated technological path centered on organic-inorganic composite solid electrolytes, which combine complementary material properties to improve ionic conductivity, interfacial stability, manufacturability, durability and cost efficiency. According to Frost & Sullivan, we are one of the very few solid-state battery companies to have achieved tangible commercial deployment using this architecture. Built on our technical know-how and patent portfolio across composite solid electrolytes and specialized electrode materials, this pathway supports both our current solid-liquid hybrid batteries and our all-solid-state batteries, with key product advantages including enhanced safety, longer life, high power output, high energy density, wide temperature range and lower cost. For details, see “Business — Our Differentiated Technological Pathway.”

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OUR PRODUCT PORTFOLIO

During the Track Record Period, we generated revenue primarily through the sales of our battery products. Our battery products are primarily used in two applications: EV and ESS. We also derive a portion of revenue from the sale of automation equipment used in battery production and other manufacturing.

EV Battery Products

We develop our EV battery products by leveraging the manufacturing, quality management and supply chain capabilities accumulated through our ESS battery business. Our EV batteries are designed to meet key vehicle performance requirements, including safety, energy density, fast-charging capability, durability, broad temperature adaptability and platform compatibility, enabling reliable operation across diverse vehicle models and use environments. To support continued mass production, we have maintained deep, long-term strategic partnerships with automotive OEMs, which continue to enhance our R&D, product integration and manufacturing efficiency.

ESS Battery Products

We are among the first companies globally to introduce solid-state battery technology into the ESS sector, according to Frost & Sullivan, with the core objective of enhancing the safety and overall performance of energy storage systems and serving markets with stringent safety requirements and high value-added potential across grid, industrial and commercial, as well as residential applications. Our ESS battery products offer key performance strengths, including high safety, long cycle life, broad temperature adaptability and high charge-discharge efficiency. We provide integrated energy storage and backup power systems for facilities requiring uninterrupted power supply, including data centers, financial institutions and healthcare facilities. We also offer residential ESS battery products featuring long service life, ease of deployment and space efficiency, providing users with round-the-clock support for green residential electricity consumption.

Automation Equipment

We offer a comprehensive portfolio of automation equipment for lithium battery manufacturing, encompassing coating machines with differentiated technical architectures, transfer drums, iron-removal filtration systems, mixers, calendering machines and other integrated automated production solutions. These products are designed to address the operational requirements of battery manufacturers by enhancing production efficiency, process consistency and operational reliability, all of which are critical to commercial-scale manufacturing. For details, see “Business — Our Battery Product Portfolio.”

The following table sets forth a breakdown of our revenue by product, and as percentages of revenue, for the years indicated.

	Years Ended December 31,					
	2023		2024		2025	
	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)					
EV batteries	6,339	2.6	11,619	2.9	236,547	25.1
ESS batteries	92,313	37.2	258,360	63.7	592,072	62.8
Automation equipment	114,042	45.9	114,955	28.4	77,234	8.2
Others ⁽¹⁾	35,539	14.3	20,412	5.0	37,144	3.9
Total	248,233	100.0	405,346	100.0	942,997	100.0

Note:

(1) Others primarily represent recycling of scrap materials.

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The following table sets forth our sales volumes and average selling prices (net of tax) (“ASP”) by product type for the years indicated.

	Years Ended December 31,					
	2023		2024		2025	
	Sales Volume (GWh)	ASP (RMB per Wh)	Sales Volume (GWh)	ASP (RMB per Wh)	Sales Volume (GWh)	ASP (RMB per Wh)
EV battery products	0.01	0.56	0.02	0.60	0.78	0.31 ⁽¹⁾
ESS battery products	0.13	0.70	0.48	0.54	1.17	0.51 ⁽²⁾

Notes:

- (1) Our ASP for EV battery products in 2025 primarily represented the selling price of individual battery cells.
- (2) Our ASP for ESS battery products in 2025 primarily represented the selling price of battery packs with integrated control systems.

For a detailed discussion of changes in our sales volumes and ASP during the Track Record Period, see “Business — Our Product Portfolio.” For additional information about our plans to enhance the cost structure of our battery products, see “— Business Sustainability and Path to Profitability.”

OUR SUPPLIERS

We procure primarily raw materials and others from third parties. The procurement process consists primarily of procurement request approval, supplier negotiation and designation, inspection and warehousing, and payment. During each year of the Track Record Period, with respect to suppliers associated with our cost items, the aggregate purchase amounts from our five largest suppliers were RMB83.0 million, RMB119.5 million, and RMB372.2 million, representing 19.6%, 22.8%, and 32.2% of the total purchase amounts from such suppliers, respectively. The purchase amounts from our single largest supplier associated with our cost items in the same periods were RMB26.2 million, RMB44.3 million, and RMB139.8 million, representing 6.2%, 8.4%, and 12.1% of the total purchase amount from such suppliers, respectively. To the best knowledge of our Directors, during the Track Record Period, certain of our top customers are also our suppliers, and certain of our top suppliers are also our customers. Negotiations of the terms of our sales to, and purchases from, these overlapping customers and suppliers were conducted on a transaction-by-transaction basis using independent business terms. Our transactions with these entities were conducted on an arm’s-length basis in the ordinary course of our business. For more details, see “Business — Procurement” and “Business — Supply Chain Management.”

OUR CUSTOMERS

During the Track Record Period, our principal customers in the EV battery sector were automotive OEMs, while our principal customers in the ESS battery sector were EPC contractors who integrate our battery products into ESS projects. Revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB108.3 million, RMB153.7 million and RMB706.2 million, respectively, representing 43.6%, 37.9% and 74.9% of our total revenue for the respective year. Revenue generated from our largest customer in the same periods was RMB75.4 million, RMB61.4 million and RMB394.6 million, respectively, representing 30.4%, 15.1% and 41.8% of our total revenue for the respective year. For details, see “Business — Sales, Marketing and Customers.”

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

We recorded gross loss of RMB59.0 million, RMB96.3 million and RMB250.3 million in 2023, 2024 and 2025, respectively, representing gross loss margins of 23.8%, 23.8% and 26.5% during the same period, respectively. We recorded net losses of RMB853.0 million, RMB999.1 million and RMB1,302.3 million in 2023, 2024 and 2025, respectively. Our adjusted net loss (non-IFRS measure) amounted to RMB277.6 million, RMB496.1 million and RMB765.7 million in 2023, 2024 and 2025, respectively.

Our historical losses during the Track Record Period were primarily attributable to the following factors. First, as a leading company in the industrialization of solid-state battery technology in China, we were transitioning from a research-driven technology company to one with broader manufacturing capabilities. Battery manufacturing is capital-intensive, and a meaningful portion of our cost of sales

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consists of fixed and semi-fixed costs, such as labor costs and manufacturing overhead, while other components, such as material costs and inventory write-downs, may also affect our cost of sales. During the Track Record Period, many of our production lines were in the pre-commercial and ramp-up phases, with limited-volume deliveries, and the foregoing fixed and semi-fixed costs was spread over a limited volume of commercial delivery, resulting in relatively high unit costs and negative gross margins. Second, our strategic focus on the EV battery business required substantial upfront investment in process and material optimization, equipment commissioning and line qualification, and pilot production before reaching mass production that could generate revenue at scale. The scale of these investments reflects the fact that commercialization of solid-liquid hybrid and all-solid-state batteries required substantial investment not only in battery materials, but also in cell design, manufacturing processes and production equipment. Third, we have made substantial front-loaded investments in research and development. Our research and development expenses were approximately RMB142.0 million, RMB295.6 million and RMB376.9 million in 2023, 2024 and 2025, representing approximately 57.2%, 72.9% and 40.0% of revenue and accounted for approximately 16.6%, 29.6% and 28.9% of our net losses of RMB853.0 million, RMB999.1 million and RMB1,302.3 million in the respective years.

We are working to improve our financial performance and move towards sustained profitability through the following drivers:

Customer Expansion and Order Growth. Customer expansion and increased order volume from existing customers are a key driver of our path to profitability. In our business, customer relationships are typically built through long development cycles, product validation, joint engineering work and delivery execution, and once a supplier completes the relevant qualification and delivery stages, stronger customer relationships can support additional model nominations, broader product penetration and higher order volume over time. For our EV battery business, we have established cooperative relationships with leading automotive OEMs. In addition, we have entered into a cooperation memoranda with a leading automotive OEM, under which such OEM expressed a non-binding intention to procure several types of battery products supplied by us over the next three years. For our ESS battery business, we intend to expand cooperation with EPC contractors and other industry participants, particularly in overseas markets where project margin profiles are generally more favorable than domestic projects. Across both EV and ESS, we are also improving customer feedback and service coordination mechanisms to support product iteration, delivery quality and customer retention. We are also targeting higher-value vehicle segments, including hybrid electric vehicle (HEV), plug-in hybrid electric vehicle (PHEV) and extended-range electric vehicle (EREV) applications, where our solid-liquid hybrid batteries offer performance advantages including high charge-discharge rates, extended cycle life and wide operating temperature range, and which command more favorable unit pricing and margins. We are in advanced engagement with a leading automotive OEM for the supply of our solid-liquid hybrid batteries as standard-fit batteries for its HEV models, with mass production delivery expected to commence in 2027.

Margin Improvement Through Manufacturing Scale. We are actively driving gross margin improvement by scaling production volume and increasing fixed-cost absorption across our manufacturing base. During the Track Record Period, a meaningful portion of our manufacturing activities still related to pre-commercial and ramp-up phases, with limited-volume deliveries, rather than stable large-scale commercial delivery. As customer programs move into more stable batch delivery, fixed manufacturing costs, including depreciation and amortization, fixed labor and energy costs, can be absorbed over a larger and more stable output base. We are also working to improve yield and reduce changeover losses by establishing more specialized and dedicated production arrangements for selected products, refining process parameters for different material systems, improving production planning and strengthening scrap control in key manufacturing steps. These efforts are intended to improve production continuity, reduce time and material losses associated with line changeovers and support more stable large-scale production over time.

Material Cost Reduction Through Technology Advancements and Economies of Scale. We pursue material cost reduction through both technology advancement and production scale. On the technology side, we are improving our overall product architecture to develop and use new materials with more attractive cost-performance profiles, lowering bill-of-materials (BOM) cost, which is the aggregate cost of the raw materials and components that go into each battery. In particular, our manganese-based cathode materials generally cost less than established LFP cathode materials and approximately 30% of NCM

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cathode materials, while operating at a higher voltage that enables greater energy density, thereby reducing the overall cost of the battery pack. We also continue to refine manufacturing processes for different material systems, including building dedicated process libraries and systematically reducing process variability to lower manufacturing costs as production scales. On the procurement and scale side, we are establishing dedicated production lines for selected high-volume products, reconfiguring production scheduling to reduce changeover losses, broadening our supplier base, qualifying secondary and localized suppliers, and introducing volume-linked pricing mechanisms that reduce purchase prices as order volumes increase. We have also established a lithium manganese oxide production facility at our Wuhai production base to support future cathode material requirements and strengthen our ability to manage material costs directly.

Global Market Expansion. We are actively expanding into international markets to capture opportunities that command superior pricing and margins, and, subject to completion of certification and customer qualification, plan to supply our battery products to overseas customers. Our overseas expansion strategy differs by business line: in EV batteries, we intend to follow domestic OEM customers into overseas markets by supporting their export vehicle programs through product validation, certification and technical coordination; in ESS batteries, we plan to expand through local partners with established sales channels, focusing on cells and modules while partners handle downstream pack integration and local certification, allowing us to enter new markets efficiently without building a full overseas platform at the outset.

Enhanced Operating Leverage. Our operating cost structure is designed to achieve improving expense ratios as our revenue base scales. Research and development expenses will remain significant in absolute terms as we continue to invest in advanced battery products, materials, processes and technologies, but their growth is expected to be slower than revenue growth as our products move further into mass-production and delivery and our research and development focus shifts from foundational capability-building toward product iteration, customer-specific adaptation and manufacturing optimization. General and administrative expenses benefit from our integrated management and digital operating framework, which supports a larger production footprint and revenue base without a proportionate increase in management overhead. Selling and distribution expenses are expected to remain at a relatively low level as a percentage of revenue because our business model depends primarily on long-term relationships with major automotive OEMs and other key customers, rather than broad-based marketing expenditure. Taken together, we expect profitability to improve over time as revenue grows, gross margin benefits from larger-scale production and lower material and manufacturing costs, and operating expenses decline as a percentage of revenue.

For details, see “Business — Business Sustainability and Path to Profitability.”

COMPETITION

We operate in the global EV battery and ESS battery markets through our solid-liquid hybrid and all-solid-state battery products. According to Frost & Sullivan, global shipments of solid-liquid hybrid and all-solid-state batteries increased from 0.4 GWh in 2022 to 6.0 GWh in 2025 and are expected to grow rapidly through 2030, driven by increasing requirements for higher energy density, enhanced safety performance and broader applications. The markets remain relatively concentrated, with a limited number of specialized technology-driven companies possessing the technologies, process know-how and equipment integration capabilities required for industrialization. According to Frost & Sullivan, we ranked first globally in this market based on shipment volume in 2025, with a market share of approximately 33.6% globally and approximately 44.8% in China. For further details, see “Industry Overview.”

OUR CONTROLLING SHAREHOLDERS

Dr. Feng, Dr. Li, Dr. Nan and Ms. Yang first entered into a Concert Party Agreement on November 25, 2017 and such agreement was reconfirmed on June 5, 2019, pursuant to which, among others, they agreed to reach consensus on matters requiring decisions prior to the convening of the Board meeting or the Shareholders’ meeting, and to cast consistent votes at such meetings. For details, see “History, Development and Corporate Structure — Concert Party Agreement”. Immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), Dr. Feng, as a general partner,

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will be able to control the voting rights held by Kunshan Heshi, and, pursuant to the partnership agreement, Dr. Feng, as the general partner on executive matters, will be entitled to control the voting rights held by Kunshan Qingchuang, both being an Employee Shareholding Platform. Accordingly, Dr. Feng, Dr. Li, Dr. Nan and Ms. Yang, together with Kunshan Heshi and Kunshan Qingchuang, constitute a group of Controlling Shareholders and will be entitled to exercise approximately [REDACTED]% of the aggregated voting rights in our Company upon [REDACTED].

OUR RELATIONSHIP WITH SAIC GROUP

SAIC Motor, being our substantial shareholder upon [REDACTED], is a PRC automotive manufacturer listed on the Shanghai Stock Exchange (stock code: 600104). According to Frost & Sullivan, it is one of the largest automotive manufacturers in the PRC by sales volume. For details of our strategic cooperation, historical transactions during the Track Record Period and continuing connected transactions after [REDACTED] with SAIC Motor, see the section headed “Business” and “Connected Transactions”.

PRE-[REDACTED] INVESTMENTS

We have undertaken several rounds of Pre-[REDACTED] Investments. For details of the background of our major Pre-[REDACTED] Investors and the principal terms of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments”.

SUMMARY OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

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

	Years Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Revenue	248,233	405,346	942,997
Cost of sales	(307,231)	(501,673)	(1,193,250)
Gross loss	(58,998)	(96,327)	(250,253)
Other income	60,472	66,455	153,671
Other gains and losses, net	14,684	26,646	(17,152)
Selling and marketing expenses	(22,338)	(22,015)	(25,411)
General and administrative expenses	(96,120)	(146,020)	(196,615)
Research and development expenses	(142,012)	(295,598)	(376,944)
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Impairment losses on financial assets and other items	(23,120)	(22,037)	(38,868)
Share of results of associates	(5,291)	(2,600)	(2,898)
Finance costs	(573,344)	(502,313)	(542,450)
Loss before tax	(846,067)	(993,809)	(1,299,881)
Income tax expense	(6,977)	(5,308)	(2,468)
Loss for the year	(853,044)	(999,117)	(1,302,349)

For details for comprehensive discussion on fluctuations in our revenue and R&D expenses, see “Financial Information — Discussion of Results of Operations.”

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NON-IFRS FINANCIAL MEASURE

The following table reconciles Non-IFRS measure for the years presented with the nearest measure prepared in accordance with IFRS Accounting Standards.

	Years Ended December 31,		
	2023	2024	2025
	RMB	RMB	RMB
	(RMB in thousands)		
Loss for the year	(853,044)	(999,117)	(1,302,349)
Adjustments:			
— Finance costs from redemption liabilities	570,285	497,687	533,695
— Share-based payment expenses	5,208	5,372	—
— [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Adjusted net loss (Non-IFRS measure)	(277,551)	(496,058)	(765,693)

GROSS LOSS AND GROSS MARGIN

We recorded gross loss of RMB59.0 million, RMB96.3 million and RMB250.3 million in 2023, 2024 and 2025, respectively. The following table sets forth a breakdown of our gross profit/(loss) and gross margin by product for the years indicated.

	Years Ended December 31,					
	2023		2024		2025	
	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)					
EV batteries	(2,418)	(38.1)	(8,945)	(77.0)	(263,868)	(111.6)
ESS batteries	(100,177)	(108.5)	(126,682)	(49.0)	(35,674)	(6.0)
Automation equipment	32,075	28.1	23,761	20.7	20,685	26.8
Others	11,522	32.4	15,539	76.1	28,604	77.0
Total	(58,998)	(23.8)	(96,327)	(23.8)	(250,253)	(26.5)

For details, see “Financial Information — Description of Key Components of Consolidated Statements of Profit or Loss.”

SUMMARY OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITIONS

The table below sets forth selected information from our consolidated balance sheets as of the dates indicated, which has been extracted from the Accountants’ Report included in Appendix I to this Document:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Non-current assets	1,481,353	2,607,787	3,300,174
Current assets	4,025,100	2,987,909	3,331,358
Total assets	5,506,453	5,595,696	6,631,532
Non-current liabilities	299,307	277,979	1,220,943
Current liabilities	7,578,021	8,682,337	9,749,722
Total liabilities	7,877,328	8,960,316	10,970,665
Net current liabilities	(3,552,921)	(5,694,428)	(6,418,364)
Net liabilities	(2,370,875)	(3,364,620)	(4,339,133)
Share capital	547,375	547,375	547,375
Reserves	(3,122,285)	(4,083,790)	(5,309,217)
Total deficit	(2,370,875)	(3,364,620)	(4,339,133)

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For a detailed discussion of our current assets and current liabilities during the Track Record Period, see “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Positions.”

SUMMARY OF CONSOLIDATED STATEMENTS OF CASH FLOWS

The following table presents our consolidated cash flow data for the years indicated.

	Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash used in operating activities	(542,307)	(466,367)	(529,866)
Net cash used in investing activities	(248,613)	(1,104,673)	(800,555)
Net cash generated from financing activities	3,041,664	3,080	988,199
Net increase/(decrease) in cash and cash equivalents	2,250,744	(1,567,960)	(342,222)
Cash and cash equivalents at beginning of the year	896,983	3,147,727	1,579,767
Cash and cash equivalents at end of the year	3,147,727	1,579,767	1,237,545

During the Track Record Period and as of the Latest Practicable Date, our principal sources of liquidity have been cash generated from the Pre-[REDACTED] investments, and bank borrowings. For details, see “Financial Information — Liquidity and Capital Resources.”

KEY FINANCIAL RATIOS

The following table sets forth some of our key financial ratios as of the dates indicated.

	As of December 31,		
	2023	2024	2025
Current ratio ⁽¹⁾	4.5	2.0	1.6
Gearing ratio ⁽²⁾	0.1	0.1	0.3

Notes:

- (1) Current ratio is calculated as total current assets at the end of the year divided by total current liabilities, excluding redemption liabilities.
- (2) Gearing ratio is calculated based on total debt, including interest-bearing borrowings and lease liabilities, divided by total equity plus redemption liabilities, as of the date indicated.

For a more comprehensive discussion of the factors affecting our key financial ratios during the Track Record Period, see “Financial Information — Description of Key Components of Consolidated Statements of Profit or Loss.”

RISK FACTORS

Our business and the [REDACTED] involve certain risks, which are set out in the section headed “Risk Factors.” You should read that section in its entirety carefully before you decide to [REDACTED] in our Shares. Some of the major risks we face include: (i) the solid-state battery industry is an emerging technology sector and an early-stage market, and uncertainties in its development and commercialization, particularly in the power and energy storage segments, could materially affect its growth and stability; (ii) we have incurred gross losses and net losses during the Track Record Period and may continue to incur gross losses and net losses in the future, and we may not be able to achieve or maintain profitability; (iii) we have incurred net operating cash outflows and net current liabilities during the Track Record Period and may continue to experience negative operating cash flows in the future, which may require us to rely on external financing; (iv) If we are unable to retain existing customers and attract new customers, or if our connected party transactions do not continue on favorable terms, our business, financial conditions and results of operations could be materially and adversely affected; (v) our research and development activities involve significant uncertainty, and we may not realize the expected technological, commercial or financial benefits from these efforts, which could adversely affect our competitiveness and profitability; and (vi) we may not be able to increase our production capacity as planned, and even if our production expansion projects proceed as planned, we may not be able to increase our production capacity in a timely manner or at all as envisaged.

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DIVIDEND

During the Track Record Period, no dividends have been declared and paid by us. See “Financial Information — Dividend” for details of the restrictions on our ability to declare and distribute dividends.

WORKING CAPITAL SUFFICIENCY

Taking into account the financial resources available to us, including anticipated cash flow from our operating activities, existing cash and cash equivalents, available bank facilities and the estimated net [REDACTED] from the [REDACTED], our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this Document. We intend to finance our future working capital requirements and capital expenditures primarily from bank facilities and funds raised from financing activities, including the net [REDACTED] we will receive from the [REDACTED].

[REDACTED] EXPENSES

Based on the mid-point [REDACTED] of HK\$[REDACTED] (being the mid-point of our [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]), the total [REDACTED] expenses (including [REDACTED]) payable by our Company are estimated to be approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), assuming the [REDACTED] is not exercised. These [REDACTED] expenses mainly comprise professional fees paid and payable to the professional parties, and [REDACTED] payable to the [REDACTED], for their services rendered in relation to the [REDACTED] and the [REDACTED].

As of December 31, 2025, we have incurred RMB[REDACTED] of [REDACTED] expenses for the [REDACTED], of which RMB[REDACTED] was charged to our consolidated statements of profit or loss. We estimate that an additional [REDACTED] expenses of RMB[REDACTED] (including [REDACTED] of RMB[REDACTED], assuming the [REDACTED] is not exercised and based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]), accounting for [REDACTED]% of our gross [REDACTED], will be further incurred by our Group, of which RMB[REDACTED] is expected to be charged to our consolidated statements of profit or loss and RMB[REDACTED] is expected to be charged against equity upon the [REDACTED].

[REDACTED] STATISTICS

	Based on an [REDACTED] of HK\$[REDACTED] per H Share	Based on an [REDACTED] of HK\$[REDACTED] per H Share
Market [REDACTED] of our Shares ⁽¹⁾	HK\$[REDACTED]	HK\$[REDACTED]
Unaudited [REDACTED] adjusted consolidated net tangible assets per Share ⁽²⁾	HK\$[REDACTED]	HK\$[REDACTED]

Notes:

- (1) The calculation is based on the assumption that [REDACTED] Shares will be in issue immediately upon completion of the [REDACTED] (without taking into account Shares that may be issued upon the exercise of the [REDACTED]).
- (2) The unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at December 31, 2025 are based on [REDACTED] Shares, which is the existing shares excluding the shares with redemption right as of December 31, 2025 and immediately following the completion of the [REDACTED]. It does not take into account of (i) any Share which may be allotted and issued upon the exercise of the [REDACTED], (ii) general mandates for the allotment and issue of Shares granted to the employees of the Company, or (iii) the impact from the redemption right termination.

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

We [have applied] to the Stock Exchange for the granting of [REDACTED] of, and permission to [REDACTED], 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 Unlisted Shares. We satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue for the year ended December 31, 2025, which exceeds HK\$500 million,

SUMMARY

and (ii) our expected market capitalization at the time of [REDACTED], which exceeds HK\$4 billion based on the low-end of the indicative [REDACTED]. No part of our H Shares is [REDACTED] on or [REDACTED] on any other stock exchange, and no such [REDACTED] or permission to [REDACTED] is being or proposed to be sought in the near future.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] (after deducting the [REDACTED] fees and other estimated expenses payable by us in connection with the [REDACTED]), assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the mid-point of the [REDACTED] stated in this Document, and assuming the [REDACTED] are not exercised. In line with our strategies, we intend to use the net [REDACTED] for the following purposes: (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] will be used to construct new production facilities and/or acquire equipments to expand our production capacity for solid-liquid hybrid and all-solid-state batteries; (ii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] will be used for R&D activities to enhance the performance of our solid-state battery products and refine our manufacturing processes, with the aim of translating our technology capabilities into commercially viable products across EV, ESS and emerging sector application; and (iii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] will be used for working capital and general corporate purposes. For additional details, see “Future Plans and Use of [REDACTED].”

COMPLIANCE AND LEGAL PROCEEDINGS

During the Track Record Period and up to the Latest Practicable Date, we were not a party to any actual or pending legal or administrative proceedings, which would have a material adverse effect on our business, financial position or results of operations as a whole. Please see “Business — Compliance and Legal Proceedings” for more information.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

In January 2026, we obtained the requisite construction permit from the competent local governmental authorities for a proposed new battery production base in Kunshan, Jiangsu. In March 2026, a new major production line at our production base in Taizhou, Zhejiang commenced commercial operations, adding approximately 3.1 GWh of annual production capacity for our EV battery products. For more information about our production bases, see “Business — Manufacturing.” For additional information about our plan to expand our production capacity, see “Future Plans and Use of [REDACTED].”

In March 2026, SAIC Motor announced at MG Tech Day in Frankfurt that the MG4 Urban would become the first mass-produced electric vehicle in Europe to be fitted with solid-liquid hybrid batteries supplied by us, with availability targeted for later in 2026.

In addition, in connection with our Round H financing, we completed a series of equity financings pursuant to which we issued an aggregate of 40,000,504 ordinary shares to a group of institutional and strategic investors for total gross proceeds of approximately RMB1.9 billion. The subscriptions were completed in two tranches on January 27, 2026 and February 28, 2026, respectively. For more information about the foregoing financing, see “History, Development and Corporate Structure.”

Our Directors have confirmed that as of the date of this Document, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2025, being the end date of our latest audited financial statements, and there has been no event since December 31, 2025 that would materially affect the information shown in the Accountants’ Report set out in Appendix I to this Document.