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 Shares. There are risks associated with any investment. 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 Shares. Various expressions used in this section are defined in the sections headed "Definitions" and "Glossary of Technical Terms" in this Document.*

OVERVIEW

We are a well-known automaker in China with strong expertise in vehicle development, design, and manufacturing. We are primarily focused on serving B-end clients, typically enterprise or institutional clients rather than individual consumers, leveraging our advanced charging and battery-swapping technologies. According to CIC, in 2024, we ranked the eighth in the to-B NEV market in terms of sales volume. In addition to automobiles, we offer motorcycles, including mid-to-large displacement models. According to CIC, our motorcycle export volume ranked ninth among Chinese motorcycle manufacturers in 2024. Our product portfolio also includes a diverse range of general-purpose machinery, such as generator sets, water pumps, and pressure washers, enabling us to meet a wide range of market demands. During the Track Record Period, we primarily generated revenue from the manufacturing and sales of automobiles and motorcycles, accounting for over 85% of our total revenue in each year during the Track Record Period.

We believe that the intelligent driving, smart cockpit and robotaxi are the core of "AI + Mobility", as these solutions capture where AI delivers the greatest functional, commercial and strategic value in modern transportation. Therefore, we took our first step in our future growth strategies via the development and commercialization of intelligent driving solutions. We plan to progressively expand our solutions to smart cockpit and robotaxi in the future. In the fourth quarter of 2025, we generated revenue of RMB350.1 million from our technology solutions by providing non-recurring engineering services, with a gross profit margin of 30.4% in 2025. For details, see "Business Our Products and Solutions."

OUR COMPETITIVE STRENGTHS

We believe our following core competitive strengths will allow us to further consolidate our market leading position: (i) uniquely positioned with scale in both automobile and motorcycle sectors; (ii) comprehensive R&D capabilities and a versatile product portfolio in automobiles and motorcycles; (iii) scalable platform potential and ecosystem synergies; (iv) AI-native capabilities with holistic solutions; (v) global vision and service capabilities; and (vi) a core management and R&D team driving continuous innovation. For details, see "Business — Our Strengths."

OUR GROWTH STRATEGIES

To achieve our vision and mission, we intend to pursue the following strategies: (i) continuous product optimization and strategic expansion for automobile and motorcycle businesses; (ii) advancing AI capabilities and solutions; (iii) driving industry chain integration; (iv) enhancing our full-collaboration with key strategic customers; (v) accelerating international expansion; and (vi) expanding to "AI + robotics". For details, see "Business — Strategies."

KEY OPERATING DATA

The following tables present a breakdown of key operating data of our automobile business by region and product type during the Track Record Period.

2023

		Revenue		Gross Profit	Gross Profit Margin	Volume	ASP[2]	Number of customers
		RMB in thousands	%		%			
ICE	PRC	622,889	49.5	(71,845)	(11.5)	12,671	49	167
	Asia	559	0.0	(42)	(7.4)	3	186	7
	Europe	588,034	46.7	117,676	20.0	4,361	135	168
	Others[1]	47,788	3.8	(874)	(1.8)	703	68	16
Total		**1,259,269**	**100.0**	**44,915**	**3.6**	**17,738**	**71**	**358**
NEV	PRC	2,431,823	99.9	(240,926)	(9.9)	24,556	99	434
	Others	3,526	0.1	389	11.0	14	252	8
Total		**2,435,349**	**100.0**	**(240,537)**	**(9.9)**	**24,570**	**99**	**442**

2024

		Revenue		Gross Profit	Gross Profit Margin	Volume	ASP	Number of customers
		RMB in thousands	%		%			
ICE	PRC	1,019,897	50.0	60,047	5.9	19,103	53	49
	Asia	352,933	17.3	12,665	3.6	6,464	55	15
	Europe	390,821	19.2	49,959	12.8	3,529	111	189
	Others[1]	276,165	13.5	3,990	1.4	4,156	66	22
Total		**2,039,816**	**100.0**	**126,656**	**6.2**	**33,252**	**61**	**275**
NEV	PRC	2,133,238	99.9	(77,680)	(3.6)	24,504	87	601
	Others	2,837	0.1	(128)	(4.5)	21	135	5
Total		**2,136,075**	**100.0**	**(77,808)**	**(3.6)**	**24,525**	**87**	**606**

2025

		Revenue		Gross Profit	Gross Profit Margin	Volume	ASP	Number of customers
		RMB in thousands	%		%			
ICE	PRC	1,976,852	55.3	57,531	2.9	43,749	45	215
	Asia	1,099,964	30.7	57,212	5.2	24,194	45	57
	Europe	446,012	12.5	(45,376)	(10.2)	3,850	116	155
	Others[1]	54,397	1.5	1,988	3.7	862	63	19
Total		**3,577,224**	**100.0**	**71,354**	**2.0**	**72,655**	**49**	**446**
NEV	PRC	2,689,748	97.1	101,263	3.8	32,947	82	627
	Others	80,251	2.9	7,858	9.8	666	120	8
Total		**2,770,000**	**100.0**	**109,121**	**3.9**	**33,613**	**82**	**635**

Notes:

1. Others include Africa, North America, South America and Oceania.
2. Average Selling Price (ASP) is calculated by dividing total revenue by sales volume.

We incurred a negative gross profit margin in Europe in 2025, as we strategically shifted our primary focus on certain markets, and we proactively reduced pricing to accelerate inventory clearance in regions that are no longer our business focus. Going forward, we are strategically exiting markets characterized by persistent uncertainty while adopting tailored strategies across our remaining European markets. Our NEV sales achieved a positive gross margin in 2025, primarily driven by a favorable shift in product mix toward higher-margin models, such as the Caocao 60, which accounted for a greater proportion of overall sales. During the Track Record Period, the average selling price of our automobile decreased from RMB99 thousand in 2023 to RMB87 thousand in 2024, and further to RMB82 thousand, primarily attributable to our adjustments to pricing strategies across different regions based on local market conditions.

During the Track Record Period, the average selling price of our motorcycle remained relatively stable at approximately RMB6 thousand. The following tables present a breakdown of key operating data of our motorcycle business by region and product type during the Track Record Period.

		2023							2024							2025						
		Revenue		Gross Profit	Gross Profit Margin	Volume	ASP[2]	Number of customers	Revenue		Gross Profit	Gross Profit Margin	Volume	ASP	Number of customers	Revenue		Gross Profit	Gross Profit Margin	Volume	ASP	Number of customers
		RMB in thousands	%		%				*RMB in thousands*	%		%				*RMB in thousands*	%		%			
Traditional Fuel	PRC	727,049	35.8	45,643	6.3	65,535	11	893	644,235	30.2	44,190	6.9	59,553	11	746	557,305	22.5	22,485	4.0	35,083	16	643
	Asia	513,080	25.3	83,394	16.3	76,303	7	145	469,367	22.0	74,444	15.9	80,904	6	102	607,763	24.5	101,156	16.6	108,582	6	65
	Africa	391,345	19.3	60,192	15.4	106,225	4	47	421,250	19.7	51,979	12.3	116,104	4	38	518,674	20.9	64,437	12.4	139,738	4	48
	North America	134,854	6.6	22,243	16.5	26,056	5	102	187,438	8.8	28,650	15.3	39,949	5	94	272,471	11.0	33,743	12.4	61,783	4	100
	South America	209,817	10.3	24,491	11.7	55,603	4	21	360,714	16.9	39,693	11.0	84,204	4	21	473,344	19.1	61,425	13.0	94,815	5	21
	Others[1]	52,624	2.6	9,895	18.8	6,872	8	23	52,727	2.5	7,437	14.1	7,860	7	23	48,123	1.9	6,018	12.5	7,280	7	16
Total		**2,028,767**	**100.0**	**245,860**	**12.1**	**336,594**	**6**	**1,231**	**2,135,725**	**100.0**	**246,393**	**11.5**	**388,574**	**6**	**1,024**	**2,477,678**	**100.0**	**289,263**	**11.7**	**447,281**	**6**	**893**

Notes:

1. Others include Europe and Oceania.
2. Average Selling Price (ASP) is calculated by dividing total revenue by sales volume.
3. New energy motorcycle represented a relatively small proportion of our motorcycle business, accounting for 0.7%, 0.5% and 0.3% of our total revenue for the years ended December 31, 2023, 2024 and 2025, respectively. Of our new energy motorcycle revenue, all of the revenue were generated from overseas markets during the Track Record Period.

SALES, MARKETING AND DISTRIBUTION OF OUR PRODUCTS

We engage distributors who possess extensive sales experience and a strong market presence. In 2023, 2024 and 2025, our total sales to distributors amounted to RMB5,747.3 million, RMB6,323.3 million and RMB8,811.9 million, respectively, accounting for 85.8%, 90.8% and 89.2%, respectively, of our revenue for the corresponding year. During the Track Record Period and up to the Latest Practicable Date, to our best knowledge, save for Geely Group, an affiliate of us, distributors were Independent Third Parties, and there was no employment, financing or family relationship between our distributors and us. For details, see "Business — Sales, Marketing and Distribution of Our Products."

OUR SUPPLIERS AND CUSTOMERS

In 2023, 2024 and 2025, the aggregate purchase amounts from our five largest suppliers for each year were RMB3,859.4 million, RMB2,355.9 million and RMB3,375.8 million, representing 57.0%, 35.2% and 39.2% of our total purchase amount, respectively. The purchase amounts from our largest supplier in the same years were RMB3,386.9 million, RMB1,963.4 million and RMB2,647.5 million, representing 50.1%, 29.3% and 30.8% of our total purchase amount, respectively.

In 2023, 2024 and 2025, the aggregate revenue generated from our five largest customers for each year were RMB2,783.3 million, RMB2,919.3 million and RMB3,802.6 million, representing 41.5%, 41.9% and 38.5% of our revenue, respectively. Revenues generated from our largest customer in the same years were RMB2,249.3 million, RMB2,144.4 million and RMB2,925.3 million, representing 33.6%, 30.8% and 29.6% of our revenue, respectively.

To the best of our knowledge, save for Geely Group, an affiliate of us, during the Track Record Period and up to the Latest Practicable Date, our five largest customers and five largest suppliers were Independent Third Parties, and none of our Directors, their close associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest customers or five largest suppliers. During the Track Record Period and up to the Latest Practicable Date, each of our five largest customers and five largest suppliers are independent from each other. For details, see "Business — Our Customers" and "Business — Supply Chain Management."

BUSINESS SUSTAINABILITY

In 2023, 2024 and 2025, we incurred net loss of RMB262.2 million, RMB328.9 million and RMB321.2 million, respectively. Moreover, excluding the share of profits of joint ventures and associates, our net loss during the Track Record Period would be RMB675.9 million, RMB817.1 million and RMB763.9 million, respectively. We recoded such losses mainly because: (i) we recorded relatively low gross profit margin during the Track Record Period, being 4.1%, 6.9% and 8.0% in 2023, 2024 and 2025 respectively, which was mainly attributable to our automobile business. Specifically, intense market competition resulted in pricing pressure and relatively low sales volumes of automobiles, which in-turn led to high per-unit procurement and manufacturing costs due to limited economies of scale and inefficient fixed cost absorption. These factors combined to result in low gross profit margins as we worked to build our market presence and achieve operational scale; and (ii) since 2025, we have made substantial upfront investments for our technology solutions, which remained at the beginning stage of commercialization as of the Latest Practicable Date.

For our automobile business, we will (i) drive growth in revenue and sales volume by enhancing our sales network, improving brand recognition, and optimizing our product portfolio; and (ii) enhance gross profit margin through economies of scale, efficient cost management and focus on high-margin models. We have already achieved significant progress in implementing these measures, as evidenced by the improving gross profit margin of our automobile business from (5.3)% in 2023 to 1.2% in 2024 and further to 2.8% in 2025. Going forward, we will also improve the gross profit margin of our automobile business by integrating our technological capabilities in intelligent driving and/or Assistance Driving

System and smart cockpit, to further enhance the competitiveness of our vehicles. For our motorcycle business, we recorded relatively stable and healthy gross profit margins of 12.1%, 11.5% and 11.7% in 2023, 2024 and 2025, respectively. Like our automobile business, we plan to sustain steady, healthy growth in motorcycle sales through an expanded product portfolio and customer base, and to improve gross profit margin through economies of scale. For technology solutions, we are on track to accelerate commercialization, supported by significant milestones and strategic partnerships. We have demonstrated a strong commercialization trajectory, recording revenue of RMB350.1 million from technology solutions in 2025. In addition, we have secured multiple MOUs with key strategic partners that outline the framework for sales of intelligent driving and/or Assistance Driving System solutions and formalize the business model for future cooperation. For details, see "Financial Information — Path to Profitability."

OUR RELATIONSHIP WITH GEELY GROUP

Geely Group, an affiliate of us, is our important strategic business partner. In each year during the Track Record Period, Geely and its affiliates, on an aggregate basis, have been our largest supplier and our largest customer. Specifically, we primarily procured CBUs, knock-down kits, automobile components and services from certain affiliates of Geely and sold vehicles, knock-down kits, automobile components and services to certain other affiliates of Geely. The aggregate purchase amounts from Geely Group in 2023, 2024 and 2025 were RMB3,386.9 million, RMB1,963.4 million and RMB2,647.5 million, representing 50.1%, 29.3% and 30.8% of our total purchase amount, respectively. In the same years, revenues generated from Geely Group were RMB2,249.3 million, RMB2,144.4 million and RMB2,925.3 million, representing 33.6%, 30.8% and 29.6% of our revenue, respectively. During the Track Record Period, both our purchases from Geely Group and the revenues generated from Geely Group, as a percentage of our total purchases and total revenues respectively, have exhibited an overall declining trend. Moreover, we also expect to provide intelligent driving and/or Assistance Driving System solutions to Geely Group. Our Directors have confirmed that none of our sales to and purchases from Geely Group during the Track Record Period was inter-conditional, inter-related or otherwise considered as one transaction. We negotiate the transactions with Geely Group on an arm's-length basis with reasonable and fair pricing terms. For details, please see "Business — Our Relationship with Geely Group."

During the Track Record Period and up to the Latest Practicable Date, we maintained a stable relationship with Geely Group and there was no material interruption or dispute in respect of our cooperation with Geely Group. We expect to continue to maintain our relationship with Geely Group. For risks involved in our relationship with Geely Group, see "Risk Factors — Risks Related to Our Business and Industry — Failure to maintain the relationships with our major business partners could adversely impact our business, operation results and financial conditions." Our Directors believe that the likelihood of Geely Group terminating or materially altering its business relationship with us is low given our mutually beneficial relationship.

COMPETITION

Competition in the global and Chinese new energy passenger vehicle and motorcycle markets is intense, fueled by rapid technological advancements and evolving consumer preferences. Price competition, innovation cycles, brand reputation, and speed to market are critical factors shaping the competitive landscape. For details, see "Industry Overview."

The "AI + Mobility" sectors are also competitive. Major players, including global technology companies and traditional automotive industry players, may possess significant financial resources, advanced R&D capabilities, diverse product portfolios, and well-established customer bases. Success in this space depends on continuous innovation in AI and product development. See "Industry Overview." For related risks, please see "Risk Factors — Risks Related to Our Business and Industry — We may not be able to successfully compete in China's mobility market."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report set out in

Appendix I to this Document. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, our consolidated financial statements in this Document, including the related notes. Our consolidated financial information was prepared in accordance with IFRSs.

Summary of Consolidated Statements of Profit or Loss

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

	Year ended December 31,					
	2023		**2024**		**2025**	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
REVENUE	**6,698,322**	**100.0**	**6,963,852**	**100.0**	**9,876,042**	**100.0**
Cost of sales	(6,426,071)	(95.9)	(6,481,472)	(93.1)	(9,080,972)	(92.0)
Gross profit	**272,251**	**4.1**	**482,380**	**6.9**	**788,070**	**8.0**
Other income and gains	202,890	3.0	158,833	2.3	672,520	6.8
Selling and marketing expenses	(375,086)	(5.6)	(337,820)	(4.9)	(296,386)	(3.0)
Administrative expenses	(423,397)	(6.3)	(338,158)	(4.9)	(403,847)	(4.1)
Research and development expenses	(214,781)	(3.2)	(406,576)	(5.8)	(821,801)	(8.3)
Fair value gains on financial assets at fair value through profit or loss, net	–	–	–	–	46,463	0.5
Fair value gains/(losses) on investment properties	10,684	0.2	(95,587)	(1.4)	(51,753)	(0.5)
Impairment losses on financial assets, net	(18,303)	(0.3)	(3,561)	(0.1)	(80,567)	(0.8)
Other expenses	(87,100)	(1.3)	(139,219)	(2.0)	(358,718)	(3.6)
Finance costs	(123,445)	(1.8)	(93,336)	(1.3)	(72,450)	(0.7)
Share of profits of joint ventures and associates	413,770	6.2	488,247	7.0	442,704	4.5
LOSS BEFORE TAX	**(342,517)**	**(5.1)**	**(284,797)**	**(4.1)**	**(135,765)**	**(1.4)**
Income tax expense	80,345	1.2	(44,100)	(0.6)	(185,435)	(1.9)
LOSS FOR THE YEAR	**(262,172)**	**(3.9)**	**(328,897)**	**(4.7)**	**(321,200)**	**(3.3)**
Attributable to:						
Owners of the parent	24,213	0.4	40,017	0.6	84,408	0.9
Non-controlling interests	(286,385)	(4.3)	(368,914)	(5.3)	(405,608)	(4.1)
	(262,172)	(3.9)	(328,897)	(4.7)	(321,200)	(3.3)
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted	0.01		0.01		0.02	

Revenue

The following table sets forth the breakdown of our revenue by product category, in absolute amounts and as a percentage of our total revenue, for the years indicated. For details on our revenue model and pricing policy, see "Business — Our Products and Solutions."

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Automobiles	3,694,618	55.2	4,175,891	60.0	6,347,224	64.3
Motorcycle	2,028,767	30.3	2,135,725	30.7	2,477,678	25.1
Technology solutions	–	–	–	–	350,076	3.5
Others						
– *General-purpose machinery*	400,252	6.0	428,136	6.1	397,733	4.0
– *Miscellaneous*	574,685	8.5	224,100	3.2	303,331	3.1
Total	**6,698,322**	**100.0**	**6,963,852**	**100.0**	**9,876,042**	**100.0**

During the Track Record Period, our revenue increased from RMB6,698.3 million in 2023 to RMB6,963.9 million in 2024, and further to RMB9,876.0 million in 2025, primarily due to increased revenue from sales of automobiles and motorcycles. In the fourth quarter of 2025, we generated revenue of RMB350.1 million from our technology solutions by providing non-recurring engineering services. For details, see "Financial Information — Description of Major Components of Our Results of Operations."

Gross Profit and Gross Profit Margin

Gross profit is calculated as total revenue minus cost of sales. The ratio of gross profit to total revenue is referred to as the gross profit margin. The following table sets forth a breakdown of our gross profit and gross profit margin by product category for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Automobiles	(195,623)	(5.3)	48,852	1.2	180,476	2.8
Motorcycle	245,856	12.1	246,388	11.5	289,263	11.7
Technology solutions	–	–	–	–	106,445	30.4
Others						
– *General-purpose machinery*	75,291	18.8	88,838	20.7	82,996	20.9
– *Miscellaneous*	146,727	25.5	98,302	43.9	128,890	42.5
	272,251	**4.1**	**482,380**	**6.9**	**788,070**	**8.0**

The gross profit for our motorcycles segment increased from RMB245.9 million in 2023 to RMB246.4 million in 2024, and further to RMB289.3 million in 2025, which was in line with the increased sales volume. The gross profit margin of our motorcycles segment remained relatively stable during the Track Record Period. The gross profit of our automobiles segment improved from negative RMB195.6 million in 2023 to RMB48.9 million in 2024, and further to RMB180.5 million in 2025. We incurred gross losses in our automobile business primarily due to increased manufacturing and raw material costs, as well as intensified competition in our targeted markets, which imposed significant pricing pressure on us. The gross profit margin for our automobiles segment improved from (5.3)% in 2023 to 1.2% in 2024, and further to 2.8% in 2025, mainly due to cost reductions achieved through procurement and an increase in exports. Moreover, our technology solutions recorded a gross profit of RMB106.4 million with a gross profit margin of 30.4% in 2025. For details, see "Financial Information — Description of Major Components of Our Results of Operations."

Summary of Consolidated Statements of Financial Positions

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our consolidated financial statements included in Appendix I to this Document.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total non-current assets	13,268,797	13,627,903	20,522,378
Total current assets	8,530,283	8,085,759	9,017,434
Total assets	**21,799,080**	**21,713,662**	**29,569,812**
Total non-current liabilities	2,135,248	1,540,051	2,249,508
Total current liabilities	7,702,662	8,508,369	9,906,357
Total liabilities	**9,837,910**	**10,048,420**	**12,155,865**
Net assets	**11,961,170**	**11,665,242**	**17,413,947**

Our net current assets decreased from RMB827.6 million as of December 31, 2023 to become net liabilities of RMB422.6 million as of December 31, 2024, primarily due to (i) an increase in trade and bills payables, and (ii) a decrease in inventories, partially offset by an increase in restricted cash. Our net current liabilities increased from RMB422.6 million as of December 31, 2024 to RMB888.9 million as of December 31, 2025, primarily due to (i) an increase in other payables and accruals, and (ii) a decrease in inventories, partially offset by an increase in cash and cash equivalents.

We recorded net assets of RMB11,961.2 million as of December 31, 2023, mainly due to capital injection from non-controlling interests of RMB366.0 million, partially offset by loss for the year of RMB286.4 million. We recorded net assets of RMB11,665.2 million as of December 31, 2024, mainly due to loss for the year of RMB328.9 million, partially offset by share of other comprehensive income of associates of RMB115.0 million. We recorded net assets of RMB17,413.9 million as of December 31, 2025, mainly due to acquisition of subsidiaries of RMB4,099.8 million, partially offset by loss for the year of RMB321.2 million. For a detailed discussion of our current assets and current liabilities during the Track Record Period, see "Financial Information — Discussion of Certain Key Items from Our Consolidated Statements of Financial Position."

Summary of Consolidated Statements of Cash Flows

The following table sets forth our cash flows for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash generated from/(used in) operating activities	(238,842)	525,211	1,298,361
Net cash generated from/(used in) investing activities	(298,598)	269,312	(1,127,433)
Net cash generated from/(used in) financing activities	(231,376)	(454,563)	992,144
Net increase/(decrease) in cash and cash equivalents	**(768,816)**	**339,960**	**1,163,072**
Cash and cash equivalents at the beginning of the year	1,743,112	986,333	1,321,676
Effect of exchange rate changes on cash and cash equivalents	12,037	(4,617)	32,966
Cash and cash equivalents at the end of the year	**986,333**	**1,321,676**	**2,517,714**

Net operating cash outflow during the Track Record Period was primarily due to amortization of intangible assets and depreciation, fluctuations in inventories, trade and bills receivables and payables, and our operating losses. For a detailed discussion of our consolidated cash flow data during the Track Record Period, see "Financial Information — Cash Flow Analysis."

RISK FACTORS

Our business and the [**REDACTED**] involve certain risks as set out in "Risk Factors" in this Document. 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) we may not be able to successfully compete in China's mobility market; (ii) our failure to build and strengthen our brand could adversely affect our business and prospects; (iii) we may not be able to timely launch or diversify products to address changing customer demand, preferences and spending patterns; (iv) failure to continue to attract new customers and retain existing customers, manage our relationship with them could materially and adversely affect our business, results of operations and financial condition; (v) any delays or difficulties in ramping up or maintaining our manufacturing facilities or in establishing new production bases, could disrupt production and deliveries; (vi) we rely on suppliers and any failure to deliver key components for our products on time, at required quality and cost, could disrupt our production; (vii) our distributors may accumulate excess or obsolete inventory and any excessive build-up of inventory could affect the volume of future orders from our distributors; (viii) we may be exposed to credit risk of trade receivable; (ix) changes in international trade policies, geopolitics and trade protection measures, export control and economic or trade sanctions may affect our business, financial condition and results of operations.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios for the year indicated.

	For the year ended December 31,		
	2023	2024	2025
Interest-bearing debt ratio[1]	10.6%	9.3%	11.1%
Asset-liability ratio[2]	45.1%	46.3%	41.1%
Revenue growth rate[3]	(22.4)%	4.0%	41.8%
Gross profit margin[4]	4.1%	6.9%	8.0%
Net loss ratio[5]	3.9%	4.7%	3.3%
Return on equity[6]	N/A*	(3.1)%	(3.1)%
Return on total assets[7]	N/A*	(1.5)%	(1.3)%
Current ratio[8]	1.1	1.0	0.9
Debt to equity ratio[9]	0.8	0.9	0.7

* The relevant figures as of December 31, 2022 are not available.

Notes:

1. The interest-bearing debt ratio is calculated by dividing interest-bearing debt (including interest-bearing bank loans and other borrowings, lease liabilities, and bonds payable) by total assets.
2. The asset-liability ratio is calculated by dividing total liabilities by total assets.
3. The revenue growth rate refers to the percentage change in our revenue for a certain period compared to the revenue from the previous same period.
4. The gross profit margin is calculated as gross profit divided by revenue for a certain period.
5. The net loss ratio is calculated as net loss divided by revenue for a certain period.
6. The return on equity is calculated as net profit/loss for the period divided by average equity attributable to equity shareholders during the period.
7. The return on total assets is calculated as net profit/loss for the period divided by average total assets during the period.
8. The current ratio is calculated as current assets divided by current liabilities as at the end of the relevant period.
9. The debt to equity ratio is calculated as total interest-bearing debt divided by total equity as at the end of the relevant period.

FUTURE PLANS AND USE OF [REDACTED]

We estimate the net [**REDACTED**] of the [**REDACTED**] which we will receive, assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the [**REDACTED**] range stated in the Document), will be approximately HK$[**REDACTED**], after deduction of [**REDACTED**] fees and [**REDACTED**] and other estimated expenses payable by us in connection with the [**REDACTED**] and assuming the [**REDACTED**] is not exercised.

In line with our strategies, we intend to use the [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set forth below: (i) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for implementing our AI-driven strategies, enhancing our R&D capabilities, develop and upgrade our products and solutions, and strengthen our technology capabilities; (ii) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the strategic integration of upstream industrial chain resources, including the establishment of industrial funds and deepening collaborations with business partners to create synergies and enhance the innovativeness of our products and solutions; (iii) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for strengthening sales and service networks in China and overseas markets, and to enhance our global brand influence; (iv) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for working capital and general corporate purposes. For details, please see "Future Plans and Use of [**REDACTED**]."

[**REDACTED**]

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE HONG KONG STOCK EXCHANGE

Our A Shares have been listed on the Shanghai Stock Exchange since November 2010. Our Directors confirmed that, as of the Latest Practicable Date and during the Track Record Period, we have had no instances of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the [**REDACTED**] attention in relation to our compliance record on the Shanghai Stock Exchange during the Track Record Period.

Our PRC Legal Adviser has advised us that, during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any substantial administrative penalties or regulatory measures imposed by securities regulatory authorities in the PRC, and we have complied with the relevant laws and regulations on A share listings applicable to us in all material respects, and the above confirmation of our Directors with regard to our compliance record during the Track Record Period and up to the Latest Practicable Date is accurate and reasonable. Based on the independent due diligence conducted by the Sole Sponsor and our PRC Legal Adviser's view, nothing has come to the Sole Sponsor's attention that would cause it to cast doubt on our Directors' confirmation with regard to the compliance record of our Company on the Shanghai Stock Exchange in any material respect.

Our Company is seeking a [**REDACTED**] of its H Shares on the Hong Kong Stock Exchange in order to advance our Company's global strategic deployment, to accelerate the expansion of its overseas operations, to enhance its international brand presence, to provide further capital for the development and expansion of our Company's business and to further strengthen our core competitiveness. For more details, see "Business" and "Future Plans and Use of [**REDACTED**]" in this Document.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS UNDER THE HONG KONG LISTING RULES

Upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Azolla Fund will be entitled to exercise approximately [**REDACTED**]% voting rights in our Company. Azolla Fund and Azolla EM, the general partner of Azolla Fund, are considered as the Single Largest Group of Shareholders of the Company under Hong Kong Listing Rules and pursuant to Chapter 1.1C of the Guide for New Listing Applicants. For details, see the section headed "History, Development and Corporate Structure — Our Single Largest Group of Shareholders."

CONNECTED TRANSACTIONS

We have, in our ordinary and usual course of business, entered into certain transactions with entities that will become our connected persons as defined under Chapter 14A of the Hong Kong Listing Rules. Upon [**REDACTED**], certain such transactions between us and our connected persons will continue and will therefore constitute our continuing connected transactions under Chapter 14A of the Hong Kong Listing Rules. We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange [has granted], certain waivers from strict compliance with Chapter 14A of the Listing Rules in respect of these transactions. Please refer to "Connected Transactions" in this Document for further details.

[**REDACTED**]

DIVIDENDS

No dividend was paid or declared by us or any of our subsidiaries during the Track Record Period. After the Track Record Period and up to the date of this Document, we did not declare any dividends to our Shareholders.

As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, after making up for our historically accumulated losses (if any) in accordance with the PRC laws and less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders. As advised by our PRC legal advisor, pursuant to the Company Law of the PRC and the relevant accounting standards, dividend distributions can only be made out of distributable profits, being the retained earnings after offsetting accumulated losses and making appropriations to reserves as required by the Company Law of the PRC. As of the end of Track Record Period, the Company recorded negative retained earnings, indicating that it has accumulated losses which have not yet been fully offset. Accordingly, the Company is not permitted to declare or distribute dividends unless and until such accumulated losses have been fully made up.

LEGAL PROCEEDINGS AND COMPLIANCE

As of the Latest Practicable Date, we had not been involved in any significant pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation and compliance.

According to our PRC Legal Adviser, we had not been involved in any material non-compliance incidents during our principal business operation that have a material adverse effect on our business, financial condition, and results of operations during the Track Record Period and up to the Latest Practicable Date.

[REDACTED]

Our [**REDACTED**] mainly include (i) [**REDACTED**] expenses, such as [**REDACTED**] fees and [**REDACTED**], and (ii) [**REDACTED**] expenses, comprising professional fees paid to our legal advisers and reporting accountants for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**], and other fees and expenses. Assuming full payment of the [**REDACTED**], the estimated total [**REDACTED**] (based on the mid-point of the [**REDACTED**] range and assuming that the [**REDACTED**] is not exercised) for the [**REDACTED**] are approximately HK$[**REDACTED**], accounting for approximately [**REDACTED**]% of our net [**REDACTED**]. Among such estimated total [**REDACTED**], we expect to pay [**REDACTED**] expenses of HK$[**REDACTED**], professional fees for our legal advisers and reporting accountants of HK$[**REDACTED**] and other fees and expenses of HK$[**REDACTED**]. An estimated amount of HK$[**REDACTED**] for our [**REDACTED**] is expected to be expensed through the statement of profit or loss and an estimated amount of HK$[**REDACTED**] is expected to be recognized directly as a deduction from equity upon the [**REDACTED**]. During the Track Record Period, we incurred [**REDACTED**] of HK$[**REDACTED**], of which HK$[**REDACTED**] was charged to our consolidated income statements for the year ended December 31, 2025, while the [**REDACTED**] directly attributable to the issue of shares of HK$[**REDACTED**] was recognized in the consolidated statement of financial position as of December 31, 2025 and is expected to be accounted for as a deduction in equity upon completion of the [**REDACTED**].

CONSOLIDATION OF AFARI INTELLIGENT DRIVE

In June 2025, the Company established Afari Intelligent Drive in the PRC, as a joint venture through Jianghe Qixing, with third parties. Jianghe Qixing is a limited partnership established in the PRC, the sole general partner of which is Zhiqi Xinwang, our wholly-owned subsidiary. With a view to enhancing the Company's "AI + Mobility" solutions, and to securing the control over Afari Intelligent Drive, (1) in September 2025, the partners of Jianghe Qixing have unanimously agreed to amend the partnership agreement of Jianghe Qixing resulting in Zhiqi Xinwang's control of the key corporate matters of Jianghe Qixing, and (2) Jianghe Qixing entered into a Proxy Agreement with its shareholder on September 28, 2025. Pursuant to the Proxy Agreement and the Shareholders' approval dated October 15, 2025, the Company is able to control 60% of the voting rights in Afari Intelligent Drive on Shareholders Entrusted Matters and Board Entrusted Matters and exercises effective control over its board of directors, through Jianghe Qixing. Accordingly, each of Jianghe Qixing and Afari Intelligent Drive has become a subsidiary of the Company and its financial results have been consolidated into the accounts of the Company since October 15, 2025. See "History, Development and Corporate Structure — Major Acquisitions, Disposals and Mergers" for more details.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of the Document, there had 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 the periods reported on in the Accountants' Report set out in Appendix I to this Document, and there had 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.