A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company, formerly known as P&R Measurement Technology Co., Ltd. (珠海市精實測控技術有限公司), was incorporated in the PRC on 14 October 2011. On 19 July 2022, our Company was converted from a limited liability company into a joint stock company with limited liability and renamed to P&R Measurement Technology Co., Ltd. (珠海精實測控技術股份有限公司). Our registered office is located at No. 857 Ke Gang Avenue, Bai Jiao Town, Doumen District, Zhuhai, Guangdong Province, the PRC.

Our Company has established a principal place of business in Hong Kong at 40th Floor, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong and was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on 30 September 2025. Our Company has appointed Ms. Jian Xuegen (簡雪艮) as its authorised representative under the Companies Ordinance for the acceptance of service of process and notices in Hong Kong. The address for service of process on our Company in Hong Kong is the same as our principal place of business in Hong Kong as set out above.

As our Company is incorporated in the PRC, we are subject to relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and our Articles of Association is set out in Appendix V and Appendix VI to this document, respectively.

2. Changes in the share capital of our Company

Save as disclosed in "History, Development and Corporate Structure — Corporate Development and major shareholding changes — Our Company" in this document, there has been no alteration in the share capital of our Company within two years immediately preceding the date of this document.

3. Shareholders' resolutions of our Company

Pursuant to the general meeting held on 28 September 2025, the following resolutions, among others, were duly passed by our Shareholders:

(a) the issue by our Company of H Shares of nominal value of RMB1.00 each and such H Shares be [**REDACTED**] on the Stock Exchange;

(b) the number of H Shares to be issued before the exercise of the [**REDACTED**] shall be approximately 25% of the enlarged share capital of our Company upon completion of the [**REDACTED**] (in fulfilment of the lowest applicable public float requirement pursuant to the Listing Rules) and granting the [**REDACTED**] the [**REDACTED**] of no more than 15% of the above number of H Shares to be issued;

(c) subject to the completion of the [**REDACTED**], [**REDACTED**] Domestic Unlisted Shares in aggregate held by our Shareholders 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 [**REDACTED**]; and

(e) authorisation of our Board and its authorised persons to handle all matters relating to, among other things, the [**REDACTED**], the issue and [**REDACTED**] of the H Shares on the Stock Exchange.

4. Changes in share capital of our subsidiaries

The list of our subsidiaries is set out in Note 15 to the Accountants' Report, the text of which is set out in Appendix I to this document.

The following alterations in the share capital of our subsidiaries have taken place within two years immediately preceding the date of this document:

(a) P&R Measurement (EU)

P&R Measurement (EU) was established in Germany on 15 November 2024 with a total capital of EUR50,000. It is an indirect wholly-owned subsidiary of our Company.

(b) P&R Measurement (Mexico)

P&R Measurement (Mexico), a common stock cooperation with variable capital incorporated in Mexico on 13 January 2025 with a total capital of MXN100,000. It is an indirect wholly-owned subsidiary of our Company.

(c) Kelvin Smart

Kelvin Smart was established in the PRC on 14 January 2025 with a total registered capital of RMB30 million. It is a wholly-owned subsidiary of our Company.

(d) Luorui Zhijing

Luorui Zhijing was established in the PRC on 22 July 2025 with a total registered capital of RMB5 million. It is a wholly-owned subsidiary of our Company.

(e) Anhui Zhiyuan

Anhui Zhiyuan was established in the PRC on 10 September 2025 with a total registered capital of RMB5 million. It is a wholly-owned subsidiary of our Company.

(f) P&R Measurement (Vietnam)

The registered capital of P&R Measurement (Vietnam) was increased from VND22,997,517,280 to VND36,082,5l7,280 on 13 October 2025, and further increased from VND36,082,5l7,280 to VND49,163,157,280 on 27 March 2026.

(g) Jingchen Changxing

Jingchen Changxing was established in the PRC on 21 October 2025 with a total registered capital of RMB10 million. It is a wholly-owned subsidiary of our Company.

(h) Lori Vision

Lori Vision was incorporated in the United States on 3 December 2025 with a contributed capital of USD1,000. It is an indirectly wholly-owned subsidiary of our Company.

(i) APEX (Vietnam)

APEX (Vietnam) was established in Vietnam on 19 December 2025 with a registered capital of VND13,067,500,000. It is an indirectly wholly-owned subsidiary of our Company.

(j) Suzhou Zhixu

Suzhou Zhixu was established in the PRC on 11 March 2026 with a total registered capital of RMB5 million. It is an indirectly wholly-owned subsidiary of our Company.

Save as disclosed above, there has been no alteration in the share capital of any of our subsidiaries within the two years immediately preceding the date of this document.

5. Restriction on share repurchases

For details of the restrictions on share repurchases by our Company, please refer to "Summary of the Articles of Association" which is set out in Appendix VI to this document.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

We have entered into the following contract (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this document, which is or may be material:

(a) the [**REDACTED**].

2. Our material intellectual property rights

(a) Trademarks

(i) As at the Latest Practicable Date, we have registered the following trademarks which we considered to be material to our business:

No.	Trademark	Registered Owner	Place of Registration	Classes	Registration Number	Expiry date
1.	精实测控	our Company	PRC	9	41330536	6 October 2030
2.	精实测控	our Company	PRC	42	41317882	27 October 2030
3.	精实测控	our Company	PRC	7, 9, 10, 11, 40, 41, 42	45270627	20 June 2034
4.	PR Measurement	our Company	PRC	7	58437207	20 May 2032
5.	PR Measurement	our Company	PRC	9	58427674	20 May 2032
6.	PR Measurement	our Company	PRC	10	58412687	20 February 2032
7.	PR Measurement	our Company	PRC	11	58421576	20 May 2032
8.	PR Measurement	our Company	PRC	40	58414997	13 February 2032
9.	PR Measurement	our Company	PRC	42	58417923	20 May 2032
10.	Prmeasurement	our Company	PRC	10	58403573	13 February 2032
11.	Prmeasurement	our Company	PRC	11	58399051	13 February 2032
12.	Prmeasurement	our Company	PRC	35	58408410	13 February 2032
13.	Prmeasurement	our Company	PRC	41	58396423	13 February 2032
14.	PRM	our Company	PRC	9	78651466A	6 December 2034
15.	PRM	our Company	EU	9	019058859	24 July 2034
16.	PR Measurement	our Company	HK	9, 35, 42	307004619	21 August 2035

(b) Patents

(i) As at the Latest Practicable Date, we have registered the following patents which we considered to be material to our business:

No.	Patent	Registered Owner	Patent Number	Patent Type	Place of Registration	Date of Application	Validity Period (from the Date of Application)
1.	Multi-layer configurable acoustic shielding box (多層可配置聲學屏蔽箱)	Our Company	ZL201610043843.9	Invention	PRC	22 January 2016	20 years
2.	Fan abnormal sound detection system (風扇異音檢測系統)	Our Company	ZL201610050636.6	Invention	PRC	26 January 2016	20 years
3.	A mobile phone speaker ageing testing system (一種手機喇叭老化測試系統)	Our Company	ZL201811557156.4	Invention	PRC	19 December 2018	20 years
4.	An adjustable altitude enthalpy difference laboratory (一種可調節海拔高度焓差實驗室)	Our Company	ZL201910981002.6	Invention	PRC	16 October 2019	20 years
5.	A single-datum positioning fully floating PCB functional testing structure (一種單基準定位全浮動式PCB功能測試結構)	Our Company	ZL202010856910.5	Invention	PRC	24 August 2020	20 years
6.	A method for testing the consistency of built-in accelerometer performance in products (一種測試產品內置加速度傳感器性能一致性的方法)	Our Company	ZL202110520890.9	Invention	PRC	13 May 2021	20 years
7.	A method for automated decoupling and regulation of operating condition in HVAC laboratories (一種暖通實驗室工況解耦自動化調節方法)	Our Company	ZL202110538425.8	Invention	PRC	18 May 2021	20 years
8.	A circuit board testing platform (一種電路板測試平台)	Our Company	ZL202110651887.0	Invention	PRC	11 June 2021	20 years

No.	Patent	Registered Owner	Patent Number	Patent Type	Place of Registration	Date of Application	Validity Period (from the Date of Application)
9.	An acoustic performance testing platform and a soundproof box based on the testing platform (一種聲學性能測試平台以及基於測試平台的隔音箱)	Our Company	ZL202210106444.8	Invention	PRC	28 January 2022	20 years
10.	An automated heat dissipation verification platform and verification method (一種自動化散熱驗證平台及驗證方法)	Our Company	ZL202210202438.2	Invention	PRC	3 March 2022	20 years
11.	A temperature control testing system and method (一種溫控測試系統及方法)	Our Company	ZL202211396561.9	Invention	PRC	9 November 2022	20 years
12.	Data interaction method, apparatus and storage medium based on standardised documents (基於標準化文件的數據交互方法、裝置及存儲介質)	Our Company	ZL202310762435.9	Invention	PRC	26 June 2023	20 years
13.	Data cloud testing system and method (測試數據雲系統及方法)	Our Company	ZL202310762377.X	Invention	PRC	26 June 2023	20 years
14.	An automated control system and method for environmental constant temperature and humidity equipment (一種環境恒溫恒濕設備自動化控制系統及方法)	Suzhou Jingchuang	ZL201811575138.9	Invention	PRC	21 December 2018	20 years
15.	A device and method for testing the acoustic performance of products (一種用於測試產品聲學性能的裝置及方法)	Suzhou Jingchuang	ZL201911069318.4	Invention	PRC	5 November 2019	20 years
16.	Intelligent scheduling method and system for an air conditioning test bench (一種空調試驗台的智能調度方法及系統)	Guangzhou Kejun	ZL201711389119.2	Invention	PRC	21 December 2017	20 years

No.	Patent	Registered Owner	Patent Number	Patent Type	Place of Registration	Date of Application	Validity Period (from the Date of Application)
17.	A constant air velocity control system for enthalpy difference laboratory sampling devices (一種用於焓差實驗室取樣裝置恒定風速控制系統)	Our Company	ZL202022813732.6	Utility model	PRC	27 November 2020	10 years
18.	A test device for detecting air leakage in enthalpy difference laboratory air handling units (一種用於檢測焓差實驗室風量箱漏風的測試裝置)	Our Company	ZL202022998005.1	Utility model	PRC	11 December 2020	10 years
19.	A left and right sampling air source heat pump laboratory with independent temperature and humidity control (一種左右取樣的溫濕度單獨控制型空氣源熱泵實驗室)	Our Company	ZL202122116747.1	Utility model	PRC	2 September 2021	10 years
20.	An audio file processing method, apparatus and storage medium (一種音訊檔處理方法、裝置及存儲介質)	Our Company	ZL202411730686.X	Invention	PRC	29 November 2024	20 years
21.	A smart fan noise detection method based on time-frequency maps and deep learning (基於時頻圖和深度學習的風扇異音智慧判別檢測方法)	Our Company	ZL202510089988.1	Invention	PRC	21 January 2025	20 years
22.	Fan noise detection method and device based on artificial intelligence neural network (基於人工智慧神經網路的風扇異音檢測方法及裝置)	Our Company	ZL202511357479.9	Invention	PRC	23 September 2025	20 years
23.	Laboratory automated testing equipment (實驗室自動化測試裝置)	Our Company	ZL201621076370.4	Utility model	PRC	23 September 2016	10 years

No.	Patent	Registered Owner	Patent Number	Patent Type	Place of Registration	Date of Application	Validity Period (from the Date of Application)
24.	Laboratory Automated Strain Testing System (實驗室自動應變測試系統)	Our Company	ZL201621146066.2	Utility model	PRC	21 October 2016	10 years

(ii) As at the Latest Practicable Date, we have applied for the registration of the following patents in the PRC:

No.	Patent	Applying Proprietor	Patent Application Number	Patent Type	Date of Application
1.	Machine vision-based automated product quality inspection method and device (基於機器視覺的自動化產品品質檢測方法及裝置)	Our Company	2024111111463	Invention	14 August 2024
2.	Multifunctional automated electric vehicle power domain measurement and control system (多功能自動化電動汽車動力域測控系統)	Suzhou OctopX	2024115430152	Invention	31 October 2024

(c) Software copyrights

(i) As at the Latest Practicable Date, our Group was the registered owner of the following software copyrights which we considered to be material to our business:

No.	Software Name	Owner	Registration No.	Date of Registration
1.	Vibration, noise, and stress-strain testing system (振動、噪聲與應力應變測試系統)	Our Company	2014SR161254	28 October 2014
2.	Printed circuit board stress-strain testing system (印刷電路板應力應變測試系統)	Our Company	2015SR000055	4 January 2015
3.	Intelligent distributed testing system (智能分布式測試系統)	Our Company	2015SR000077	4 January 2015

No.	Software Name	Owner	Registration No.	Date of Registration
4.	Motor abnormal noise feature extraction and recognition software (電機異音特徵提取與識別軟件)	Our Company	2015SR067616	23 April 2015
5.	Vibration and noise automated testing system (振動噪聲自動化測試系統)	Our Company	2015SR252872	10 December 2015
6.	Trial data statistical analysis software V1.0 (試驗數據統計分析軟件V1.0)	Guangzhou Kejun	2018SR700699	31 August 2018
7.	Structural resonance analysis software V1.0 (結構共振分析軟件V1.0)	Guangzhou Kejun	2018SR700686	31 August 2018
8.	100HP comprehensive performance laboratory testing software V1.0.0 (100HP綜合性能實驗室測試軟件V1.0.0)	Guangzhou Kejun	2021SR2178363	20 September 2018
9.	Long-term lifespan laboratory testing software (長期壽命實驗室測試軟件)	Guangzhou Kejun	2021SR2178359	20 September 2018
10.	5P operating condition conditions laboratory testing software V1.0 (5匹環境工況實驗室測試軟件V1.0)	Guangzhou Kejun	2021SR2178364	20 September 2018
11.	A product acoustic performance testing software V7.0 (一種產品聲學性能測試的軟件V7.0)	Guangzhou Kejun	2019SR1165355	18 November 2019
12.	Laboratory automated operating condition testing software V1.0 (實驗室自動工況測試軟件V1.0)	Guangzhou Kejun	2019SR1393277	18 December 2019
13.	5HP enthalpy difference fresh air automation laboratory testing software (5HP焓差新風自動化實驗室測試軟件)	Guangzhou Kejun	2023SR1017653	5 September 2023
14.	Centralised cold source energy management control system software (集中冷源節能控制系統軟件)	Guangzhou Kejun	2023SR1071019	14 September 2023
15.	Automated operating condition control laboratory software V1.0 (自動化工況環境控制實驗室軟件V1.0)	Guangzhou Kejun	2023SR1194872	8 October 2023

No.	Software Name	Owner	Registration No.	Date of Registration
16.	Air conditioning online software logic detection system V1.0 (空調在線軟件邏輯檢測軟件系統 V1.0)	Guangzhou Kejun	2023SR1713487	25 December 2023

(d) Domain name

(i) As at the Latest Practicable Date, our Group was the registered proprietor of the following domain name which we considered to be material to our business:

Domain name	Registered Owner	Date of Registration	Date of Expiration
prmeasure.com	Our Company	24 August 2022	N/A

C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Particulars of Directors' contracts

Each of our Directors has entered into a service contract with our Company. The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

Save as disclosed above, none of the Directors has or is proposed to enter into a service contract with any member of our Group, other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation).

2. Remuneration of Directors

For details of the remuneration or benefits in kind paid to our Directors during the Track Record Period, please refer to the section headed "Directors and Senior Management" and note 8 in "Appendix I — Accountants' Report" in this document.

During the Track Record Period, no fees were paid by our Group to any of our Directors or the five highest paid individuals as an inducement to join us or as compensation for loss of office, and there has been no arrangement under which a Director has waived or agreed to waive any emoluments.

D. DISCLOSURE OF INTERESTS

1. Disclosure of interests of Directors and chief executives of our Company

Immediately following the completion of the [**REDACTED**], the interest and/or short position (as applicable) of our Directors and chief executives of our Company 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 interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to our Company and the Stock Exchange, once the H Shares are [**REDACTED**], will be as follows:

			Shares held as at the Latest Practicable Date and immediately prior to the [REDACTED](3)		Shares held immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised)(3)	
Name of Shareholder	Capacity/Nature of interest	Type of Shares	Number(2)	Approximate percentage in the total issued Shares	Number(2)	Approximate percentage in the total issued Shares
Mr. Wang	Beneficial Interest	Domestic Unlisted Shares	19,778,955(L)	23.65%	[REDACTED]	[REDACTED]%
	Interested in controlled corporation(4)	Domestic Unlisted Shares	5,533,398(L)	6.62%	[REDACTED]	[REDACTED]%
Mr. Kuang, Duane Ziping (鄺子平). .	Interested in controlled corporation(5)	Domestic Unlisted Shares	9,677,995(L)	11.57%	[REDACTED]	[REDACTED]
		H Shares	–	–	[REDACTED]	[REDACTED]

Notes:

1. For the avoidance of doubt, both Domestic Unlisted Shares and H Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares.

2. The letter "L" denotes the entity/person's long position (as defined under Part XV of the SFO) in such Shares.

3. The calculation is based on the total number of [83,625,000] Shares in issue as at the Latest Practicable Date, including [**REDACTED**] Domestic Unlisted Shares and [**REDACTED**] Domestic Unlisted Shares which will be converted into H Shares upon completion of the [**REDACTED**].

4. As at the Latest Practicable Date, Mr. Wang was the sole general partner of Jingzhen Xiekong, our employee shareholding platform, which was interested in 5,533,398 Domestic Unlisted Shares. Accordingly, Mr. Wang is deemed to be interested in the Domestic Unlisted Shares held by Jingzhen Xiekong under the SFO.

5. As at the Latest Practicable Date, Suzhou Industrial Park Qiming Rongke Equity Investment Partnership (Limited Partnership)* (蘇州工業園區啟明融科股權投資合夥企業(有限合夥)) ("**Qiming Rongke**") was controlled by its general partner Suzhou Qiping Investment Management Partnership Enterprise (Limited Partnership)* (蘇州啟平投資管理合夥企業(有限合夥)) ("**Qiping Investment**"). The general partner of Qiping Investment, who owns approximately 3.85% interest therein, is Suzhou Qiman Investment Management Co., Ltd.* (蘇州啟滿投資管理有限公司), which is ultimately controlled by Ms. Yu Jia (於佳) and Ms. Xu Jing (徐靜) as to 50.00% and 50.00% of the equity interest therein, respectively. Qiping Investment is also owned as to approximately 96.15% by Suzhou Qiyuan Equity Investment Management Partnership (LLP)* (蘇州啟元股權投資管理合夥企業(有限合夥)) ("**Suzhou Qiyuan**") as its limited partner. The general partner of Suzhou Qiyuan is Qiming China (GP) Limited* (啟明中國(普通合夥人)有限公司) ("**QCL GP**") which holds 1% of the partnership interests in Suzhou Qiyuan, and the limited partner, namely Qiming China (LP) Limited* (啟明中國(有限合夥人)有限公司) ("**QCL LP**") holds 99% of the partnership interests in Suzhou Qiyuan. Both QCL GP and QCL LP are wholly owned by Qiming China Limited* (啟明中國有限公司) ("**QCL**"). Mr. Kuang, Duane Ziping ultimately held more than 30% of the shareholding of QCL. Therefore, Mr. Kuang, Duane Ziping was deemed to be interested in the Shares in which Qiming Rongke was interested under the SFO.

2. Disclosure of interests of substantial shareholders

Save as disclosed in the section headed "Substantial Shareholders" in this document, our Directors are not aware of any person (other than our Director or chief executive of our Company) who will, immediately following completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised), have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, 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 any member of our Group.

3. Disclaimers

Save as disclosed in the sections headed "Business" and "Substantial Shareholders" in this document and the paragraphs headed "C. Further Information about our Directors" and "D. Disclosure of Interests" in this section:

(a) none of our Directors or chief executive has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(b) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group taken as a whole;

(c) none of our Directors is interested in any business (other than the business of our Group) which competes or is likely to compete, directly or indirectly, with our business; and

(d) without taking into account any Shares which may be taken up under the [**REDACTED**], none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the [**REDACTED**], be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at shareholders' meetings of any member of our Group in the Shares or underlying Shares of our Company.

E. EMPLOYEE SHARE OWNERSHIP PLAN

We have established the employee share ownership plan ("**ESOP**") since 2017 in recognition of the contributions of our employees and to provide incentives that align the interests of our Company and employees. The terms of the ESOP are not subject to the provisions of Chapter 17 of the Listing Rules as the ESOP does not involve the grant of new Shares, options or awards by the Company after the [**REDACTED**] and there will be no dilution effect to the issued Shares after [**REDACTED**]. As at the Latest Practicable Date, all the Shares underlying the ESOP had been issued and granted, and to the extent that there is any change to the grants under the ESOP after the [**REDACTED**], our Company will comply with the applicable Listing Rules (including the requirements under Chapter 14A of the Listing Rules applicable to grants to connected persons, if any). Jingzhen Xiekong is the designated employee shareholding platform pursuant to the ESOP. As at the Latest Practicable Date, Jingzhen Xiekong held 6.62% of the issued share capital of our Company. For details of the Employee Shareholding Platform, please refer to the section headed "History, Development and Corporate Structure".

The following is a summary of the principal terms of the ESOP:

1. Purpose

The purpose of the ESOP is to establish and improve the Company's incentive mechanism, attract and retain outstanding talent, fully motivate employees' initiative and creativity, and enhance the Company's capacity for sustainable development.

2. Form of the ESOP

The grantees are granted partnership interests (the "**Awards**") in Jingzhen Xiekong or such other employee shareholding platforms (the "**Employee Shareholding Platform(s)**") as may be approved by the Shareholders' meeting, and hold indirect interest in the Shares. Grantees of the Awards are entitled to the economic benefits corresponding to their vested Awards, including dividends and distribution of proceeds arising from the transfer or disposal of partnership interests, subject to the terms of the ESOP and applicable laws.

3. Eligibility

Eligible participants include the Company's management at various levels, core technical and operational staff, and other employees identified by the Board based on factors including tenure, position, contributions, and alignment with the Company's values.

4. Subscription price of the Awards

The subscription price of the Awards shall be determined by the Board based on, among others, the Company's operating conditions, net assets and valuation at the time of grant.

5. Performance assessment

A model of one-time grant, phased performance assessment, and phased vesting is adopted. Awards are granted upfront upon grantees' payment of subscription price, and such Awards are subject to annual assessment over a multi-year evaluation period. Based on the assessment results, a portion of the Awards would be vested each year, and the final number of Awards vested is determined at the end of the evaluation period. Any unvested balance must be returned to the Employee Shareholding Platform in accordance with the ESOP. The Board is responsible for approving assessment and vesting results and may, if appropriate, shorten the assessment period or accelerate the vesting process. Where repurchases or adjustments are required, participants are obliged to cooperate with the platform to complete the relevant transfer and registration procedures.

6. Rights attached to the Awards

Grantees of the Awards are entitled to the economic benefits corresponding to their vested partnership interests, including dividends and distribution of proceeds arising from the transfer or disposal of partnership interests, subject to the terms of the ESOP and applicable laws.

7. Lock-up period

Prior to the [**REDACTED**] of the Company, and until the expiry of the relevant statutory lock-up period, the grantees of the Awards are prohibited from transferring, pledging, or otherwise disposing of their partnership interests without the consent of the general partner of the Employee Shareholding Platform. After the [**REDACTED**] of the Company, transfers of the partnership interests shall continue to be subject to applicable laws, regulations, and market practice regarding lock-up and disposal restrictions.

8. Repurchase and exit arrangements

Under certain circumstances, the Company or the employee shareholding platform may repurchase the Awards from grantees. Where a grantee has acted in bad faith or caused material damage to the Company or its affiliates through negligence or misconduct, or in other circumstances as recognised by the Board, the grantee must transfer all of his or her Awards to the general partner of the Employee Shareholding Platform or its designated third party at the original subscription price. In more serious cases, including but not limited to dismissal due to serious breach of Company rules, violation of laws or the Articles of Association, misappropriation of funds, misappropriation of Company assets, or criminal offences, the Company reserves the right to require the transfer of all Awards at the original subscription price plus interest at an annual rate of 6%.

If a [**REDACTED**] of the Company is not completed within 60 months after the subscription of Awards, the grantees or their successors may require the general partner of the Employee Shareholding Platform to repurchase all of their Awards at the original subscription price plus interest at an annual rate of 6%. This repurchase right lapses when an application for [**REDACTED**] is made, but will be reinstated if the application is rejected or withdrawn.

In other circumstances involving a transfer of the Awards, such as the expiry of the performance assessment, or the termination of employment, the grantees may transfer the Awards at a price to be agreed with the general partner of the Employee Shareholding Platform.

9. Details of interests in the Jingzhen Xiekong

As at the Latest Practicable Date, Awards granted under the ESOP corresponding to a total of 5,533,398 Shares, representing approximately 6.62% of our total issued Shares. No Shares will be further granted after the [**REDACTED**] pursuant to the ESOP. Details of the Awards granted to Directors, senior management, connected persons and other employees of our Company under the ESOP are set out below:

Name	Position	Approximate partnership interests in Jingzhen Xiekong	Approximate number of Shares corresponding to Awards held by Jingzhen Xiekong	Approximate shareholding percentage corresponding to the Awards in the total number of Shares in issue immediately prior to the [REDACTED]
Mr. Wang . . .	Executive Director, chairman of our Board and chief executive officer	31.00%	1,715,353	2.05%
Mr. Yang Xiaobing (楊小兵) . . .	Executive Director, deputy general manager and chief financial officer	8.00%	442,672	0.53%

Name	Position	Approximate partnership interests in Jingzhen Xiekong	Approximate number of Shares corresponding to Awards held by Jingzhen Xiekong	Approximate shareholding percentage corresponding to the Awards in the total number of Shares in issue immediately prior to the [REDACTED]
Mr. Jiang Yong (江勇)	Executive Director, deputy general manager, secretary to the Board and one of the joint company secretaries	5.00%	276,670	0.33%
Mr. Pan Cong (潘聰)	Deputy general manager	3.80%	210,269	0.25%
Mr. Zhang Hui (張輝) .	Deputy general manager	3.50%	193,669	0.23%
Mr. Wu Chuanhui (吳川輝) . . .	Employee representative Director	2.50%	138,335	0.17%
Ms. Luo Yan (羅艷)	Deputy general manager	0.20%	11,067	0.01%
35 other employees .	/	46.00%	2,545,363	3.04%
Total		**100.00%**	**5,533,398**	**6.62%**

F. OTHER INFORMATION

1. Estate duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any member of our Group.

2. Litigation

As at the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

3. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for [**REDACTED**] of, and permission to [**REDACTED**], (i) the H Shares to be converted from our Domestic Unlisted Shares, and (ii) 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**]). All necessary arrangements have been made to enable the securities to be admitted into [**REDACTED**].

SPDB International Capital Limited satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. As members of the sponsor group (as defined in the Listing Rules) of China International Capital Corporation Hong Kong Securities Limited collectively held or will hold, directly or indirectly, more than 5% of the number of issued shares of our Company as at the Latest Practicable Date and up to the [**REDACTED**], China International Capital Corporation Hong Kong Securities Limited does not satisfy the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules.

The Joint Sponsors will receive an aggregate fee of US$800,000 for acting as the sponsors for the [**REDACTED**].

4. Preliminary expenses

Our Company did not incur any material preliminary expenses.

5. Promoters

The promoters of our Company comprised all of the 13 then shareholders of our Company as at 19 July 2022 before our conversion into a joint stock Company with limited liability.

Within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor is any proposed to be paid, allotted or given to any promoters in connection with the [**REDACTED**] and the related transactions described in this document.

6. Qualifications of experts

The qualifications of the experts, as defined under the Listing Rules, who have given opinions in this document, are as follows:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO 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 as defined under the SFO
SPDB International Capital Limited	A licensed corporation to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) of the regulated activities under the SFO
BDO Limited.	Certified Public Accountants under Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
Beijing DeHeng Law Offices. . .	Legal advisers to our Company as to the PRC law
China Insights Industry Consultancy Limited	Independent industry consultant
Vincorn Consulting and Appraisal Limited	Independent property valuer

7. Consents of experts

Each of the parties named above has given and has not withdrawn its written consent to the issue of this document with the inclusion of its report and/or letter and/or opinion and/or references to its name included herein in the form and context in which it is respectively included.

As at the Latest Practicable Date, none of the experts named above has any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

8. Taxation of holders of H Shares

(a) Hong Kong

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transactions are effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

(b) Consultation with professional advisers

Intending holders of the H Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of [**REDACTED**] for, purchasing, holding or disposing of or [**REDACTED**] in the H Shares. It is emphasised that none of our Company, our Directors or the other parties involved in the [**REDACTED**] will accept responsibility for any tax effect on, or liabilities of, holders of H Shares resulting from their [**REDACTED**] for, purchase, holding or disposal of or [**REDACTED**] in the H Shares or exercise of any rights attaching to them.

9. Binding effect

This document shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

10. Related party transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this document as mentioned in Note 33 to the Accountants' Report in Appendix I to this document.

11. No material adverse change

Our Directors believe that there has been no material adverse change in the financial or trading position since 31 December 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

12. Miscellaneous

Save as disclosed in the sections headed "History, Development and Corporate Structure", "Business", "Financial Information" and "[**REDACTED**]" in this document and the paragraph headed "A. Further Information about our Group" in this section:

(a) within the two years immediately preceding the date of this document:

(i) no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued or is proposed to be issued fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) 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 of our Company or any of our subsidiaries; and

(iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company;

(b) there are no founder, management or deferred shares or any debentures in our Company or any of 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) our Company has no outstanding convertible debt securities or debentures;

(e) there is no arrangement under which future dividends are waived or agreed to be waived;

(f) save for our H Shares to be issued in connection with the [**REDACTED**], none of our equity and debt securities is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought;

(g) our Company currently does not intend to apply for the status of a sino-foreign investment joint stock limited liability company and does not expect to be subject to the Law of the PRC on Sino-foreign Equity Joint Ventures; and

(h) all necessary arrangements have been made to enable the H Shares to be admitted into [**REDACTED**] for clearing and settlement.

13. 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). In case of any discrepancies between the English language version and Chinese language version of this document, the English language version shall prevail.