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**], 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.

I. RELEVANT CONNECTED PERSONS

Following the [**REDACTED**], we expect to continue our transactions with the following parties which will be connected persons of our Company under the Hong Kong Listing Rules:

No.	Name	Connected relationship	Background of connected persons
1. . .	Geely Holding Group	As of the Latest Practicable Date, LIVAN Auto, our Major Subsidiary, was held by Zhejiang Geely Qizheng Automotive Technology Co., Ltd.* (浙江吉利啟征汽車科技有限公司, "**Geely Qizheng**") as to 45%, which was in turn indirectly wholly owned by Geely Holding (together with its subsidiaries and 30%-controlled companies (as defined in the Hong Kong Listing Rules), "**Geely Holding Group**"). Geely Holding was ultimately beneficially wholly owned by Mr. Li Shu Fu (李書福, "**Mr. Li**") and his associate as of the Latest Practicable Date. As such, Mr. Li and his associates will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	Geely Holding (together with its subsidiaries and affiliates, "**Geely Group**") is principally engaged in the wholesale and retail sales of automobiles and related parts and components.
2. . .	CaoCao Group	As of the Latest Practicable Date, CaoCao Inc. ("**CaoCao**", and/or its subsidiaries, "**CaoCao Group**") was indirectly owned more than 70% by Mr. Li and his associates. As such, CaoCao Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	CaoCao is a limited liability company incorporated in the Cayman Islands. As of the Latest Practicable Date, CaoCao Group operated a ride-hailing platform in the PRC, engaging in the ride-hailing business.
3. . .	Jiyao Group	Zhejiang Jiyao Pass Energy Technology Co., Lt.* (浙江吉曜通行能源科技有限公司) ("**Jiyao**", and its subsidiaries, "**Jiyao Group**") was ultimately wholly owned by Mr. Li and his associates as of the Latest Practicable Date. As such, Jiyao Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	Jiyao is a limited liability company established in the PRC, and is a cell technology company focusing on innovation in the electrochemical industry and new energy solutions. It is dedicated to providing high-performance and highly safe lithium iron phosphate (LFP) battery technologies and products to the global market.
4. . .	Aurobay Group	Aurobay Holding (SG) PTE. LTD ("**Aurobay**", and/or its subsidiaries, "**Aurobay Group**") was owned as to more than 30% by Mr. Li and his associate as of the Latest Practicable Date. As such, Aurobay Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	Aurobay is a private company limited by shares incorporated in the Republic of Singapore. Aurobay Group is principally engaged in the research and development, manufacturing, processing, sales, technical services and supply of relevant after-sales parts for engines and transmissions.

No.	Name	Connected relationship	Background of connected persons
5. . .	Geely Technology Group	Geely Technology Group Company Limited* (吉利科技集團有限公司) ("**Geely Technology**" and/or its subsidiaries and 30%-controlled companies, "**Geely Technology Group**") was owned as to more than 85% by Mr. Li and his associates as of the Latest Practicable Date. As such, Geely Technology Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	Geely Technology's core businesses include new materials, new energy, and motorcycle travel culture. It also makes strategic investments in low-altitude travel, commercial aerospace, and innovation incubation businesses.
6. . .	Dreamsmart Group	Dreamsmart Infinity Hong Kong Limited ("**Dreamsmart**", and/or its subsidiaries, "**Dreamsmart Group**") was owned as to more than 50% by Mr. Li as of the Latest Practicable Date. As such, Dreamsmart Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	DreamSmart Group is a cross-sector platform for full-stack smart terminal technologies. Dreamsmart Infinity Hong Kong Limited is primarily engaged in import and expert of goods and sale of electronic products.
7. . .	Lotus Technology Group	Wuhan Lotus Automobile Sales Company Limited* (武漢路特斯科技有限公司) ("**Lotus Technology**", and/or its subsidiaries, "**Lotus Technology Group**") was indirectly owned as to more than 30% by Mr. Li and his associates as of the Latest Practicable Date. As such, Lotus Technology Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	Lotus Technology is a limited liability company established in the PRC. Lotus Technology Group is principally engaged in the R&D, procurement, and sales of Lotus-branded sports and life-style vehicles, and offers related services.
8. . .	Shandong Geely New Energy Group	Shandong Geely New Energy Commercial Vehicle Co., Ltd.* (山東吉利新能源商用車有限公司) ("**Shandong Geely New Energy**", and/or its subsidiaries, "**Shandong Geely New Energy Group**") was indirectly owned approximately 90% by Mr. Li and his associates as of the Latest Practicable Date. As such, Shandong Geely New Energy Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	Shandong Geely New Energy is a limited liability company established in the PRC. Shandong Geely New Energy Group is primarily engaged in the research and development, manufacturing, and sales of complete vehicle kits, automobile parts, and related components.
9. . .	ECARX Group	ECARX Holdings Inc. ("**ECARX**", and/or its subsidiaries, "**ECARX Group**") was owned as to more than 30% by Mr. Li and his associate as of the Latest Practicable Date. As such, ECARX Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	ECARX is a limited liability company incorporated in the Cayman Islands and listed on NASDAQ (ticker symbol: ECX). ECARX Group is principally engaged in promoting the transformation of automotive intelligence and providing one-stop advanced intelligent vehicle solutions for global automotive manufacturers.
10. . .	YoeNing Technology Group	Zhejiang YoeNing Technology Group Co., Ltd.* (浙江耀寧科技集團有限公司) ("**YoeNing Technology**", and/or its subsidiaries, "**YoeNing Technology Group**") was indirectly owned as to more than 90% by Mr. Li and his associate as of the Latest Practicable Date. As such, YoeNing Technology Group will constitute our connected persons at the subsidiary level upon the [**REDACTED**].	YoeNing Technology is a limited liability company established in the PRC. As of the Latest Practicable Date, YoeNing Technology Group was principally engaged in the automotive and NEV industries in the PRC, with a business scope covering auto parts, new energy, and phosphate-related sectors.

No.	Name	Connected relationship	Background of connected persons
11. . .	Genius AFC	Genius Auto Finance Co., Ltd.* (吉致汽車金融有限公司, "**Genius AFC**") was owned as to 75% by Geely Automobile as of the Latest Practicable Date. As certain key corporate matters of Genius AFC require a positive vote from its other shareholder or unanimous resolution of all directors (present in person or represented by proxy for the board meeting) of Genius AFC, Genius AFC is treated as a jointly controlled entity of Geely Automobile. As such, Genius AFC will constitute our connected person at the subsidiary level upon the [**REDACTED**].	Genius AFC is a limited liability company established in the PRC. Genius AFC is principally engaged in the provision of vehicle financing services in the PRC.
12. . .	Puhua Financing	Zhejiang Wisdom Puhua Financial Leasing Company Limited* (浙江智慧普華融資租賃有限公司, "**Puhua Financing**") was ultimately owned as to more than 70% by Geely Holding as of the Latest Practicable Date. As such, Puhua Financing will constitute our connected person at the subsidiary level upon the [**REDACTED**].	Puhua Financing is a limited liability company established in the PRC. Puhua Financing is principally engaged in the vehicle financial leasing business in the PRC.
13. . .	StepFun	StepFun Technology Limited ("**StepFun**", and/or its subsidiaries and/or consolidated affiliated entities, "**StepFun Group**") is a limited liability company established in the Cayman Islands. Mr. Yin Qi (印奇), the chairman of our Board and an executive Director, ultimately controlled more than 30% voting rights in StepFun as of the Latest Practicable Date. As such, StepFun Group will constitute our connected persons upon the [**REDACTED**].	StepFun Group is principally engaged in provision of MaaS (Model-as-a-Service) products and services.

II. FULLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

A. Trademark licensing

On June 22, 2025, we entered into a trademark licensing agreement (the "**Geely Holding Trademark Licensing Agreement**") with Geely Holding, pursuant to which, Geely Holding has agreed to grant our Group license to use certain trademarks which have been registered by Geely Holding in the PRC for our use in connection with our operations on a royalty-free basis for a term of three years commencing on June 22, 2025 subject to renewal upon mutual consent by the parties.

As Geely Holding is a connected person of our Company at subsidiary level, the transaction between Geely Holding and us will constitute continuing connected transactions upon [**REDACTED**]. As the license of the trademarks granted by Geely Holding to us is on a royalty-free basis, the transactions under the Geely Holding Trademark Licensing Agreement fall within the de minimis threshold under Rule 14A.76(1)(b) of the Hong Kong Listing Rules and are exempt from reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

On December 1, 2023, we entered into a trademark license agreement with Lotus Technology (the "**Lotus Trademark Licensing Agreement**"), pursuant to which, we have agreed to license Lotus Technology to use certain trademarks which have been registered by us in the PRC for its use in connection with its operations for an initial term of one year. In November 2024, the Lotus Trademark Licensing Agreement was renewed to end on December 1, 2027.

As Lotus Technology is a connected person of our Company at subsidiary level, the grant of trademarks to Lotus Technology will constitute a continuing connected transaction upon [**REDACTED**]. As the highest of the applicable percentage ratio (other than the profits ratio) under the Hong Kong Listing Rules in respect of the annual caps for the transaction contemplated under Lotus Trademark License Agreement between the Group and the Lotus Technology for the year ending December 31, 2027 is, on an annual basis, expected to be less than 1%, such transactions constitute continuing connected transactions, that are fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Rule 14A.76(1)(b) of the Hong Kong Listing Rules.

B. Provision of battery services to CaoCao Group

On April 30, 2025, we entered into a battery services framework agreement (the "**CaoCao Battery Services Framework Agreement**") with CaoCao, pursuant to which, we will provide battery and ancillary services, whereby batteries are leased to CaoCao Group in limited number of cities, and in return, CaoCao Group shall pay service fees in accordance with the CaoCao Battery Services Framework Agreement.

The initial term of the CaoCao Battery Services Framework Agreement commenced on June 25, 2025 and will end on December 31, 2027, subject to renewal upon mutual consent by the parties. Separate agreements will be entered into which will set out the precise scope of services, service fees calculation, method of payment and other details of the service arrangement in the manner provided in the CaoCao Battery Services Framework Agreement.

As CaoCao is a connected person of our Company at subsidiary level, the transactions between CaoCao and us will constitute continuing connected transactions upon [**REDACTED**]. As the highest of the applicable percentage ratio (other than the profits ratio) under the Hong Kong Listing Rules in respect of the annual caps for the transactions contemplated under CaoCao Battery Services Framework Agreement between the Group and the CaoCao Group for the year ending December 31, 2027 is, on an annual basis, expected to be less than 1%, such transactions constitute continuing connected transactions that are fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Rule 14A.76(1)(b) of the Hong Kong Listing Rules.

C. Financing cooperation with Genius AFC and Puhua Financing

On August 1, 2025 and August 19, 2025, our subsidiary, Chongqing LIVAN Automobile Sales Co., Ltd.* (重慶睿藍汽車銷售有限公司) entered into finance cooperation agreements ("**Finance Cooperation Agreements**") with Genius AFC and Puhua Financing respectively, pursuant to which, (i) each of Genius AFC and Puhua Financing has agreed to provide vehicle financing services to vehicle retail customers to assist them to buy LIVAN brand vehicles auto accessories and services (the "**Financing Services**"), and (ii) we have agreed to provide subsidies to vehicle retail customers who purchase the vehicles and enter into retail individual financing agreement with Genius AFC or Puhua Financing (the "**Customer Subsidies**").

The term of the Financing Cooperation Agreements with Genius AFC and Puhua Financing commenced on the respective effective date and will end on July 31, 2028 and August 18, 2028, respectively, subject to renewal upon mutual consent by the parties. Separate agreements will be entered into which will set out the precise scope of services, service fees calculation, method of payment and other details of the service arrangement in the manner provided in the Financing Cooperation Agreements, where necessary.

Under the Finance Cooperation Agreements, retail customers may accept the Financing Services to be provided by Genius AFC and/or Puhua Financing to purchase the LIVAN brand vehicles, and the Company will provide subsidies to such customers using the Financing Services provided by Genius AFC and/or Puhua Financing.

With respect to the Customer Subsidies provided by the Group, such transactions constitute connected transactions of the Company under Rule 14A.23 of the Hong Kong Listing Rules on the grounds that the Company will provide subsidies to the retail customers who purchase the vehicles using the Financing Services provided by Genius AFC and/or Puhua Financing from time to time. As each of Genius AFC and Puhua Financing is a connected person of our Company at subsidiary level, the transactions between Genius AFC and Puhua Financing and us will constitute continuing connected transactions upon [**REDACTED**].

As the highest of the applicable percentage ratio (other than the profits ratio) under the Hong Kong Listing Rules in respect of the annual caps for the Customer Subsidies to be provided by the Group under Finance Cooperation Agreements for the year ending December 31, 2028 in aggregate, on an annual basis, is expected to be less than 1%, such transactions will constitute continuing connected transactions that are fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Rule 14A.76(1)(b) of the Hong Kong Listing Rules.

With respect to the Financing Services provided by Genius AFC and/or Puhua Financing, such transactions constitute financial assistance received by our Group from our connected persons under Rule 14A.90 of the Hong Kong Listing Rules as the retail customers will use Financing Services provided by Genius AFC and/or Puhua Financing to purchase our products from time to time. As such Financing Services are on normal commercial terms or better to our Group, and no security over our assets has been granted to Genius AFC and/or Puhua Financing in respect of the provision of the Financing Services, the Financing Services will be fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements according to Rule 14A.90 of the Hong Kong Listing Rules.

III. SUMMARY OF OUR PARTIALLY EXEMPT AND NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

In our ordinary and usual course of business, we have entered into the following transactions which, as our Directors currently expect, the highest applicable percentage ratio calculated for the purpose of Chapter 14A of the Hong Kong Listing Rules will be subject to (a) the reporting, annual review, announcement requirements pursuant to Rule 14A.76(1)(b) and Rule 14A.101 of the Hong Kong Listing Rules in relation to the transactions with the Geely Group; and (b) the reporting, annual review, announcement and independent shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules in relation to the transactions with the StepFun Group.

No	Type of Transaction	Counterparties	Agreements	Applicable Hong Kong Listing Rules	Waiver sought	Proposed aggregate annual cap for the year ending December 31,		
						2026	2027	2028
						(RMB in millions)		
Transactions with Geely Group								
1.	Procurement of CBUs and knock down kits	Geely Holding Group	Geely Holding Framework Agreement	14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**2,244.0**	**2,321.4**	**2,398.8**
2.	Procurement of automobile components	**Geely Group:**		14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**2,583.4**	**2,849.0**	**2,986.6**
		(i) Geely Holding Group	(i) Geely Holding Framework Agreement			323.4	425.6	437.1
		(ii) Jiyao Group	(ii) Jiyao Framework Agreement			1,279.7	1,348.2	1,403.7
		(iii) Aurobay Group	(iii) Aurobay Framework Agreement			869.8	929.6	975.4
		(iv) Geely Technology Group	(iv) Geely Technology Framework Agreement			39.9	69.7	89.2
		(v) Lotus Technology Group	(v) Lotus Framework Agreement			34.2	38.0	41.8
		(vi) ECARX Group	(vi) ECARX Framework Agreement			26.4	27.9	29.4
		(vii) YoeNing Technology Group	(vii) YoeNing Framework Agreement			10.0	10.0	10.0
3.	Procurement of R&D services	**Geely Group:**		14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**96.5**	**152.0**	**183.0**
		(i) Geely Holding Group	(i) Geely Holding Framework Agreement			94.5	147.0	178.0
		(ii) Aurobay Group	(ii) Aurobay Framework Agreement			2.0	5.0	5.0

No	Type of Transaction	Counterparties	Agreements	Applicable Hong Kong Listing Rules	Waiver sought	Proposed aggregate annual cap for the year ending December 31, 2026	2027	2028
						(RMB in millions)		
4.	Procurement of operation services	**Geely Group:**		14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**239.7**	**270.7**	**281.1**
		(i) Geely Holding Group	(i) Geely Holding Framework Agreement			224.6	250.6	256.0
		(ii) Geely Technology Group	(ii) Geely Technology Framework Agreement			15.1	20.1	25.1
5.	Sale of CBUs and knock down kits	**Geely Group:**		14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**4,350.7**	**4,677.1**	**1,975.3**
		(i) Geely Holding Group	(i) Geely Holding Framework Agreement			1,567.2	1,764.0	1,910.0
		(ii) CaoCao Group	(ii) CaoCao Framework Agreement			2,730.0	2,853.8	Nil[Note]
		(iii) Dreamsmart Group	(iii) Dreamsmart Framework Agreement			53.5	59.4	65.3
6.	Sale of automobile components	**Geely Group:**		14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**66.5**	**79.8**	**87.8**
		(i) Geely Holding Group	(i) Geely Holding Framework Agreement			31.5	39.3	44.3
		(ii) Geely Technology Group	(ii) Geely Technology Framework Agreement			3.0	3.5	3.5
		(iii) Shandong Geely New Energy Group	(iii) Shandong Geely New Energy Group Framework Agreement			32.0	37.0	40.0
7.	Provision of R&D services	**Geely Group:**		14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**133.0**	**133.0**	**120.0**
		(i) Geely Holding Group	(i) Geely Holding Framework Agreement			100.0	110.0	120.0
		(ii) CaoCao Group	(ii) CaoCao Technical Support Services Framework Agreement			33.0	23.0	Nil[Note]
8.	Provision of operation services	**Geely Group:**		14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**11.1**	**12.2**	**13.3**
		(i) Geely Holding Group	(i) Geely Holding Framework Agreement			7.6	7.7	7.8
		(ii) Aurobay Group	(ii) Aurobay Framework Agreement			2.2	3.2	4.2
		(iii) Geely Technology Group	(ii) Geely Technology Framework Agreement			1.3	1.3	1.3
9.	Provision of ASD	Geely Holding Group	Geely Holding Framework Agreement	14A.35, 14A.53, 14A.76(1)(b), 14A.105, 14A.101	Yes	**8,800**	**10,120**	**11,640**
Transactions with StepFun Group								
10.	Purchase of MaaS Solutions	StepFun Group	StepFun Framework Agreement	14A.35, 14A.36, 14A.49, 14A.52, 14A.53, 14A.76(2)(a), 14A.105	Yes	**393.2**	**485.2**	**600.2**

Note: the proposed annual cap for the year ending December 31, 2028 did not take into account the transactions in relation to the CaoCao Vehicle Sales Framework Agreement and CaoCao Technical Support Services Framework Agreement which both expire on December 31, 2027.

IV. CONTINUING CONNECTED TRANSACTIONS WITH GEELY GROUP

A. Transaction with Geely Holding Group

1. Introduction

On [●], in order to regulate the ongoing transactions between the Group and Geely Holding Group, the Company entered into a business framework agreement with Geely Holding (the "**Geely Holding Framework Agreement**"), pursuant to which, we agree to procure from Geely Holding Group, including among others, (i) CBUs and knock down kits, (ii) automobile components, (iii) R&D services; (iv) operation services, and (v) financing cooperation; and Geely Holding Group agree to procure from the Group, including among others, (i) CBUs and knock down kits, (ii) automobile components, (iii) R&D services, (iv) operation services, and (v) our Afari Self-Driving System ("**ASD**").

Products and services provided to and procured from Geely Holding Group are distinct and not inter-related to each other. In particular, save for the CaoCao 60 model vehicles, the CBUs and knock-down kits we procured from and sold to Geely Group are related to different vehicle models. See "Business — Our Relationship with Geely Group — Commercial Background and Rationale of the Collaboration" for details.

The initial term of the Geely Holding Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The Geely Holding Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the Geely Holding Framework Agreement, the Group will enter into specific agreements with Geely Holding Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the Geely Holding Framework Agreement.

2. Details of transactions

Transactions in relation to CBUs, knock down kits and automobile components

Pursuant to the Geely Holding Framework Agreement, the Group has agreed to procure from Geely Holding Group (a) CBUs and knock down kits for purpose-built vehicles to the specifications of our Group and related services ("**procurement of CBUs and knock down kits**"); and (b) vehicle aftersales parts and components such as transmissions, transmission oils, bumpers, wiper sensors, battery products, and other spare parts.

In the meantime, Geely Holding Group has agreed to procure from the Group (a) CBUs and knock down kits and related services ("**sale of CBUs and knock down kits**"); and (b) automobile components in relation to manufacturing of CBUs, knock down kits and aftersales spare parts.

Pricing policies

The transactions in relation to the procurement and/or sales of CBUs, knock down kits, and automobile components will be conducted in the ordinary and usual course of business of the Group, on normal commercial terms and on terms no less favourable to the Group than terms available to or from (as applicable) other Independent Third Parties.

With respect to CBUs and knock down kits

- Pursuant to the Geely Holding Framework Agreement, the CBUs and knock down kits will be sold at prices calculated on a cost-plus basis, based on the actual manufacturing costs incurred by the Group, plus an agreed margin rate or a marginal assembly cost. During the course of negotiation with respect to the sales of CBUs and knock down kits to Geely Holding Group, we benchmarked and compared the selling prices and margin rates of similar products offered to Independent Third Parties. Such margin rate will be reviewed and adjusted annually or as needed by the relevant parties, taking into account the fact that the margin rates of comparable companies may change over time. During the course of negotiation with respect to the procurement of CBUs and knock down kits from Geely Holding Group, we compared Geely Holding Group's assembly charge against our own assembly cost for the same products.

- The sales department of the Group will review and benchmark the selling price on a regular basis, while the finance department of the Group will monitor compliance to ensure fair and reasonable pricing in line with market practices. Our Group will negotiate the terms of such transactions to ensure that prices are fair and reasonable on an annual basis (or more frequently if necessary).

With respect to automobile components

- Where the automobile components are procured by Geely Holding Group or the Group, as applicable, from other suppliers for onward selling to the other party, the selling price will be based on the actual costs incurred in procuring such automobile components; and
- Where the automobile components are manufactured by the Geely Holding Group or the Group, as applicable, the selling price will be calculated on a cost-plus basis according to the actual manufacturing costs (including related taxes) plus an agreed margin rate which shall be determined with reference to manufacturing overhead costs. The margin rate will be reviewed and adjusted annually or as needed by the relevant parties, taking into account the fact that the margin rates of comparable companies may change over time.

Historical transaction amounts and proposed annual caps

The historical transaction amounts of the transactions for the years ended December 31, 2023, 2024, and 2025 and the proposed annual caps for the amount of the transactions described above for the three years ending December 31, 2028 are as follows:

	Historical transaction amount			Proposed annual cap for the year ending December 31,		
	For the year ended December 31,					
	2023	2024	2025	2026	2027	2028
	(RMB in millions)					
Procurement of CBUs and knock down kits from Geely Holding Group	3,440.6	1,790.9[(1)]	1,854.8	2,244.0	2,321.4	2,398.8
Procurement of automobile components from Geely Holding Group	192.2	47.2[(1)]	170.7	323.4	425.6	437.1
Sale of CBUs and knock down kits to Geely Holding Group	627.8	1,115.1	981.9	1,567.2	1,764.0	1,910.0
Sale of automobile components to Geely Holding Group	78.9	3.0	82.4	31.5	39.3	44.3

Note:

(1) The transaction amounts of both of procurement of CBUs and knock down kits and procurement of automobile components from Geely Holding Group decreased significantly from the year ended December 31, 2023 to December 31, 2024, which was primarily attributable to the fact that after the Judicial Restructuring, the Group commenced its production line upgrade, which had not been completed during the year ended December 31, 2023. Starting from 2024, the Group began in-house production as the upgraded production lines became operational, reflecting the progress of our production transformation. As a result, the transaction amounts of procurement of CBUs and knock down kits, and automobile components have decreased significantly from 2023 to 2024.

(a) **Procurement of CBUs and knock down kits and related services by the Group from Geely Holding Group:** The proposed annual caps mainly relate to the procurement of (i) an existing model, CaoCao 60 and (ii) a new model, Blue Balloon.

(i) ***In relation to the existing model, CaoCao 60:*** CaoCao 60 is a battery-swappable SUV for the mobility service market, designed to support large-scale fleet operations and ride-hailing use cases. We added value to CaoCao 60 upfront at the design phase with our market leading battery swap technology. Historically, the procurement of CaoCao 60 vehicles constituted the majority of the Group's purchases from Geely Holding Group. In 2024, the Group procured approximately 14,000 units, with a corresponding transaction amount of approximately RMB1.19 billion, and in 2025, the procurement volume was approximately 14,900 units, with a transaction amount of approximately RMB1.14 billion.

Based on the Group's sales plan and anticipated market demand, procurement of the CaoCao 60 model is expected to remain at a relatively stable level over the period from 2026 to 2028. In particular, the estimated procurement volumes for the CaoCao 60 model for 2026, 2027 and 2028 are up to approximately 25,000 units, 26,000 units and 27,000 units, respectively. The corresponding transaction amounts are approximately RMB1.87 billion, RMB1.91 billion and RMB1.99 billion, respectively. Separately, certain models previously procured from Geely Holding Group, such as the 80V and RL8 models, are no longer procured in significant quantities as the Group's production capacity has improved and its product mix and sales strategy have been adjusted accordingly.

(ii) ***In relation to the new model, Blue Balloon:*** Blue Balloon is an electric vehicle launched in September 2025 and positioned as a cost-effective urban mobility solution, which is expected to contribute to the procurement volume substantially for the three years ending December 31, 2028. As the Group requires time to upgrade and optimise its existing production lines to accommodate the production of new models, including Blue Balloon, the available in-house production capacity remains limited during the transition period. Accordingly, it is expected that the Group will continue to procure from Geely Holding Group to accommodate its ramp-up of production for newly launched models.

Based on the Group's sales plan, the estimated procurement volumes for the Blue Balloon model for 2026 to 2028 are up to approximately 5,000 units, 6,000 units and 7,000 units, respectively. As such, the inclusion of the Blue Balloon model represents an incremental contribution to the proposed annual caps, reflecting the gradual ramp-up of a newly launched model rather than a change in the underlying pricing or procurement arrangements.

(iii) Accordingly, the proposed annual caps for procurement of CBUs and knock down kits from Geely Holding Group reflect (i) the continued procurement of the CaoCao 60 model at levels broadly consistent with historical sales volumes, taking into account the gradual reduction from earlier peak levels as in-house production capacity improves; (ii) the introduction of the Blue Balloon model; and (iii) the Group's evolving production strategy and product mix.

(b) **Procurement of automobile components by the Group from Geely Holding Group:**

The procurement of automobile components from Geely Holding Group relates to components required for certain vehicle models produced by the Group. Historically, the transaction amounts for the year ended December 31, 2024 and 2025, being approximately RMB47.2 million and RMB170.7 million, respectively, were mainly attributable to the procurement of components used in existing vehicle models during the relevant periods.

In response to expected increase in procurement associated with the production of new vehicle models, looking forward, the proposed annual caps for the three years ending December 31, 2028 primarily reflect the manufacturing of the car models including

Haoyue and Haoyue R7. The Haoyue model commenced contract manufacturing in the second half of 2025, while the Haoyue R7, also known as P658, is a new model expected to be launched in 2026. In order to support the production of these models, and having regard to the relevant design requirements and supplier arrangements, certain components are expected to continue to be sourced from Geely Holding Group.

Accordingly, the proposed annual caps of approximately RMB323 million, RMB426 million and RMB437 million for the three years ending December 31, 2028, respectively, mainly reflect the expected increase in component procurement associated with the ramp-up of new models, rather than any fundamental change in procurement structure or pricing arrangements.

(c) **Sale of CBUs and knock down kits by the Group to Geely Holding Group:** For sales of vehicles to Geely Holding Group, the proposed annual caps mainly comprise sales of the existing X3 Pro model and the newly introduced Haoyue model. The X3 Pro model is a compact SUV developed by LIVAN Auto.

(i) ***In relation to the existing X3 Pro model:*** Historically, sales to Geely Holding Group were primarily attributable to the X3 Pro model, with transaction amounts remaining at a relatively stable level over the Track Record Period. For the year ended December 31, 2024 and 2025, the transaction amount of the sales of X3 Pro to Geely Holding Group was approximately RMB1.1 billion and RMB0.87 billion, respectively.

Accordingly, it is expected that the transaction amounts relating to the X3 Pro model will remain relatively stable over the three years ending December 31, 2028.

(ii) ***In relation to new model, Haoyue:*** The Haoyue model is a mid-size SUV with a traditional internal combustion engine manufactured by LIVAN Auto, which allows the Group to utilise its existing production facilities and manufacturing capabilities to improve the Group's capacity utilisation and generate incremental revenue without significant additional capital expenditure. Haoyue was launched in the second half of 2025. The model is positioned as a family-oriented vehicle with larger interior space and is distributed through Geely's overseas sales channels.

As the model was introduced in July 2025, sales during the period from July to December 31, 2025 were limited, with approximately 1,251 units sold, representing a transaction amount of approximately RMB51 million. As the sales channels and market penetration continue to develop, the Haoyue model is expected to contribute a larger portion of sales in 2026. Based on the current sales plan and channel expansion, sales volume for 2026 is estimated at approximately 6,000 units, corresponding to a transaction amount of approximately RMB490 million.

(iii) Accordingly, the proposed annual caps for sales to Geely Holding Group reflect (a) the continued and relatively stable sales of the X3 Pro model, and (b) the first full-year contribution of the Haoyue model following its commercial launch, rather than any material change in pricing terms or transaction structure.

(d) **Sale of automobile components by the Group:** The proposed annual caps for the sale of automobile components by the Group to the Geely Holding Group were determined with reference to:

(i) the projected units and historical selling price of each type of automobile components for use in our vehicle products for the three years ending December 31, 2028;

(ii) the projected unit sales of the LIVAN brand vehicles, etc. which are manufactured with the aforesaid automobile components for the three years ending December 31, 2028;

(iii) the estimated unit selling price for each type of automobile components which are determined with reference to the prevailing market price of similar products for the three years ending December 31, 2028; and

(iv) the margin rate with reference to the cost-plus margin of the independent comparable companies.

Transactions in relation to R&D services

Pursuant to the Geely Holding Framework Agreement,

(a) the Group has agreed to procure from Geely Holding Group R&D services based on objectives of our project specifications, which includes among others R&D for automobiles and key auto parts, technical verification and testing, technical consultancy, technical support services, technology licensing, etc.; and

(b) the Group has agreed to provide Geely Holding Group the technological support services, including R&D of the NEV technologies and technical verification and testing, technical consultancy services, technical support services, technology licensing, etc.

Pricing policies

The services fees shall be determined based on market rates for comparable R&D services. If there are no comparable market rates, then the service fees shall be determined on a cost-plus margin basis, where the cost is calculated based on actual direct labor hours utilized given different hourly rate for each R&D staff grade. The margin rate shall be determined with reference to overhead costs expected to be incurred.

The finance department of our Group will review the relevant cost items incurred by our Group for the relevant R&D services to ensure the existence and accuracy of such costs. On an annual basis or more frequently, our Group will review and negotiate with Geely Holding Group regarding the hourly labor rate for each grade of R&D staff and the margin rate to ensure their fairness and reasonableness.

Historical transaction amounts and proposed annual caps

The historical transaction amounts of the transactions for the years ended December 31, 2023, 2024, and 2025 and the and proposed annual caps for the amount of the transactions described above for the three years ending December 31, 2028 are as follows:

	Historical transaction amount			Proposed annual cap for the year ending December 31,		
	For the year ended December 31,					
	2023	2024	2025	2026	2027	2028
	(RMB in millions)					
Procurement of R&D services from Geely Holding Group	602.0[(1)]	28.0	105.8	94.5	147.0	178.0
Provision of R&D services to Geely Holding Group	15.1	6.4	102.0	100.0	110.0	120.0

Note:

(1) Geely Holding Group was engaged in a R&D project by the Group which was non-recurring in nature, thereby leading to a significant decrease in the transaction amount from the year ended December 31, 2023 to the year ended December 31, 2024.

The proposed annual caps for (a) purchases of R&D services from Geely Holding Group and (b) provision of R&D services to Geely Holding Group are determined based on, among others,

(i) the amount and types of R&D projects in terms of the R&D cooperations;

(ii) the projected total staff hours required for each R&D and technology support project, and the projected hourly cost for the R&D staff based on historical cost or current market hourly wages;

(iii) other relevant costs incurred for the R&D and technology support projects such as material costs;

(iv) the estimated stage of completion of the R&D and technology support projects for the year ending December 31, 2028; and

(v) the historical transaction amount for the R&D services provided by Geely Holding Group to the Group.

Transactions in relation to operation services

Pursuant to the Geely Holding Framework Agreement, Geely Holding Group has agreed to provide general operation services to the Group in relation to, among others, logistics and warehousing services, back-office support services, and other ancillary services in connection with manufacturing and delivery of CBUs, knock down kits and other products to be sold by the Group to Geely Holding Group.

Pricing policies

The transaction amounts of the service fee to be charged by Geely Holding Group and by the Group will be on an arm's-length basis between our Group and Geely Holding Group.

The parties will refer to the market price of similar services. If such market price is not available, the selling price will be determined with reference to the actual costs expected to be incurred. The finance department of the Group will compare the operation service fees with similar existing operation services received from Independent Third Parties to determine the market rates for the operation services. If there are no such market rates, the finance department will monitor relevant cost items, as well as other necessary and reasonable expenses on an annual basis (or more frequently if necessary) for each type of operation services contemplated under the Geely Holding Framework Agreement and ensure that service fees charged are determined properly.

Historical transaction amounts and proposed annual caps

The historical transaction amounts of the transactions for the years ended December 31, 2023, 2024, and 2025 and the and proposed annual caps for the amount of the transactions described above for the three years ending December 31, 2028 are as follows:

	Historical transaction amount			Proposed annual cap for the year ending December 31,		
	For the year ended December 31,					
	2023	2024	2025	2026	2027	2028
	(RMB in millions)					
Procurement of operation services from Geely Holding Group	119.8	155.2	148.9	224.6	250.6	256.0
Provision of operation services to Geely Holding Group	12.6	25.5	18.9	7.6	7.7	7.8

The proposed annual caps for purchases of operation services from Geely Holding Group and provision of operation services to Geely Holding Group are determined based on, among others,

(i) the historical transaction amounts and the staff costs of the Group to perform the operation services for each of the three years ending December 31, 2028;

(ii) the estimated number of vehicles for which the Geely Holding Group will provide logistic and warehousing services for each of the three years ending December 31, 2028 and the estimated costs (including but not limited to transportation, packaging, and labour costs) for the transportation of each vehicle;

(iii) the expected increase in our procurement and sales of CBUs, knock down kits and other products to/from Geely Holding Group, which results in the increasing need for operational support to/from Geely Holding Group; and

(iv) to the extent applicable, the market prices for such services and the margin rates for the respective operation services, relative to estimated costs.

Transactions in relation to ASD between Afari Intelligent Drive and Geely Holding Group

Powered by our RLM models, we, through our subsidiary, Afari Intelligent Drive, offer a full-stack end-to-end intelligent driving and Assistance Driving System solution, encompassing L2-level ADAS to L4-level autonomous driving. For more details of our ASD, please refer to "Business — Our Products and Solutions — Our Technology Solutions" in this Document.

Pursuant to the Geely Holding Framework Agreement, the Geely Holding Group has agreed to procure our ASD and related services for its vehicles, including hardware components, foundational software, and other technical and operational services necessary for the implementation of advanced driver assistance systems ("**ADAS**") and intelligent driving functionalities.

Afari Intelligent Drive is partnering with members of the Geely Holding Group in building an artificial intelligence ecology in the automotive industry and will provide advanced driver assistance solutions for future products of the latter.

Pricing policies

The pricing of provision of ASD by Afari Intelligent Drive to Geely Holding Group will be determined on a project-by-project basis and in accordance with normal commercial terms and arm's length principles. Given that there are no directly comparable historical transactions, the pricing is mainly determined with reference to multiple costs and market factors under two pricing categories:

(i) ***the costs of the project-based non-recurring engineering (NRE)***, which represent one-off project development costs for customization, validation and deployment of the ASD for particular vehicle models. The pricing shall be determined with reference to: (a) the technical complexity and scope of the system (e.g. target driving level, software-hardware integration); (b) the degree of customization and adaptation required for specific models; (c) the estimated labour hours and personnel costs, taking into account potential annual cost adjustments; and (d) independent market comparables and a reasonable profit margin of similar services.

(ii) ***the costs of the ADAS package***, which cover costs of both hardware and foundational software in connection with the ASD solutions to be delivered. The pricing will be determined with reference to: (a) the procurement costs of hardware configuration and components, such as cameras, radar, LiDAR, domain controllers and other electronic control units, which may differ across vehicle models and trim levels for each; (b) the software license and functionality level, including perception, planning, control and OTA upgrade capabilities; (c) the needs for the maintenance, upgrade and aftersales support throughout the product lifecycle; and (d) the fair market rates of similar solutions.

Historical transaction amounts and proposed annual caps

Given our ASD 1.0 was first released in late June 2025, the historical transaction amounts for provision of ASD to Geely Holding Group for each of the years ended December 31, 2023 and 2024 were nil, and December 31, 2025 were 371.0.

The proposed annual caps for the transactions described above for the three years ending December 31, 2028 as follows:

	Proposed annual cap for the year ending December 31,		
	2026	**2027**	**2028**
		(RMB in billions)	
Provision of ASD	8.80	10.12	11.64

Basis for annual caps

The proposed annual caps for the transaction amounts for the provision of ASD to Geely Holding Group are determined with reference to multiple factors, including:

(i) ***Expected adoption across Geely vehicle models.*** The Company has considered the anticipated number of Geely vehicle models to adopt our ASD and its projected production volumes in determining the proposed annual caps. Giving the capabilities of our ASD, our ASD will be able to deployed to various models of vehicles of Geely Holding Group.

(ii) ***Unit pricing and cost for provision of ASD.*** The estimated unit pricing for each vehicle, including one-off non-recurring engineering expenses, the ADAS package, and continuous upgrade and maintenance service fees, based on the project-by-project pricing policy as illustrated above.

(iii) ***Continuous demand for ASD from the Geely Holding Group.*** In determining the potential demand of the Geely Holding Group, the Company has considered its expected sales growth. According to Geely Automobile, its wholesale volume (including exports) reached approximately 2.17 million and 3.02 million units of vehicles in 2024 and 2025, respectively, and it has set its annual sales target at 3.45 million units for the year ending on December 31, 2026.

    In particular, we have considered recent sale volumes of existing vehicle brands that may deploy our ASD. For example, according to public information:

    (a) for the "Geely Galaxy" brand: the total sales volume of "Geely Galaxy" in 2025 was approximately 1.24 million units, representing a YoY increase of more than 150%. In addition, there were more than 1,100 first-tier dealer stores for the "Geely Galaxy" brand; and

    (b) for the "Zeeker" brand: in 2025, approximately 224,000 units of BEVs were sold, representing a YoY increase of 3%. In addition, As of December 31, 2025, the ZEEKR brand operated approximately 540 stores in China and over 100 stores across more than 40 countries/regions.

    The Company believes that all of these show great potential of the market for our ASD.

(iv) ***The prevailing market conditions.*** According to CIC, benefiting from the application of large-scale AI models in the automotive industry, the global market size of intelligent driving and Assistance Driving System solutions is expected to reach over RMB300 billion in 2025 and further expand to over RMB800 billion by 2030.

In particular, China is expected to become the largest market for intelligent driving and Assistance Driving System solutions. The market size of intelligent driving and Assistance Driving System solutions in China is projected to reach over RMB100 billion in 2025, accounting for approximately 30% of the global market. With the progressive improvement of relevant regulatory frameworks and the accelerated maturity and adoption of end-to-end AI model, China's intelligent driving and Assistance Driving System solutions market is forecasted to reach more than RMB300 billion by 2030.

The significant expansion in the field of intelligent driving and Assistance Driving System solutions provides opportunities for Afari Intelligent Drive to further accelerate its innovation and development in product offerings and deepen the cooperation with the Geely Holding Group. As a leading provider in the AI mobility solution industry, Afari Intelligent Drive stands out in capabilities including software and hardware integration, AI capability, engineering capability, ecosystem openness and global exposure. Such pioneering advantages are benefiting from its full-stack AI capabilities enabling rapid iteration and optimization, a comprehensive product matrix and closed-loop data platform, and an open ecosystem fostering deep collaboration and customized development that driving the large-scale commercialization of AI mobility solutions.

(v) ***A new business.*** Having considered there is no historical transaction amount in relation to the provision of ASD, we have also taken into account the possible increase in the aforesaid transaction amount as a result of any unexpected increase in market demand or the cost and expenses of ASD during the term of the Geely Holding Framework Agreement.

B. Transaction with CaoCao Group

1. CaoCao Vehicle Sales Framework Agreement

On April 30, 2025, we and CaoCao entered into a vehicle procurement framework agreement (the "**CaoCao Vehicle Sales Framework Agreement**"), pursuant to which our Group will sell to CaoCao Group customized vehicles (such as CaoCao 60), purpose-built vehicles and other new vehicles we developed from time to time and CaoCao Group will pay us purchase price for the vehicles purchased.

The initial term of the agreement commenced on June 25, 2025 and will end on December 31, 2027. The CaoCao Vehicle Sales Framework Agreement may be renewed for another three years with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules and other applicable laws and regulations. Both parties or their respective subsidiaries will enter into separate underlying agreements which will set out the specific terms and conditions for the supply of products according to the principles provided in the CaoCao Vehicle Sales Framework Agreement.

Pricing policies

The product and service fees to be charged by our Group to CaoCao Group under the CaoCao Vehicle Selling Framework Agreement shall be determined on an arm's-length basis between our Group and CaoCao Group on a cost plus margin basis with reference to, among others, (i) the model and specifications of the vehicles procured, in particular the complexity and level of customization required for the vehicles, (ii) the hardware to be installed in the vehicles and the costs of such hardware, and (iii) number of vehicles ordered.

Historical amounts and proposed annual caps

The historical transaction amounts of the transactions for the years ended December 31, 2023, 2024, and 2025 and the and proposed annual caps for the amount of the transactions described above for the two years ending December 31, 2027 are as follows:

	Historical Transaction amounts			Proposed annual caps for the year ending December 31,	
	For the year ended December 31,				
	2023	2024	2025	2026	2027
			(RMB in millions)		
Transaction amount payable by CaoCao Group to our Group under the CaoCao Vehicle Sales Framework Agreement	1,794.3	1,153.4	1,534.4	2,730.0	2,853.8

Basis for determining the proposed annual caps

The Group's sales of vehicles to CaoCao Group mainly relate to the CaoCao 60 model. The proposed annual caps for the sales of vehicles to CaoCao Group are determined based on, among others, the historical transaction amounts between the Group and CaoCao Group and the expected sales volume of Cao Cao 60 for the two years ending December 31, 2027.

- For the year ended December 31, 2024 and 2025, the transaction amount relating to the sales of the CaoCao 60 model amounted to approximately RMB1.15 billion and RMB1.53 billion, respectively. This reflects the continued expansion of CaoCao's operating scale and the sustained demand for the CaoCao 60 model.
- The proposed annual caps for the years ending December 31, 2026 and December 31, 2027 are therefore determined with reference to this established transaction model, taking into account the ongoing sales momentum and expected development of the relevant vehicle models.

The increase in the proposed annual caps for the two years ending December 31, 2027 is primarily attributable to the following factors:

- *Continued expansion of the CaoCao mobility platform:* The CaoCao 60 model has been increasingly adopted by ride-hailing operators and fleet customers, with demand supported by the expansion of Geely's mobility ecosystem and the continued penetration of battery-swapping infrastructure.
- *Replacement cycle of operating vehicles:* As a growing number of vehicles in operation reach the end of their service life, replacement demand is expected to support continued sales volumes in 2026 and 2027.
- *Ongoing product optimisation:* The Group expects that further enhancements to the CaoCao 60 model, including improvements in driving range and overall performance, will help sustain its competitiveness and market acceptance.

Accordingly, the proposed annual cap for the years ending December 31, 2026 and 2027, reflects a continuation of the established transaction trend observed during the Track Record Period, rather than a change in the nature or pricing of the transactions.

2. *CaoCao Technical Support Services Framework Agreement*

On April 30, 2025, our Company, for itself and on behalf of its subsidiaries, entered into the technical support services framework agreement (the "**CaoCao Technical Support Services Framework Agreement**") with CaoCao Group, pursuant to which we will provide technical support to CaoCao Group. Pursuant to the CaoCao Technical Support Services Framework Agreement, the Group will provide technology services relating to vehicle optimization and associated technological support to CaoCao Group for the vehicles it deploys, including CaoCao 60 and other existing models (e.g. Maple 80V) as well as future models. We will also develop new vehicle models for CaoCao Group. In return, CaoCao Group shall pay service fees in accordance with the CaoCao Technical Support Services Framework Agreement. Separate underlying agreements will be entered into which will set out the scope of technology services, the calculation of the service fees, method of payment and other details of the technology service arrangement in the manner provided in the CaoCao Technical Support Services Framework Agreement.

The initial term of the agreement commenced on June 25, 2025 and will end on December 31, 2027. The CaoCao Technical Support Services Framework Agreement may be renewed for another three years with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules and other applicable laws and regulations.

Pricing policies

The service fees charged by us from CaoCao Group under the CaoCao Technical Support Services Framework Agreement shall be determined on an arm's-length basis between our Group and CaoCao Group on cost plus margin basis with reference to, (i) development costs, (ii) labor costs, (iii) service project management fee, and (iv) additional charge in relation to technology services as applicable.

Historical amounts

CaoCao started to engage our Company in the second half of 2022 to assist in the development of software in adjusting certain vehicle settings, including ventilation and cabin temperature, via CaoCao mobility app, to improve user experience during ride hailing. For the years ended December 31, 2023, 2024, and 2025, the transaction amounts of the service fees paid by CaoCao Group to us were RMB10.3 million, RMB49.7 million and RMB1.3 million, respectively.

Annual caps

The Company proposes to set up the annual caps for the two years ending December 31, 2027 as follows:

	Proposed annual cap for the year ending December 31,	
	2026	**2027**
	(RMB in millions)	
Provision of technical support services	33.0	23.0

The proposed annual caps are determined based on, among others: (i) the historical amounts of the transactions between our Group and CaoCao Group during the Track Record Period in respect of the technical support services provided by us; (ii) the expected demand for technology services for the purpose-built vehicles of CaoCao Group in the coming two years; and (iii) the estimated total R&D costs and service fees for upgrading CaoCao 60 vehicles which is expected to be conducted between 2026 and 2027.

C. Transaction with Jiyao Group

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation framework agreement (the "**Jiyao Framework Agreement**") with Jiyao Group, pursuant to which our Group will procure from Jiyao Group automobile components which are mainly battery products, including battery packs, electric drives, chargers, etc. (the "**Battery Products**").

The initial term of the Jiyao Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The Jiyao Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the Jiyao Framework Agreement, the Group will enter into specific agreements with Jiyao Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the Jiyao Framework Agreement.

Pricing policies

The purchase prices for the Battery Products were negotiated on an arm's-length basis between our Group and counterparties with reference to, among others, the type of battery, the volume purchased, the timeline of delivery, and actual cost of acquisition or manufacture. The selling price will be based on the prevailing market price of similar products. We regularly obtained fee quotes from Independent Third Parties for comparable Battery Products to ensure that the terms offered by Jiyao Group are no less favourable than that offered to us by Independent Third parties.

Historical amounts and proposed annual caps

The historical transaction amounts of the transactions for the years ended December 31, 2023, 2024, and 2025 and the and proposed annual caps for the amount of the transactions described above for the three years ending December 31, 2028 are as follows:

	Historical Transaction amounts			Proposed annual caps for the year ending December 31,		
	For the year ended December 31,					
	2023	2024	2025	2026	2027	2028
	(RMB in millions)					
Procurement of Battery Products . . .	Nil	21.1	143.6	1,279.7	1,348.2	1,403.7

In determining the proposed annual caps for the procurement of Battery Products from Jiyao Group, the Company has taken into account the vehicle models adopting such battery products, the historical transaction amounts, and the Group's production planning and product development roadmap.

(i) **Existing models:** Historically, the procurement of Battery Products from Jiyao Group mainly related to the Group's existing vehicle models, including CaoCao 60, RL7 and RL8. For the years ended December 31, 2023, 2024 and 2025, the historical transaction amounts were approximately nil, RMB21.1 million and RMB143.6 million, respectively. The increase in transaction amounts in 2024 and the first half of 2025 primarily reflected the ramp-up in production of these existing models and the corresponding increase in demand for Battery Products.

In selecting battery suppliers for the existing models, the Group adopts a market-oriented and diversified procurement approach, taking into account factors such as product compatibility with specific vehicle platforms, supply stability, quality performance and overall cost efficiency. Based on such assessments, the Group considers Jiyao Group to be a suitable and competitive supplier of Battery Products for these models.

(ii) **New model — Haoyue R7:** The proposed annual caps for the three years ending December 31, 2028 also take into account the introduction of Haoyue R7, a new vehicle model expected to be launched in 2026. As Haoyue R7 is developed based on Geely's vehicle platform, its technical specifications are designed to be compatible with Battery Products supplied by Jiyao Group.

Accordingly, the launch and subsequent production ramp-up of Haoyue R7 are expected to contribute to additional demand for Battery Products. The Group expects such demand to increase progressively as the model enters mass production and market penetration expands.

Taking into account (i) the increasing procurement volume for existing models, (ii) the expected introduction and ramp-up of new models such as Haoyue R7, and (iii) the Group's ongoing efforts to optimize its supplier structure while maintaining cost competitiveness and product quality, the proposed annual caps have been determined on a forward-looking basis.

The proposed annual caps therefore reflect the expected growth in procurement volume driven by the Group's business development and product roadmap, rather than any change in pricing policies or procurement terms.

D. Transaction with Aurobay Group

On [●], 2025, in order to regulate the ongoing transactions between the Group and Aurobay Group, our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation framework agreement (the "**Aurobay Framework Agreement**") with Aurobay Group, pursuant to which: (a) our Group would procure components and research and development services form Aurobay Group; and (b) our Group would provide service in connection with the Powertrain Products (as defined below) to Aurobay Group.

The initial term of the Aurobay Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The Aurobay Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the Aurobay Framework Agreement, the Group will enter into specific agreements with Aurobay Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the Aurobay Framework Agreement.

Pursuant to the Aurobay Framework Agreement, the Group has agreed to (a) procure from Aurobay Group (i) components, such as engine, transmission and relevant after-sale parts and other products (the "**Powertrain Products**") and (ii) research and development services in connection with the Powertrain Products provided by Aurobay Group (the "**Related R&D services**"); and (b) the Group has agreed to provide services in connection with the Powertrain Products to Aurobay Group in connection with the Powertrain Products provided by Aurobay Group.

Pricing terms

Procurement of Powertrain Products

The purchase of the Powertrain Products under the Aurobay Framework Agreement shall be fair and reasonable, on normal commercial terms or better, and the price of the Powertrain Products shall not be less favourable than the price offered by Aurobay Group to others. In determining the purchase price of the Powertrain Products, the Group obtained and compared quotations offered by Aurobay Group to others to ensure that the price offered to the Group is fair and reasonable.

Procurement of Related R&D services

The purchase of Related R&D services under the Aurobay Framework Agreement shall be determined based on: (i) market rates for comparable R&D or technology licensing services; or (ii) a cost-plus basis if no comparable market rates are available. For R&D services without a market price, pricing will be based on the cost of providing the relevant service plus a margin rate determined, with reference to the overhead costs expected to be incurred. The Group will assess such overhead costs to ensure that the terms offered by Aurobay Group are no less favourable than terms offered by Independent Third Parties.

Provision of services in connection with the Powertrain Products

The procurement of services in connection with the Powertrain Products under the Aurobay Framework Agreement shall be priced based on cost plus relevant management fees, with the management fees to be calculated by reference to the profit margins of independent comparable companies providing similar services.

Historical transaction amounts and proposed annual caps

The historical transaction amounts of the transactions for the years ended December 2023, 2024, and 2025 and the proposed annual caps for transactions described above for the three years ending December 31, 2028 are as follows:

	Historical transaction amounts			Proposed annual cap for the year ending December 31,		
	For the year ended December 31,					
	2023	2024	2025	2026	2027	2028
	(RMB in millions)					
Procurement of Powertrain Products from Aurobay Group	125.4	190.8	606.3	869.8	929.6	975.4
Procurement of research and development services from Aurobay Group	1.4	1.0	5.6	2.0	5.0	5.0
Provision of operation services to Aurobay Group	0.02	Nil	0.1	2.2	3.2	4.2

Basis of annual caps

In determining the proposed annual caps for the procurement of powertrain products from Aurobay Group, the Company has taken into consideration the specific vehicle models in which Aurobay's Powertrain Products are used, as well as the Group's production planning and product roadmap. The proposed annual caps for the procurement of powertrain products from Aurobay Group are higher than the historical transaction amounts, primarily due to the combined impact of continued demand from existing models and the introduction of new vehicle models, as explained below.

(i) **Existing model — X3 Pro:** X3 Pro is an existing model developed by the Group on Geely's vehicle platform following the Judicial Restructuring. Since its launch, X3 Pro has been equipped with powertrain products supplied by Geely Group, and such configuration has remained consistent throughout the Track Record Period.

- Given the technical compatibility between the X3 Pro platform and Aurobay's Powertrain Products, continuing to procure powertrain products from Aurobay enables the Group to maintain production stability and quality consistency. Any change of supplier would require substantial re-engineering, re-validation and tooling adjustments, resulting in additional time and cost. Accordingly, the Group has continued to procure powertrain products for the X3 Pro from Aurobay Group.
- As illustrated in the paragraphs headed "— A. Transaction with Geely Holding Group — (a) Procurement of CBUs and knock down kits and related services by the Group" in this section, the sales volume of the X3 Pro is expected to remain stable in the three years ending December 31, 2028, the demand for powertrain products supplied by Aurobay Group in respect of this model is expected to remain broadly consistent.
- For the 2025, the transaction amount relating to powertrain products procurement for the X3 Pro was approximately RMB252 million, reflecting a stable level of demand rather than a structural increase.

(ii) **New models — Haoyue and Haoyue R7:** In addition to the continued demand arising from the existing X3 Pro model, the proposed annual caps also take into account the expected production of new models, namely Haoyue, a mid-size SUV launched in 2025 and Haoyue R7 expected to be launched in 2026, both of which are designed to be equipped with powertrain systems supplied by Aurobay Group. Based on the Group's current production planning, these two new models are expected to be produced at a meaningful commercial scale following their respective launches.

Accordingly, taking into account (a) the continued use of Aurobay-supplied powertrain products for the existing X3 Pro model and the continual increase in the sales of X3 Pro model; (b) the launch and ramp-up of new models such as Haoyue and Haoyue R7; (c) the technical compatibility and supply reliability of Aurobay's Powertrain Products; (d) the Group's ongoing efforts to optimise production efficiency while maintaining product quality; and (e) the significant growth in historical transaction amount from RMB190.8 million in 2024 to RMB606.3 million in 2025, the proposed annual caps have been determined on a forward-looking basis to accommodate the expected increase in demand for powertrain products.

The proposed annual caps for procurement of Related R&D services from Aurobay Group were determined by the Company with reference to, among others, (i) the projected total staff hours required for each R&D and technology support project in connection with the Powertrain Products; (ii) projected hourly cost for the R&D staff, based on historical costs or current market hourly wages; (iii) other relevant costs incurred for the R&D and technology support projects; and (iv) estimated stage of completion of the R&D and technology support projects during the period from January 1, 2026 to December 31, 2028.

The proposed annual caps for provision of services in connection with the Powertrain Products to Aurobay Group were determined with reference to: (i) the historical transaction amounts in relation to such services; and (ii) the projected staff costs of the Group to perform services in connection with the Powertrain Products.

E. Transactions with Geely Technology Group

On [●], in order to regulate the ongoing transactions between the Group and Geely Technology Group, our Company, for itself and on behalf of its subsidiaries, entered into a business framework agreement (the "**Geely Technology Framework Agreement**") with Geely Technology Group, pursuant to which (a) our Group would procure automobile and motorcycle components, and operation services from Geely Technology Group; and (b) our Group would provide to Geely Technology Group motorcycle components, leasing and operation services.

The initial term of the Geely Technology Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The Geely Technology Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the Geely Technology Framework Agreement, the Group will enter into specific agreements with Geely Technology Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the Geely Technology Framework Agreement.

Details of transactions

(a) Transactions in relation to automobile and motorcycle components

Pursuant to the Geely Technology Framework Agreement, the Group has agreed to procure from Geely Technology Group automobile and motorcycle components such as engine, wheel rim and other spare parts. In the meantime, Geely Technology Group would procure motorcycle components from our Group.

Pricing terms

The transactions in relation to the procurement and/or sales of automobile and motorcycle components will be conducted in the ordinary and usual course of business of the Group, on normal commercial terms and on terms no less favourable to the Group than terms available to or from (as applicable) other Independent Third Parties of the Group.

Pursuant to the Geely Technology Framework Agreement, the motorcycle components will be sold at prices calculated on a cost-plus basis, based on the actual manufacturing costs incurred by the Group and/or the Geely Technology, plus an agreed margin rate determined by the Company and Geely Technology after arm's length negotiations, with reference to the manufacturing overhead costs expected to be incurred. Such margin rate will be reviewed and adjusted annually or as needed by the relevant parties.

During the course of negotiation with respect to the procurement of automobile and motorcycle components from Geely Technology, we obtained fee quotes from Independent Third Parties for comparable automobile and motorcycle components to ensure that the terms offered by Geely Technology are no less favourable than that offered to us by Independent Third parties.

The sales department of the Group will review and benchmark the selling price on a regular basis, while the finance department of the Group will monitor compliance to ensure fair and reasonable pricing in line with market practices. Our Group will negotiate on an annual basis (or more frequently if necessary) the terms of such transactions to ensure that prices are fair and reasonable.

Historical transaction amounts and proposed annual caps

The historical transaction amounts of the transactions for the years ended December 31, 2023, 2024, and 2025 and the proposed annual caps for the amount of the transactions described above for the three years ending December 31, 2028 are as follows:

	For the year ended December 31,			Proposed annual cap for the year ending December 31,		
	2023	2024	2025	2026	2027	2028
	(RMB in millions)					
Procurement of products	17.1	53.2	61.1	39.9	69.7	89.2
Sale of products	1.6	0.3	1.8	3	3.5	3.5

The proposed annual caps for automobile and motorcycle components procurement from/providing to Geely Technology were determined with reference to: (i) the estimated needs of units of automobile and motorcycle components for use with an expected year-on-year fluctuation; (ii) the estimated actual cost of manufacturing automobile and motorcycle components; and (iii) the margin rates over such estimated manufacturing costs of automobile and motorcycle components.

(b) Transactions in relation to leasing and operation services

Pursuant to the Geely Technology Framework Agreement, the Group has agreed to procure from Geely Technology operation services mainly include business travel services. In the meantime, Geely Technology would procure operation services from the Group, mainly including warehousing services.

Pricing terms

Pursuant to the Geely Technology Framework Agreement, the operation services will be sold at prices calculated on a cost-plus basis, based on the actual costs incurred by the Group and/or the Geely Technology, plus an agreed margin rate determined by the Company and Geely Technology after arm's length negotiations, with reference to overhead costs expected to be incurred. Such margin rate will be reviewed and adjusted annually or as needed by the relevant parties. During negotiation phase with respect to the procurement of operation services from Geely Technology, we obtained and compared fee quotes offered by Geely Technology to other parties to ensure that the terms offered by Geely Technology are comparable with that offered to us.

On the other hand, the operation services we render to Geely Technology mainly consist of warehousing services provided to Geely Technology. The margin rates were determined based after arms' length negotiation by the parties after taking into consideration several factors, including, among others, the area of the relevant warehouses, nature of goods requiring such warehousing services and any additional logistics services required.

The sales department of the Group will review and benchmark the selling price on a regular basis, while the finance department of the Group will monitor compliance to ensure fair and reasonable pricing in line with market practices. Our Group will negotiate on an annual basis (or more frequently if necessary) the terms of such transactions to ensure that prices are fair and reasonable.

Historical transaction amounts

For the years ended December 31, 2023, 2024, and 2025, (i) the historical transaction amounts with respect to the procurement of operation services from Geely Technology were RMB24.2 million, RMB13.2 million and RMB12.2 million; and (ii) the historical transaction amounts with respect to provision of operation services to Geely Technology were RMB0.2 million, RMB0.2 million, and RMB1.0 million.

Proposed annual caps

The proposed annual caps for transactions described above for the three years ending December 31, 2028 are as follows:

	Proposed annual cap for the year ending December 31,		
	2026	**2027**	**2028**
	(RMB in millions)		
Procurement of operation services from Geely Technology.	15.1	20.1	25.1
Provision of operation services to Geely Technology	1.3	1.3	1.3

Basis of annual caps

The proposed annual caps for operation services procurement from Geely Technology were determined with reference to: (i) the historical transaction amounts between the Group and Geely Technology Group during the Track Record Period in respect of operation services procured by us; and (ii) the estimated total costs required for operation services for each of the three years ending December 31, 2028, taking into account the estimated number of domestic and international business travels, exhibitions and conferences required by the Group, and the estimated average price for air tickets, accommodations and other transportation.

The proposed annual caps for operation services providing to Geely Technology were determined with reference to: (i) the historical transaction amounts between the Group and Geely Technology Group during the Track Record Period in respect of operation services provided by us; and (ii) the estimated costs (including but not limited to transportation, packaging, and labour costs) for the warehouse services.

F. Transactions with other members of Geely Group

1. Dreamsmart Framework Agreement

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation agreement (the "**Dreamsmart Framework Agreement**") with Dreamsmart Group, pursuant to which our Group agrees to sell, and Dreamsmart Group agrees to purchase from our Group the vehicles and automobile components.

The initial term of the Dreamsmart Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The Dreamsmart Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the Dreamsmart Framework Agreement, the Group will enter into specific agreements with Dreamsmart Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the Dreamsmart Framework Agreement.

Pricing policies

Pursuant to the Dreamsmart Framework Agreement, the vehicles will be sold at prices calculated on a cost-plus basis, based on the actual manufacturing costs incurred by the Group, plus an agreed margin rate determined by the Company and Dreamsmart after arm's length negotiations, with reference to the selling price of vehicles offered to other Independent Third Parties. During the course of negotiation with respect to the sales of vehicles to Dreamsmart, we benchmarked and compared the selling prices and margin rates of similar products offered to Independent Third Parties.

Historical amounts

For the years ended December 31, 2023, 2024, and 2025, the historical transaction amounts with respect to the products and/or services provided by our Group to Dreamsmart Group were approximately nil, RMB9.3 million and RMB23.3 million, respectively.

Annual caps

The Company proposes to set up the annual caps for the three years ending December 31, 2028 as follows:

	Proposed annual cap for the year ending December 31,		
	2026	**2027**	**2028**
	(RMB in millions)		
Sale of vehicles	53.5	59.4	65.3

The proposed annual caps are determined based on, among others: (i) the historical amounts of the transactions between our Group and Dreamsmart Group during the Track Record Period in respect of the sale of vehicles; (ii) the additional surge in demand for the sale of LIVAN vehicles in relevant regions given the prospect of increased collaboration with such regions in the near future; and (iii) the expected increase in the number of customers and expansion of customer base of Dreamsmart Group.

2. Lotus Framework Agreement

On [●], 2025, in order to regulate the ongoing transactions between the Group and Lotus Technology Group, our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation framework agreement (the "**Lotus Framework Agreement**") with Lotus Technology Group, pursuant to which our Group will procure automobile components from Lotus Technology Group, such as brakes modules for automobiles, mainly in relation to a new vehicle to be manufactured by the Group since the second half of 2025.

The initial term of the Lotus Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The Lotus Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the Lotus Framework Agreement, the Group will enter into specific agreements with Lotus Technology Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the Lotus Framework Agreement.

Pricing policies

The transactions in relation to the procurement of automobile components will be conducted in the ordinary and usual course of business of the Group, on normal commercial terms and on terms no less favourable to the Group. Pursuant to the Lotus Framework Agreement, the automobile components will be sold at prices calculated on a cost-plus basis, based on the actual manufacturing costs incurred by the Group and/or the Lotus Technology Group, plus an agreed margin rate determined by the Company and Lotus Technology Group after arm's length negotiations. Such margin rate will be reviewed and adjusted annually or as needed by the relevant parties, taking into account the fact that the margin rate of comparable companies may change over time.

Historical amounts

For the years ended December 31, 2023, 2024, and 2025, the historical transaction amounts with respect to procurement of automobile components from Lotus Technology Group by our Group from Lotus Technology Group were nil, nil, and RMB42.4 million, respectively.

Annual caps

The Company proposes to set up the annual caps for the three years ending December 31, 2028 as follows:

	Proposed annual cap for the year ending December 31,		
	2026	**2027**	**2028**
	(RMB in millions)		
Procurement of automobile components	34.2	38.0	41.8

The proposed annual caps of procurement of automobile components are determined based on, among others: (i) the projected number of units for each type of automobile components, including brake modules and shock absorption pads; (ii) the projected unit sales of vehicles using such automobile components for the three years ending December 31, 2028; (iii) the projected purchase price for each type brake modules and shock absorption pads with reference to the prevailing market price or the estimated cost of such automobile components if market prices are not available; (iv) the margin rate with reference to the cost-plus margin of the comparable companies; and (v) the expected additional procurement of relevant components by the Group for the Group's new vehicle models, such as brake modules produced by Lotus Technology Group.

3. Shandong Geely New Energy Framework Agreement

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation framework agreement (the "**Shandong Geely New Energy Framework Agreement**") with Shandong Geely New Energy Group, pursuant to which our Group agreed to sell to Shandong Geely New Energy Group certain automobile components.

The initial term of the Shandong Geely New Energy Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The Shandong Geely New Energy Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the Shandong Geely New Energy Framework Agreement, the Group will enter into specific agreements with Shandong Geely New Energy Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the Shandong Geely New Energy Framework Agreement.

Pricing policies

Pursuant to the Shandong Geely New Energy Framework Agreement, the automobile components will be sold at prices calculated on a cost-plus basis, based on the actual manufacturing costs incurred by the Group, plus an agreed margin rate determined by the Company and Shandong Geely New Energy Group after arm's length negotiations, with reference to the manufacturing overhead costs expected to be incurred.

Historical amounts

For the years ended December 31, 2023, 2024, and 2025, the historical transaction amounts with respect to the procurement by Shandong Geely New Energy Group from our Group were nil, nil, and RMB12.5 million.

Annual caps

The Company proposes to set up the annual caps for the three years ending December 31, 2028 as follows:

	Proposed annual cap for the year ending December 31,		
	2026	**2027**	**2028**
	(RMB in millions)		
Sale of automobile components . .	32.0	37.0	40.0

The proposed annual caps are determined based on, among others: (i) the estimated number of units for each type of automobile components and the estimated unit sales of automobile components for the three years ending December 31, 2028; (ii) the historical sales amount to Shandong Geely New Energy Group with respect to automobile components, which commenced in July 2025; (iii) the projected purchase price for such components with reference to the prevailing market price or the estimated cost of such automobile components if market prices are not available; and (iv) the margin rate with reference to the cost-plus margin of the comparable companies.

4. *ECARX Framework Agreement*

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation framework agreement (the "**ECARX Framework Agreement**") with ECARX Group, pursuant to which our Group would procure primarily automobile components, such as in-vehicle infotainment system, as well as data collection services from ECARX Group.

The initial term of the ECARX Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The ECARX Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the ECARX Framework Agreement, the Group will enter into specific agreements with ECARX Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the ECARX Framework Agreement.

Pricing policies

Pursuant to the ECARX Framework Agreement, the automobile components will be procured at prices determined by the Company and ECARX Group after arm's length negotiations, with reference to the selling price offered to others. We regularly obtained and compared fee quotes to ensure that the terms offered by ECARX Group to others are comparable to that offered to us.

Historical amounts

For the years ended December 31, 2023, 2024, and 2025, the historical transaction amounts with respect to the procurement by our Group from ECARX Group were nil.

Annual caps

The Company proposes to set up the annual caps for the three years ending December 31, 2028 as follows:

	Proposed annual cap for the year ending December 31,		
	2026	**2027**	**2028**
	(RMB in millions)		
Procurement of automobile components	26.4	27.9	29.4

The proposed annual caps are determined based on, among others: (i) that, in connection with the manufacturing of certain new vehicle models of the Group, we commenced cooperation with ECARX Group, and expect an enhanced cooperation for the three years ending December 31, 2028; (ii) the projected number of in-vehicle infotainment system to be procured and the projected unit sales of vehicles using such automobile components for the three years ending December 31, 2028; (iii) the projected purchase price for each type of in-vehicle infotainment system with reference to the prevailing market price or the estimated cost of such automobile components if market prices are not available; (iv) the margin rate with reference to the cost-plus margin of the comparable companies; and (v) the expected additional procurement from ECARX Group of products such as in-vehicle infotainment system manufactured by it for the Group's new vehicle models to be launched in the future.

5. YoeNing Framework Agreement

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation framework agreement (the "**YoeNing Framework Agreement**") with YoeNing Group, pursuant to which our Group would procure from YoeNing Group and YoeNing Group has agreed to sell, certain automobile components, such as A-pillar reinforcement plate and crossbeam for our vehicles.

The initial term of the YoeNing Framework Agreement will commence from the [**REDACTED**] and expire on December 31, 202[8]. The YoeNing Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules. Subject to the terms of the YoeNing Framework Agreement, the Group will enter into specific agreements with YoeNing Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the YoeNing Framework Agreement.

Pricing policies

Pursuant to the YoeNing Framework Agreement, the automobile components will be procured at prices determined by the Company and YoeNing Group after arm's length negotiations, with reference to the selling price offered to others. We regularly obtained and compared fee quotes to ensure that the terms offered by YoeNing Group to others are comparable to that offered to us.

Historical amounts

For the years ended December 31, 2023, 2024, and 2025, the historical transaction amounts with respect to the procurement by our Group from YoeNing Group were nil, nil and RMB0.6 million, respectively.

Annual caps

The Company proposes to set up the annual caps for the three years ending December 31, 2028 as follows:

	Proposed annual cap for the year ending December 31,		
	2026	**2027**	**2028**
	(RMB in millions)		
Procurement of automobile components	10.0	10.0	10.0

The proposed annual caps are determined based on, among others: (i) the projected number of units for each type of automobile components; (ii) the projected unit sales of vehicles using such automobile components for the three years ending December 31, 2028; (iii) the projected purchase price for such automobile components with reference to the prevailing market price or the estimated cost of such automobile components if market prices are not available; and (iv) the margin rate with reference to independent comparable companies.

G. Reasons for the Transactions with Geely Group

In January 2022, following the completion of the Judicial Restructuring, the Group established its subsidiary, LIVAN Auto, jointly with Geely Group. At that time, the Company repositioned its overall business strategy to achieve a sustainable transformation from traditional automobile manufacturing towards NEV development and intelligent mobility solutions. In respect of our automobile business, (i) in the short term, the Group focuses on the rapid introduction of new NEV models and the revitalization of its idle production capacity through leveraging Geely Holding Group's mature manufacturing resources, supply chain, and sales channels, which enables the Company to accelerate its entry into the NEV market, rapidly establishing the Group's brand recognition and broadening the Group's customer base; and (ii) in the medium to long term, the Group aims to upgrade its existing production facilities, most of which were developed before the Judicial Restructuring, develop its proprietary NEV product lines and introduce vehicle models equipped with battery-swapping technology. The Group strives to position itself as an integrated enterprise engaged in both battery-swapping NEVs and traditional fuel vehicles, achieving balanced development between innovation and legacy business segments.

Geely Group operates multiple production lines across different regions with high flexibility, scalability, and established compliance systems, which allow the Group to meet production demand without committing to substantial upfront capital expenditures on new facilities or land resources. On the other hand, LIVAN vehicles were developed based on the GBRC Crystal Architecture — an innovative vehicle platform specifically for battery swapping applications. It supports both battery swapping and traditional charging modes (including fast DC charging and home charging), meeting the market demand (including that of Geely Group) for battery-swapping compatible models and providing flexible and convenient solutions.

Based on the above strategic roadmap and the Company's operating status at the beginning of the Track Record Period, the Company introduced new vehicle models and utilized Geely Holding Group's procurement and distribution channels. In the early stage, prior to the completion of the Group's own production line upgrades and independent development of new NEV models, the Group also used certain NEV production capacities of Geely Holding Group to support its rapid business ramp-up. As a result, the Group has entered into continuing connected transactions with Geely Holding Group in respect of both the procurement and sales of vehicles and automobile components, together with ancillary R&D and operation services.

- *With respect to transactions in relation to CBUs, knock down kits and relevant components*: In anticipation of increasing demand for our LIVAN brand vehicles, which feature proprietary battery-swapping capabilities, which may exceed the Group's current production lines and manufacturing capacity, the long-term cooperation with Geely Group on the utilization of Geely Group's foundational manufacturing capabilities ensures a stable and reliable supply of these vehicles. Additionally, it is more cost effective for the Group to procure CBUs and knock down kits than to establish new factories and production lines, enabling the Group to optimize capital expenditure and improve return on assets.

  At the same time, the sale of CBUs and knock down kits by the Group to Geely Group allows the Group to fully utilize its existing idle production capacity and accelerate the monetization of its product development capabilities. Through Geely Group's extensive domestic and overseas distribution networks, the Group is able to expand its market reach, enhance brand visibility of our LIVAN brand vehicles, laying the foundation for the Group to acquire additional customers. Such sales arrangements also enable the Group to benefit from Geely Group's established aftersales and service infrastructure, thereby improving end-user satisfaction and overall product competitiveness.

  The procurement and sale of automobile components between the Group and Geely Group were primarily to (i) support vehicle production and component matching for models collaborated with Geely Group, and (ii) meet the Group's demand for components used in other vehicle models based on market-oriented supplier selection. Given Geely Group's proven product quality, stable supply capability and competitive pricing, such transactions are commercially reasonable and represent a market-based choice. Moreover, the use of components from a reputable manufacturer such as Geely Group enhances the market recognition and acceptance of the Group's vehicles, particularly in overseas markets where certain customers may have specific request on brand reputation and certification standards of automobile components.

- *With respect to ASD:* Through provision of ASD to Geely Group, the Group is enable to fully leverage its advanced intelligent driving and Assistance Driving System technology, and through the cooperation with Geely Group, the Group will be able to broaden its customer base and industry reputation, and create opportunities for further OEM partnership. In addition, the provision of ASD to Geely Group, will provide sources of recurring revenues to the Group as Geely Group's business expands, and the Group will be able to maintain and achieve stable income stream from the growing demand in ASD of Geely Group, further improving the financial performance of the Group and broadening return to the Shareholders as a whole.

- *With respect to transaction in relation to R&D service*: It is typical in the automobile industry that manufacturers of CBUs, knock down kits and/or automobile components also provide related R&D services. Such arrangements also (i) enhance synergy and technology sharing among the parties, thereby improving the efficiency of the Group's R&D efforts; and (ii) facilitate technology upgrades that further support the Group's development, ultimately strengthening the competitiveness of LIVAN brand vehicles.

- *With respect to transactions in relation to operation services*: The Group also cooperates with Geely Group in relation to various operational and business services, including logistics, marketing, and general operation services which are natural extensions of the aforementioned manufacture, sales and procurement transactions. Through collaboration with Geely Group, the Group benefits from shared service platforms, industry-standard cost-plus-margin pricing, and reduced overall operational expenditure.

H. Hong Kong Listing Rules Implications with respect to Transactions with Geely Group

Pursuant to Rule 14A.81 of the Hong Kong Listing Rules, the Hong Kong Stock Exchange will aggregate a series of connected transactions and treat them as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. Rule 14A.82 provides that factors that the Exchange will consider for aggregation of a series of connected transactions include whether, among other things, they are entered into by the listed issuer's group with the same party, or parties who are connected with one another. Accordingly, transactions with Geely Group shall be aggregated and treated as one transaction for the purpose of calculating the percentage ratio of the continuing connected transactions pursuant to Rule 14A.81 of the Hong Kong Listing Rules.

As (i) Geely Group is a connected person at the subsidiary level, (ii) our Board (including all the independent non-executive Directors) [has approved] each of the following transactions with Geely Group and the transactions contemplated thereunder, (iii) all the independent non-executive Directors have confirmed that the terms of each of the transactions with Geely Group are fair and reasonable, on normal commercial terms or better and in the interests of our Company and our Shareholders as a whole, and (iv) the highest applicable percentage ratio in respect of the annual caps for each category of transactions with Geely Group on an aggregated basis is expected to be higher than 1%, by virtue of Rule 14A.101 of the Hong Kong Listing Rules, the transactions with Geely Group below under this section will be subject to the reporting, annual review and announcement requirements, but be exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

V. CONTINUING CONNECTED TRANSACTION WITH STEPFUN GROUP

On [●], our Company, for itself and on behalf of its subsidiaries, entered into a business cooperation framework agreement (the "**StepFun Framework Agreement**") with StepFun, pursuant to which the Group will procure MaaS (Model-as-a-Service) solutions from StepFun Group on a non-exclusive basis, including among others, cloud-based models and on-demand resources (together, the "**MaaS Solutions**"). The initial term of the agreement will commence from the [**REDACTED**] and expire on December 31, 202[8].

The StepFun Framework Agreement will be subject to negotiation at renewal with mutual consent and in compliance with the requirements of the Hong Kong Listing Rules and other applicable laws and regulations. Subject to the terms of the StepFun Framework Agreement, the Group will enter into specific agreements with StepFun Group to set out specific terms and conditions when necessary according to the principles and scope provided for under the StepFun Framework Agreement.

Pricing policies

Pursuant to the StepFun Framework Agreement, StepFun Group shall provide MaaS Solutions to our Group at prices calculated on a cost-plus basis. The pricing will be calculated with reference to: (a) the costs for provision of MaaS solutions, which mainly consist of personnel expenses for software development and platform maintenance, depreciation and amortization of infrastructure and software, data and network-related expenses, third-party service fees, and other overhead costs associated with service delivery; and (b) comparable services offered by Independent Third Parties, taking into consideration various factors such as performance and efficiency.

Historical amounts

Because the "ASD 1.0" intelligent driving solutions were released in June 2025, we did not conduct any transaction with StepFun Group for the years ended December 31, 2023 and 2024. As such, the historical transaction amounts for the relevant periods with respect to the procurement of MaaS Solutions by our Group from StepFun Group were in 2023, 2024, and 2025 were nil, nil, and RMB73.4 million, respectively.

Annual caps

The Company proposes to set the annual caps of the transaction amounts for the three years ending December 31, 2028 as follows:

	Proposed annual cap for the year ending December 31,		
	2026	2027	2028
		(RMB in millions)	
Procurement of MaaS Solutions . .	393.2	485.2	600.2

The proposed annual caps are determined based on, among others: (i) the estimated demand for cloud-based MaaS Solutions in connection with our "AI + Mobility" business for each of the three years ending December 31, 2028; (ii) the historical amount of the transactions between our Group and StepFun, which commenced in the last quarter of 2025; (iii) the estimated costs of MaaS Solutions to be provided by StepFun Group including personnel, infrastructure, data management and platform maintenance expenses, during the same period; and (iv) the margin rates applied on top of the cost of MaaS Solutions and other operating expenses determined after arm's length negotiations and with reference to the profit margin for comparable services that StepFun offers to Independent Third Parties.

The proposed annual caps for the procurement of MaaS Solutions are expected to increase significantly each year over the next three years due to: (i) the anticipated expansion of the Group's "AI + Mobility" business, including the smart cockpit and intelligent driving and Assistance Driving System segments, which are expected to require increasing levels of model development, data processing and system integration support; (ii) the ongoing upgrade and iteration of our intelligent driving and Assistance Driving System products, from "ASD 1.0" offering L2 ADAS capabilities to the planned "2.0" and "3.0" versions featuring L3- and L4-level functionalities, which are expected to require more advanced model development, testing and system integration, and the expected increase in the sophistication and technical requirements of such MaaS Solutions to support our product upgrades; (iii) the expected growth in the market size of intelligent driving and Assistance Driving System solutions, which will further drive our increase in demand for MaaS Solutions to further expand our "AI + Mobility" business; and (iv) the significant growth in our technology solutions business, which generated revenue of RMB350.1 million in the fourth quarter of 2025.

Reasons for the transaction

StepFun Group possesses extensive industry experience and well-established infrastructure in providing MaaS solutions. With its proven track record MaaS solutions across diverse commercial applications, we believe StepFun Group is able to deliver reliable, high-quality and customizable MaaS solutions that cater to the specific needs of different scenarios of our "AI + Mobility" solutions. As such, engaging StepFun Group enables our Group to benefit from its service capabilities and operational expertise, thereby supporting the development and enhancement of our smart cockpit and intelligent driving and Assistance Driving System businesses under our "AI + Mobility" strategy.

In addition, StepFun Group offers its MaaS Solutions at competitive and cost-effective pricing, achieved through its economies of scale and efficient resource utilization. Partnering with StepFun Group allows our Group to optimize our R&D spending and enhance cost efficiency of the Group.

The cooperation also aligns with our Group's long-term strategic plan to establish a stable, trusted and scalable partnership with a leading MaaS solution provider, ensuring consistent access to cutting-edge AI infrastructure and technical support. The long-term collaboration with StepFun Group is expected to create strong synergies, enabling both parties to jointly enhance model capabilities, accelerate innovation, and continuously improve the performance and cost-effectiveness of MaaS solutions.

Hong Kong Listing Rules implications

As the highest applicable percentage ratios in respect of the proposed annual caps for the procurement of MaaS Solutions under the StepFun Framework Agreement are expected to be more than 5%, such transaction contemplated thereunder (including the proposed annual caps) shall be subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

VI. APPLICATION FOR AND CONDITIONS FOR WAIVER

Pursuant to Rules 14A.76(1)(b) and Rule 14A.101 of the Hong Kong Listing Rules, the continuing connected transactions as disclosed in "— IV. Continuing Connected Transactions with Geely Group" in this section will be subject to the announcement requirement under Chapter 14A of the Hong Kong Listing Rules. Pursuant to Rule 14A.76(2)(a) of the Hong Kong Listing Rules, the continuing connected transaction as disclosed in "— V. Continuing Connected Transaction with StepFun Group" in this section, are subject to the announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. As those continuing connected transactions are expected to continue on a recurring and continuing basis and have been fully disclosed in this Document, our Directors consider that compliance with the announcement would be impractical, and such requirements would lead to unnecessary administrative costs and would be unduly burdensome to us.

Accordingly, we have applied to the Hong Kong Stock Exchange for[, and the Hong Kong Stock Exchange has granted], pursuant to Rule 14A.105 of the Hong Kong Listing Rules, waivers exempting us from strict compliance with (i) the announcement requirement under Chapter 14A of the Hong Kong Listing Rules in respect of the continuing connected transactions as disclosed in "— IV. Continuing Connected Transactions with Geely Group" in this section; and (ii) the announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules in respect of the continuing connected transaction as disclosed in "— V. Continuing Connected Transaction with StepFun Group" in this section, subject to the condition that the aggregate amounts of the continuing connected transactions for each financial years ending December 31, 2026, 2027 and 2028 (as applicable) shall not exceed the relevant amounts set forth in the respective annual caps (as stated above).

The independent non-executive Directors and auditors of the Company will review whether the transactions under the above partially exemption and non-exempt continuing connected transactions have been entered into pursuant to the principal terms and pricing policies under the relevant framework agreements as disclosed in this section. The confirmation from our independent non-executive Directors and our auditors will be disclosed annually according to the requirements of the Hong Kong Listing Rules.

In the event of any future amendments to the Hong Kong Listing Rules imposing more stringent requirements than those applicable as of the Latest Practicable Date on the continuing connected transactions referred to in this document, we will take steps to ensure compliance with such new requirements within reasonable time.

VII. DIRECTORS' VIEW

Our Directors, including the independent non-executive Directors, are of the view that all the non-exempt and partially exempt continuing connected transactions described above have been and shall be entered into: (i) in the ordinary and usual course of our business; (ii) on normal commercial terms or better; and (iii) that the respective terms and the proposed annual caps thereof are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

VIII. SOLE SPONSOR'S VIEW

The Sole Sponsor has reviewed the relevant documents and information prepared and provided by the Company relating to the partially exempt and non-exempt continuing connected transactions as disclosed in this section, obtained necessary representations and confirmations from the Company and its Directors, and participated in due diligence with the management of the Company. Based on the above and having taken into account the view of the Directors, the Sole Sponsor is of the view that the non-exempt continuing connected transactions as disclosed in this section for which waivers have been sought, have been and will be carried out in the ordinary and usual course of business of the Company and on normal commercial terms or better, are fair and reasonable in the interests of the Company and its Shareholders as a whole, and the proposed annual caps for those transactions are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

IX. INTERNAL CONTROL MEASURES TO SAFEGUARD SHAREHOLDERS' INTERESTS

In order to further safeguard the interests of the Shareholders as a whole (including the minority Shareholders) and in compliance with all the applicable requirements under the Hong Kong Listing Rules, our Group has implemented the following internal control measures in relation to the continuing connected transactions:

(1) our Group has adopted a connected (related party) transactions management policy for the purpose of ensuring that connected transactions under the relevant framework agreements will be conducted in a fair manner, on normal commercial terms and in the interests of our Company and our Shareholders as a whole;

(2) prior to the execution of the potential framework agreement with the connected parties, our Group will compare the terms of the proposed transactions (including pricing and other contractual terms) with those similar transactions entered with Independent Third Parties or the terms offered to or by Independent Third Parties (as the case may be) to ensure that the terms of agreements under the potential framework agreement shall be no less favourable to our Group than terms between our Group and the Independent Third Parties;

(3) the designated staff of the finance department of the Company will closely monitor the actual amounts incurred for each type of continuing connected transactions for the purpose of ensuring the relevant annual caps are not exceeded;

(4) our Group has approved internal guidelines which provide that if the value of any proposed connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions to the head of the relevant business unit in order for our Company to commence the necessary additional assessment and approval procedures and ensure that we will comply with the applicable requirements under Chapter 14A of the Hong Kong Listing Rules;

(5) the finance team of our Group shall regularly examine the pricing of the transactions under the framework agreement signed with the connected parties to ensure that those transactions are conducted in accordance with the pricing terms therein;

(6) our Company will provide information and supporting documents to the independent non-executive Directors and the auditors in order for them to conduct an annual review of the continuing connected transactions entered into by our Company in accordance with Rules 14A.55 and 14A.56 of the Hong Kong Listing Rules; and

(7) when considering any renewal or revisions to the agreements after the [**REDACTED**], the interested Directors and Shareholders shall abstain from voting on the resolutions to approve such transactions at board meetings or shareholders' general meetings (as the case may be). If the independent Directors' or independent Shareholders' approvals, if applicable, cannot be obtained, we will not continue the transactions under the framework agreement(s) to the extent that they constitute non-exempt continuing connected transactions under rule 14A.76 of the Hong Kong Listing Rules.

X. GENERAL

The annual caps disclosed in this section shall not be regarded as any indication, directly or indirectly, as to the revenue, profitability or trading prospects of the Group or Geely Group. Shareholders should note that as the proposed annual caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to December 31, 2028, and they do not represent forecasts of revenue to be generated from the relevant transactions.