
HISTORY AND CORPORATE STRUCTURE

OVERVIEW

We are a leading global industrial technology group driven by innovation. Our Company was established in Shenzhen, Guangdong Province in April 2003, initially engaging in the R&D, manufacturing and sales of AC drives based on motor drive technologies, which form the cornerstone of our industrial automation and digitalization business. Through our journey of over two decades, we have built an expansive ecosystem of synergistic businesses spanning industrial automation and digitalization, NEV powertrain systems, intelligent robots and digital energy solutions. According to Frost & Sullivan, on a global level, we are the largest Chinese industrial automation manufacturer and a top 3 third-party supplier of NEV powertrain systems, each in terms of revenue in 2025.

Our Company was converted into a joint stock company in June 2008 and listed on the ChiNext Market of the Shenzhen Stock Exchange on September 28, 2010 (stock code: 300124). As of the Latest Practicable Date, our total issued share capital was held as to approximately 19.27% by our Single Largest Group of Shareholders, including Mr. Zhu, Ms. Zhu Hanyue (朱瀚玥) (“Ms. Zhu”, the daughter of Mr. Zhu), and Inovance Investment. See “—Our Single Largest Group of Shareholders” below for further details.

KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

The following table sets forth our key corporate and business development milestones.

Year	Event
2003	● Our Company was established in Shenzhen.
2004	● We successfully launched the MD320, the first commercialized vector AC drive (矢量變頻器) developed by our Company.
2005	● We successfully launched the NICE3000, the first integrated elevator controllers (電梯一體化控制器) developed by our Company.
2007	● We successfully developed and launched the H2U, our first PLC product.
2008	● We successfully developed and launched the IS500A, our first servo (伺服).
2010	● We were listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300124).
2012	● We ranked No. 1 on the 2012 Forbes China Most Potential Listed Companies List (2012年福布斯中國最具潛力上市公司榜).
2013	● We were recognized as one of the 2012 Top 20 Most Valuable Companies on China’s ChiNext Market (2012年中國創業板公司價值二十強).
2014	● We were recognized as a Key High-tech Enterprise of the National Torch Program (國家火炬計劃重點高新技術企業).
2016	● Inovance Automotive, one of our Major Subsidiaries, was established in the PRC, marking our full-scale entry into the NEV powertrain system business.

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Year	Event
2018	<ul style="list-style-type: none">• We adopted the “dual-champion” strategy (“雙王”戰略), anchoring our development on two core business lines, namely industrial automation and digitalization and NEV powertrain systems.• We became the first industrial control enterprise in the PRC to obtain the certificate of qualification of CTF (Customers’ Testing Facility) granted by TÜV Rheinland Group.
2019	<ul style="list-style-type: none">• We published a new version of corporate culture, and initiated a comprehensive management transformation.
2021	<ul style="list-style-type: none">• In general-purpose servo systems, we ranked first in China in terms of revenue for five consecutive years since 2021.
2022	<ul style="list-style-type: none">• We were recognized as one of the Top 500 Manufacturing Enterprises of China and one of the Forbes Global Top 2,000 Enterprises.• We adopted and implemented our globalization strategy.
2023	<ul style="list-style-type: none">• We were recognized on the Hurun China Top 100 Most Valuable Private Companies List (胡潤最具價值的中國民營企業100強榜單).• Our Hungary base, being our first overseas base, commenced operations.
2025	<ul style="list-style-type: none">• Inovance Automotive was listed on the ChiNext Market of the Shenzhen Stock Exchange on September 25, 2025 (stock code: 301656).• We successfully launched core humanoid robotic component product.
2026	<ul style="list-style-type: none">• Our next-generation industrial network technology system, WiTSnet, was incorporated into the International Electrotechnical Commission (IEC)’s international industrial communication standard.

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OUR MAJOR SUBSIDIARIES

We had ten Major Subsidiaries which had made a material contribution to our results of operation during the Track Record Period. Set forth below is a table summarizing the key information of our Major Subsidiaries as of the Latest Practicable Date.

Name of subsidiary	Equity interest attributable to our Group	Place of establishment	Date of establishment	Principal business activities
Inovance Automotive	83.17%	PRC	September 30, 2016	R&D, manufacturing and sales of products
Suzhou Inovance Technology Co., Ltd. (蘇州匯川技術有限公司) (“Suzhou Inovance”)	100%	PRC	July 29, 2008	R&D, manufacturing and sales of products
Yueyang Inovance Technology Co., Ltd. (岳陽匯川技術有限公司) (“Yueyang Inovance”)	100%	PRC	August 18, 2021	Manufacturing and sales of products
Shanghai BST Electronic Co., Ltd. (上海貝思特電氣有限公司) (“BST”)	100%	PRC	May 19, 2003	R&D, manufacturing and sales of products
Suzhou Inovance New Energy Automotive Technology Co., Ltd. (匯川新能源汽車技術(蘇州)有限公司) (“Suzhou Inovance New Energy”)	100% ⁽¹⁾	PRC	August 8, 2024	Manufacturing and sales of products
Jiangsu Kingway Transportation Co., Ltd. (江蘇經緯軌道交通設備有限公司) (“Jiangsu Kingway”)	100%	PRC	April 21, 2010	R&D, manufacturing and sales products
Changzhou Inovance New Energy Automotive Technology Co., Ltd. (匯川新能源汽車技術(常州)有限公司) (“Changzhou Inovance New Energy”)	100% ⁽¹⁾	PRC	April 12, 2021	Manufacturing of products
Xi’an Inovance Technology Co., Ltd. (西安匯川技術有限公司) (“Xi’an Inovance”)	100%	PRC	July 10, 2023	R&D, manufacturing and sales of products
Nanjing Inovance Technology Co., Ltd. (南京匯川技術有限公司) (“Nanjing Inovance”)	100%	PRC	April 12, 2022	R&D, manufacturing and sales of products
Suzhou Inovance Control Technology Co., Ltd. (蘇州匯川控制技術有限公司) (“Inovance (Suzhou) Control”)	100%	PRC	July 27, 2018	R&D and sales of software

Note:

- (1) As of the Latest Practicable Date, each of Suzhou Inovance New Energy and Changzhou Inovance New Energy was a wholly-owned subsidiary of Inovance Automotive.

As of the Latest Practicable Date, our other subsidiaries were principally engaged in, among others, research and development, manufacturing of our products, trading and investment holding.

MAJOR CHANGES OF OUR COMPANY

Establishment of our Company

On April 10, 2003, our Company was established as a limited liability company with an initial registered capital of RMB3,000,000.

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Conversion into a Joint Stock Company and Listing on the ChiNext Market of the Shenzhen Stock Exchange

On June 6, 2008, our Company was converted into a joint stock limited company from a limited liability company. Upon completion of the conversion, our Company had a total share capital of RMB81,000,000 divided into 81,000,000 Shares.

On September 28, 2010, our Company was listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300124) (the “A-Share Listing”). In connection with the A-Share Listing, we completed an initial public offering of our A Shares, pursuant to which our total share capital increased from RMB81,000,000 to RMB108,000,000.

Subsequent Shareholding Changes

Since our A-Share Listing in 2010, the share capital of our Company changed from time to time, including as a result of private placement of A Shares, issuance of A Shares pursuant to our share incentive plans and consideration issue. For details of changes in share capital of our Company within the two years immediately preceding the date of this document, see “Appendix VI—Statutory and General Information—A. Further Information about Our Group—2. Changes in the Share Capital of Our Company” to this document.

As of the Latest Practicable Date, the total issued share capital of our Company was 2,707,445,479 A Shares, including 809,392 A Shares repurchased by our Company pursuant to the repurchase mandate approved by our Board and held in our Company’s stock repurchase account as treasury shares.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we had not conducted any acquisitions, disposals or mergers that we consider material to us during the Track Record Period and up to the Latest Practicable Date.

OUR LISTING ON THE CHINEXT MARKET OF THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

Our Company has been listed on the ChiNext Market of the Shenzhen Stock Exchange since September 2010.

Our Directors confirmed, during the Track Record Period and as of the Latest Practicable Date, we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors’ attention in relation to our compliance record on the Shenzhen Stock Exchange. Our PRC Legal Advisers are of the view that during the Track Record Period and up to the Latest Practicable Date, our Company had complied with applicable laws and regulations in relation to its A share listing in all material respects. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors’ attention that would cause them to disagree with our Directors’ confirmation with regard to the compliance records of our Company on the Shenzhen Stock Exchange in any material respect.

We seek to be listed on the Hong Kong Stock Exchange in order to further advance our internationalization strategy, optimize our global brand image and business profile, establish an international capital operation platform, and further strengthen our competitiveness in the global market. See “Business—Our Strategies” and “Future Plans and Use of [REDACTED]” for more details.

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OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Mr. Zhu controlled approximately 19.27% voting interest in the Company through (i) 34,990,275 A Shares of our Company directly held by him; (ii) 20,602,113 A Shares of our Company held by Ms. Zhu, with the voting rights attached thereto entrusted to Mr. Zhu; and (iii) 466,043,804 A Shares of our Company held by Inovance Investment, which was in turn controlled by him as its sole director and the largest shareholder, controlling approximately 43.41% voting interest therein. Accordingly, Mr. Zhu, Ms. Zhu and Inovance Investment constitute our Single Largest Group of Shareholders. See “Substantial Shareholders.”

[REDACTED]

SHARE INCENTIVE SCHEMES

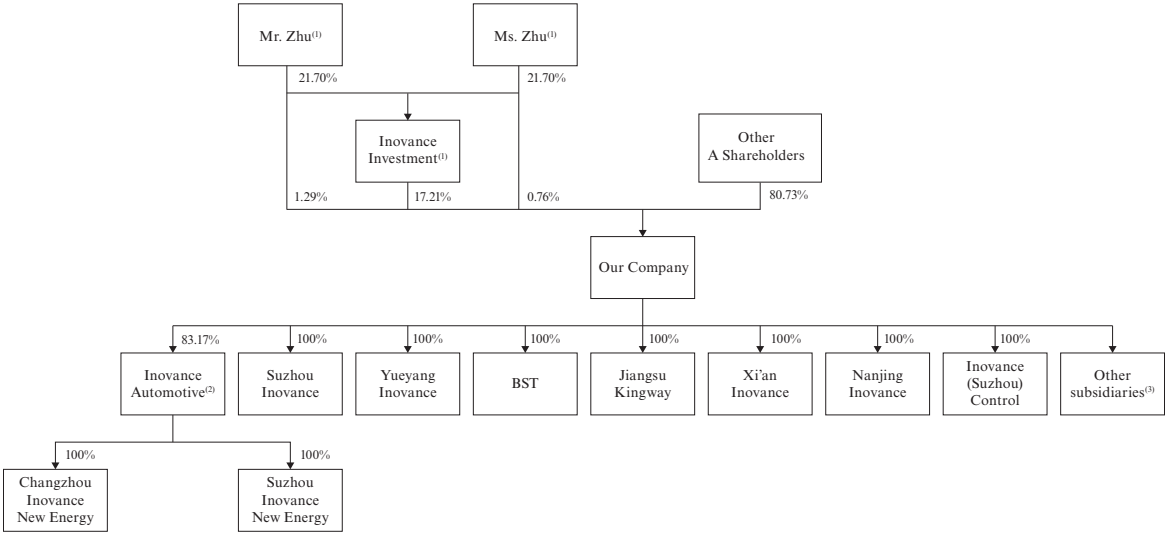
In order to establish and improve the benefit-sharing mechanism between employees and the Shareholders to further improve the corporate governance of the Company, enhance the cohesion of employees and corporate competitiveness, and promote the Company’s long-term, sustainable and healthy development, we adopted the Share Incentive Schemes. For details, see “Appendix VI—Statutory and General Information—D. Our Share Incentive Schemes” to this document.

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Corporate Structure Immediately Before the [REDACTED]

The following simplified diagram illustrates the corporate and shareholding structure of our Group immediately prior to the completion of the [REDACTED] (assuming that (i) no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED] and (ii) the [REDACTED] is not exercised).



Notes:

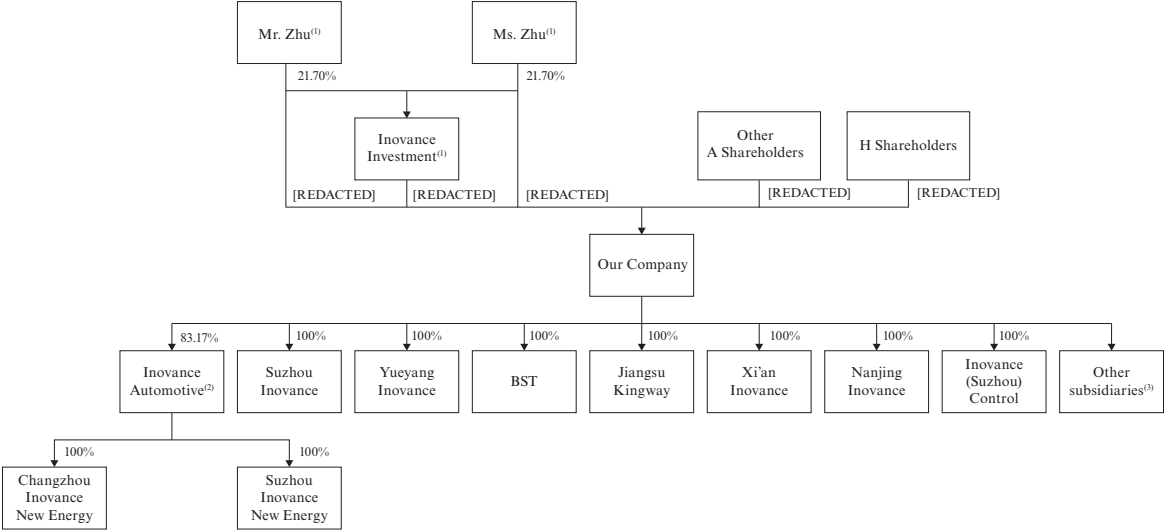
- (1) Ms. Zhu has entrusted to Mr. Zhu the voting rights attached to (i) 20,602,113 A Shares directly held by her; and (ii) 21.70% interest in Inovance Investment. As such, Mr. Zhu, Ms. Zhu Hanyue and Inovance Investment constitute our Single Largest Group of Shareholders. For further details, see “—Our Single Largest Group of Shareholders” above.
- (2) Inovance Automotive is a company listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 301656). As of the Latest Practicable Date, the remaining 16.83% interest of Inovance Automotive was held by its employee incentive platform and other A share shareholders, none of whom held more than 5% of the total issued share capital of Inovance Automotive.
- (3) As of the Latest Practicable Date, we had 90 subsidiaries, including our Major Subsidiaries and other subsidiaries incorporated in domestic and other overseas jurisdictions.

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Corporate Structure Immediately Following the [REDACTED]

The following simplified diagram illustrates the corporate and shareholding structure of our Group immediately following the completion of the [REDACTED], assuming that (i) no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED] and (ii) the [REDACTED] is not exercised.



Note: (1)–(3): Please refer to the corresponding notes (1) to (3) under the corporate chart as set out in “—Corporate Structure—Corporate structure immediately before the [REDACTED].”