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[REDACTED] in our [REDACTED] involves significant risks. You should carefully read and consider all of the information in this document, including the risks and uncertainties described below, before deciding to [REDACTED] in our [REDACTED]. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, results of operations, financial condition and growth prospects. In any such case, the market price of our [REDACTED] could decline, and you may lose all or part of your [REDACTED]. The risks and uncertainties identified below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business, results of operations and financial condition.

Our business and operations involve certain risks and uncertainties, many of which are beyond our control. These risks can be broadly categorized into (1) risks relating to our business and industry, (2) risks relating to conducting business in China, and (3) risks relating to the [REDACTED].

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

The size of our addressable markets and the demand for China’s intelligent laboratory solutions may not increase as rapidly as we anticipate due to a variety of factors, which would materially and adversely affect our business, results of operations and financial condition.

China’s intelligent laboratory solutions industry has been developing rapidly. The future market size of the industry and the demand for China’s intelligent laboratory solutions may, however, be difficult to anticipate since it depends on a number of variables, most of which are beyond our control. For example, the market growth may depend on the application of intelligent laboratory solutions across various industry sectors and the performance and cost-efficiency of these solutions. If there is a reduction in customer demand as a result of alternative technologies, competing products or services, technological challenges, decreases in customer spending, weakening economic conditions or other causes, our business, results of operations and financial condition will be materially and adversely affected.

In addition, the market acceptance of intelligent laboratory solutions may vary across different industry sectors. As we aim to reach out to more customers across different industry sectors, we may face challenges brought by more diverse and complex use cases. We cannot assure you that the trend of adopting and utilizing intelligent laboratory solutions by potential customers will develop or continue in the future in any given industry sector, which in turn would hinder our ability to achieve the desired level of adoption of our solutions.

Our solutions are widely used across various downstream sectors. Any slowdown in the growth of these sectors could adversely affect our business, results of operations and financial condition.

As of the Latest Practicable Date, we had developed solutions featuring full-process automation and AI-enabled optimization for several major industry verticals, including chemicals, new materials, new energy, and life sciences. See “Business—Our Offerings.” Accordingly, the demand for our intelligent laboratory solutions is closely tied to the market growth and downstream demand within these sectors. Any slowdown in the growth of these sectors could materially and adversely affect the adoption of our solutions.

The market growth and downstream demand for our customers’ products, which drive demand for our various solutions, are subject to various factors beyond our control, including macroeconomic conditions, rapid technological developments, evolving industry standards, shifting consumer preferences, regulatory changes, production cycles and supply chain constraints. Any delay or slowdown in technological advancements, disruptions in supply chains or changes in

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regulatory policies may hinder the growth of downstream sectors. For example, for chemicals and new materials industries, fluctuations in technological roadmaps, market competition or industry technical standards in specific product categories could in turn reduce orders for our solutions. Similarly, the future prospects of the new energy sector, are subject to factors beyond our control, such as the pace of energy transition policies, technological breakthroughs in battery materials, and the level of capital investment in clean energy infrastructure, their ease of use, pricing, and the availability of alternative products. As for the life sciences sector, they are heavily influenced by consumer awareness and interest, technological advancements, economic conditions and disposable income, and government policies and incentives. Any stagnation or contraction in these factors could impact the demand for our solutions. In addition, we cannot assure you that technological innovation will result in increased customer demand or broader adoption of our solutions. Any delay in technological advancements or failure of emerging technologies to drive expected downstream market growth could materially and adversely affect our business, results of operations and financial condition. Furthermore, we cannot guarantee that the market trends of downstream sectors where our solutions are deployed will remain favorable in the future. There is no assurance that the demand for product offerings in these downstream sectors will remain at the levels experienced during the Track Record Period or continue to grow. Any decline in the customer demand in these downstream sectors or stagnation in the growth of downstream sectors could materially and adversely affect our business, results of operations and financial condition.

Our limited operating history and evolving business portfolio make it difficult to evaluate our prospects and the risks and challenges we may encounter. Our historical growth may not be indicative of our future performance.

We have continued to expand our business. We have innovated, and will continue to innovate, intelligent laboratory solutions across diversified industry verticals. Our new business initiatives, such as self-driving laboratory solutions which began to generate meaningful revenue in 2025, have not been fully proven given our limited operating history, which may subject us to a number of uncertainties and additional costs and expenses, and adversely affect our ability to project and plan for our future growth.

In 2023, 2024 and 2025, our revenue was RMB614.1 million, RMB554.0 million and RMB644.9 million, respectively, and our gross profit was RMB98.6 million, RMB130.9 million and RMB181.2 million, respectively. However, you should not consider our historical performance as indicative of our future financial performance. As a result of our limited operating history and evolving business portfolio, it is difficult to draw an exact period-over-period comparison of our business, results of operations and financial condition as a whole. Furthermore, as our business further develops, we may modify our business model or continue to change our business portfolio. We may launch new solutions or discontinue any existing ones for strategic purposes. Any of such changes may have a material adverse effect on our business, results of operations, financial condition and prospects.

Our prospects should be considered in light of the risks and uncertainties that we, as a fast-growing company with a limited operating history, may encounter, including the following ones, some of which are beyond our control: (1) China’s overall economic growth; (2) the level of digital intelligentization in China; (3) the evolving regulatory environment and government policies and initiatives, in particular those relating to the industries that we operate in; (4) awareness and widespread adoption of intelligent laboratory solutions across various industry sectors; (5) our ability to advance our technologies and develop new ones; (6) our ability to develop and deliver solutions to efficiently address our customers’ needs; (7) our ability to retain and expand our customer base; (8) our ability to increase brand recognition through marketing and promotional activities; (9) our ability to successfully compete with other companies that are currently in, or may in the future enter, our industries; and (10) our ability to manage our costs and expenses and enhance operating efficiency.

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Our business operation and financial performance may be adversely affected if we fail to timely introduce new solutions to adapt to customers’ needs and advancements in technology, or if our research and development investment does not yield the expected results.

The industry in which we operate is characterized by rapid technological advancement, frequent introductions of new solutions, continual shifts in customer demands and expansion into new application scenarios. In addition, the continuous emergence of new solutions has intensified the need for innovation. Accordingly, our business success depends substantially on our ability to continuously introduce new solutions and upgrade existing solutions in a timely manner. In particular, the timely introduction of new solutions and upgrading of existing solutions requires us to (1) adapt quickly and cost-effectively to changing customer specifications, market conditions and regulatory standards; (2) cooperate effectively with customers, suppliers and other partners to meet customization requirements; (3) continuously improve the reliability, scalability and intelligence of our solutions; (4) design performance-enhancing functions that differentiate our solutions from competitors; and (5) respond promptly to technological changes and solution announcements by our competitors.

If we fail to meet any of these requirements, our solutions may become less competitive or even obsolete. Any delays or inefficiencies in upgrading our solutions may impact our ability to capitalize on emerging application scenarios or address evolving market demands, further diminishing our market position.

Additionally, developing and commercializing new or upgraded solutions require substantial investment in R&D, production capabilities and skilled personnel. In 2023, 2024 and 2025, our research and development costs were RMB45.4 million, RMB44.6 million and RMB59.4 million, respectively. However, as R&D activities are inherently uncertain, we cannot guarantee that all our R&D efforts can deliver benefits that we anticipate. We may also not be able to obtain and retain sufficient resources, including qualified R&D personnel. Even if we succeed in our R&D efforts and generate the results we expect, such results may not arrive in a timely manner as anticipated, and we may still encounter practical difficulties in commercializing our R&D efforts. Given the fast pace with technology that has been and will continue to be developed, we may not be able to timely upgrade our technology in an efficient and cost-effective manner, or at all. Despite our R&D expenditures, new technologies in AI, laboratory automation, or robotics could render the solutions that we develop or expect to develop in the future obsolete or commercially nonviable, thereby limiting our ability to recover related research and development costs, which could result in a decline in our revenue, profitability and market share.

We have recorded net cash outflows from operating activities during the Track Record Period, and any failure to generate sufficient operating cash flows in the future could materially and adversely affect our liquidity and financial condition.

We recorded net cash used in operating activities of RMB98.2 million, RMB4.6 million and RMB67.9 million in 2023, 2024 and 2025, respectively. Our operations require significant working capital, including expenditures related to project execution, R&D, and sales and marketing activities. Our ability to generate positive operating cash flows depends on various factors, including the timing of revenue recognition under our project-based contracts, the payment cycles of our customers, and our ability to manage costs and inventories effectively. We cannot assure you that our operating cash flows will turn positive in any future period or that we will be able to maintain adequate cash reserves to fund our operations.

If we fail to generate sufficient cash flows from operations, we may need to obtain additional financing through bank borrowings or equity offerings, which may not be available on favorable terms, or at all. Any constraints on our liquidity could limit our ability to invest in growth initiatives, meet our obligations as they become due, or respond to market changes in a timely manner. These circumstances could materially and adversely affect our business, financial condition and results of operations.

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If we fail to retain existing customers, attract new customers or increase their spending, our business, results of operations and financial condition may be materially and adversely affected.

Our ability to generate and increase our revenue depends largely on our ability to retain existing customers, attract new customers or increase their spending with us. This in turn would depend on a number of factors, including our ability to offer high-quality solutions that address the needs of our customers at competitive prices, roll out new and enhanced features and functionalities of our products, strengthen our technological capabilities and adapt to the evolving industry trends and competitive landscape.

Furthermore, our customer base and customer spending with us may decline or fluctuate due to many factors, including customer satisfaction, customer budget levels, changes in our customers’ underlying businesses, changes in the type and size of our customers, pricing, competitive landscape and general economic conditions. We may also fail to execute our sales and marketing strategies in a cost-effective manner or our efforts to cross-sell and up-sell may not be as successful as we anticipate. Moreover, failure to maintain high-quality customer support may also have an adverse effect on customer retention. Such failures could result in customer dissatisfaction and decrease in the overall demand for our solutions, which would materially and adversely affect our business, results of operations and financial condition.

As we have been and will continue expanding our customer base and diversifying industry sectors that we cover, the demands of our customers may differ from each other and evolve over time. As such, we need to upgrade, expand and modify our solutions to satisfy their requirements. We also need to develop expertise and insights to serve customers across industry sectors and adapt our solutions accordingly to ensure the degree of our market acceptance. We cannot assure you that we can always provide solutions that meet our customers’ anticipations. As a result, we may not be able to retain and expand our customer base, and our business, results of operations and financial condition may be materially and adversely affected.

If our expansion into new industry verticals and application scenarios is not successful, our business, prospects and growth momentum may be materially and adversely affected.

We provide intelligent laboratory solutions to address the diversified needs of our customers across various industry sectors in different application scenarios. We have a track record of successfully expanding into new industry sectors. We cannot assure you, however, that we will be able to maintain this momentum in the future. Expanding into new industry sectors and application scenarios involves new risks and challenges, such as the difficulty in keeping pace with evolving customer demands and preferences that we may be unfamiliar with. In addition, there may be one or more existing market leaders in such areas. Such companies may be able to compete more effectively than us by leveraging their experience in addressing customer needs in those sectors, as well as their deeper industry insights, greater brand recognition, more advanced technologies and better access to customer base and business opportunities. We could also be subject to additional regulations relating to new industry sectors that we enter into, and we may not have sufficient experience or resources in dealing with those enhanced requirements and could incur additional compliance costs as a result. Expansion into any new industry sectors may place significant strains on our management and resources, and failure to expand successfully could have a material adverse effect on our business, results of operations and financial condition.

We are subject to credit risks related to our customers, and any significant default or delay in settlement of our trade and bills receivables may affect our business, prospects, results of operations and financial condition.

We are exposed to credit risks related to our customers. As of December 31, 2023, 2024 and 2025, our trade and bills receivables were RMB272.2 million, RMB244.2 million and RMB294.7 million, respectively. Our impairment losses on trade and other receivables and contract assets for 2023, 2024 and 2025 were RMB9.5 million, RMB7.6 million and RMB28.6 million, respectively. See “Financial Information—Discussion of Major Balance Sheet Items—Trade and Bills Receivables”

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and “Financial Information—Key Components of Our Results of Operations—Impairment Loss on Trade and Other Receivables and Contract Assets.” Despite the fact that we have taken stringent internal measures to enhance the management and collection of trade and bills receivables, if any of our customers experience financial difficulties in settling the trade and bills receivables due to factors beyond their control such as adverse changes in the competitive landscape and government policies of the industries in which they operate, our corresponding trade and bills receivables recoverability might be adversely affected. Our trade and bills receivable balance may continue to grow alongside our normal course of business, which may increase our risks for uncollectible receivables. If we are unable to collect our trade and bills receivables from our customers in a timely manner per contractual terms or at all, or if there are any material delays in payment by our customers, our liquidity and cash management will be materially and adversely affected, which, in turn, might affect our business, results of operations and financial condition.

Our ability to meet our financial obligations largely depends on the ability of our customers to fulfill their payment obligations to us. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. If we encounter difficulties in generating sufficient cash to repay our outstanding financial liabilities, our liquidity, business, results of operations and financial condition may be adversely affected, and we may not be able to expand our business.

Our success depends in part on our ability to enhance our manufacturing capabilities and to produce high quality products.

Our success depends in part on our ability to enhance our manufacturing capabilities, which include expanding our manufacturing capacity, improving our manufacturing efficiency or modifying our manufacturing lines to meet the varying demands for our products. If we are unable to do so, we may not be able to achieve the desired level of economies of scale in our operations to reduce manufacturing costs to the level that will allow us to compete effectively or to maintain our pricing and other competitive advantages. Our ability and efforts to enhance our manufacturing capabilities are subject to significant risks and uncertainties, including: (1) our ability to obtain funding for the additional capital expenditures, working capital and other corporate requirements to be used to enhance our manufacturing capabilities. We may be unable to obtain such funds in a timely manner or on commercially reasonable terms or at all; (2) unexpected delays and cost overruns resulting from a number of factors, many of which may be beyond our control. These include increases in the prices of raw materials, parts, components and utilities, shortages of workers, transportation constraints, disputes with contractors, engineering firms and equipment vendors, as well as equipment malfunctions and breakdowns; (3) availability of the necessary technology or equipment from third parties or our internal research and development department; (4) diversion of management attention and other resources; and (5) manufacturing interruption caused by natural disasters or other unforeseen events.

Construction of new manufacturing facilities or the expansion of existing facilities also requires significant capital investment upfront, and it may take considerable time before such facilities achieve their expected capacity or breakeven point. Failure to construct or expand our manufacturing facilities in time or at all may drain our financial resources and adversely affect our business, results of operations and financial condition.

If our production capacity is not adequate, our capability to satisfy customer demand could be hindered.

During the Track Record Period, our existing manufacturing facilities generally maintained a reasonable utilization rate. If our production capacity is not adequate to meet the overall market demand for our products, especially if we experience increased demand for our products as we grow our customer base and expand our solution offerings, our ability to deliver products to our customers on a timely basis will be affected. Under such circumstances, our business, results of operations and financial condition may be materially and adversely affected. In the future, as our business grows, we may need to expand our production capacity through various measures, but we

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cannot assure you that our new premises will be ready in time or our production capacity will otherwise be successfully expanded. A number of factors could delay our expansion plans or increase our costs, including: (1) failure to raise sufficient funds to establish and maintain working capital to operate our business at the new premises, (2) failure to obtain environmental and regulatory approvals, permits or licenses from the relevant government authorities in a timely manner, (3) failure to find new sites for our production centers, (4) shortage or late delivery of building materials and production equipment resulting in late delivery of the premises for occupancy and use, (5) various factors affecting construction progress and resulting in late delivery of the premises for occupancy and use, and (6) technological changes, capacity expansion or other changes to our plans for the new premises necessitated by changes in market conditions.

Failure to expand our production capacity could hinder our capacity to satisfy customer demand and impair our growth prospects. Furthermore, if market demand declines in the future, we may not be able to recoup the costs incurred for the construction of new premises and the maintenance of expanded production capacity. A delay or cancellation of our expansion plans could also subject us to disputes with various counterparties, including general contractors and sub-contractors, equipment suppliers, financiers and relevant government authorities. As a result, our business, results of operations and financial condition may be materially and adversely affected.

If we experience operational disruption or machinery breakdown in our production facilities, our inventory level and production schedule may be adversely affected.

Our success and reputation depend on our ability to deliver quality products to our customers on time and in required quantities, which in turn relies on the proper and reliable functioning of our production processes. Our production processes rely on the stable operation of our production facilities, particularly machinery and equipment for key processes. Any operational disruption or machinery breakdown could directly impact our production schedules and stock levels, hindering our ability to meet customer orders in a timely manner, thus affecting customer satisfaction.

Operational disruptions or machinery breakdowns in our production facilities may arise from unexpected incidents or catastrophic events, including natural disasters, fires, technical or mechanical failures, power shortages, explosions, labor strikes, epidemics, loss of licenses, certifications or permits, changes in governmental planning for the underlying land, and regulatory developments. Additionally, instability or shortages in electricity supply could halt production activities, causing delays in fulfilling customer orders. In the event of such disruptions, maintaining production volumes and ensuring sufficient stock levels to meet customer demands could be challenging. Identifying and securing alternative facilities or machinery in a timely and cost-effective manner may not always be feasible. Delays in resuming normal operations could also affect the quality and schedule of product deliveries, potentially impacting customer satisfaction and damaging our reputation. Any prolonged suspension of operations or significant disruptions in our production processes could materially and adversely affect our business operations.

We may fail to maintain or improve our market position or respond successfully to changes in the competitive landscape.

We may face competition both in China and internationally for our intelligent laboratory solutions across various industry verticals. Additional competitors with significant market presence and financial resources may enter the markets in which we operate, and thereby intensify competition. These competitors may be able to reduce our market share by adopting more aggressive pricing policies than we can or by developing technologies and services that gain wider market acceptance than our products. Existing and potential competitors may also develop relationships with our customers in a manner that could significantly harm our ability to sell, market and develop our products. If we fail to maintain or improve our market position or fail to respond successfully to changes in the competitive landscape, our business, results of operations and financial condition may be materially and adversely affected.

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Failure to enhance our brand recognition and sales and marketing capabilities could harm our ability to expand our business operations and increase our customer base, and adversely affect our business, results of operations and financial condition.

We believe that maintaining and enhancing our brand is important to continued market acceptance of our existing and future solutions, attracting new customers, retaining existing customers, and successfully executing our dual-pronged growth engines. We also believe that the importance of brand recognition will increase as competition in our market increases. Successfully maintaining and enhancing our brand recognition will depend largely on the effectiveness of our marketing efforts, our ability to provide reliable products and solutions that continue to meet the needs of our customers at competitive prices, our ability to maintain our customers’ trust, and our ability to successfully differentiate our products and services from competitive ones. However, our efforts may not always be successful or yield increased revenue.

Moreover, the promotion of our brand also requires us to make expenditures, and we expect that the absolute amount of these expenditures will increase as the market becomes more competitive. Our selling and marketing expenses were RMB19.6 million, RMB25.0 million and RMB32.5 million in 2023, 2024 and 2025, accounting for 3.2%, 4.5% and 5.0% of our revenue for the same periods, respectively. To the extent that our sales and marketing activities increase revenue, the increase in revenue still may not necessarily be sufficient to offset the expenditures we incur. We may also be unable to hire and train sufficient numbers of qualified sales personnel or ensure the productivity of our sales personnel in acquiring new customers or cross-selling to our existing customers. If we do not successfully maintain and enhance our brand and ensure the effectiveness of our sales and marketing efforts, our ability to expand our customer base may be impaired, which would then adversely affect our business, results of operations and financial condition.

We are exposed to risks associated with U.S. and other international sanctions, export control laws and outbound investment regulations, and any actual or alleged non-compliance could materially and adversely affect our business, reputation and results of operations.

We are subject to various U.S. and other international economic sanctions and export control laws that may affect our business operations. Any actual or alleged violation of U.S. or other applicable sanctions or export control laws could result in significant consequences, including government investigations, enforcement actions, monetary penalties, restrictions on our ability to export or procure certain products or technologies, reputational harm, and limitations on our ability to access international capital markets. In addition, the regulatory landscape with respect to sanctions and export controls continues to evolve, and new laws, regulations or interpretations could expand the scope of restrictions applicable to our business.

We are also subject to evolving outbound investment regulatory regimes, including the U.S. Outbound Investment Regulations (“OIR”), which became effective on January 2, 2025, impose notification and prohibition requirements on certain investments by U.S. persons in covered foreign persons engaged in specified technology sectors, including artificial intelligence. We may be deemed to be a “covered foreign person” under the OIR. Accordingly, investments in us by U.S. investors may constitute notifiable transactions under the OIR, and such U.S. investors may be required to file notifications in accordance with the applicable requirements. Although we currently have no U.S. investors, and OIR exempts an investment by U.S. investors in a publicly traded security, provided that such investment does not afford the U.S. investors rights beyond standard minority shareholder protections with respect to the relevant covered foreign person. We cannot assure you that future changes in our shareholder base or business activities will not subject us or our [REDACTED] to additional compliance obligations. In particular, the America First Investments Policy states that the administration will consider new or expanded restrictions on United States outbound investment in the PRC, which may increase regulatory uncertainty for U.S. investors [REDACTED] in us.

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Furthermore, the international sanctions and export control environment is subject to geopolitical developments and may become more restrictive over time. Additional counterparties with which we do business may be designated on restricted party lists, or new restrictions may be imposed on the export or reexport of items that we procure or resell. If we fail to maintain effective compliance policies and procedures, or if we are unable to adapt to evolving regulatory requirements, our business, financial condition and results of operations could be materially and adversely affected.

We have implemented internal compliance policies to screen our customers and transactions against applicable restricted party lists and to monitor sanctions and export control risks. We will continue to evaluate and enhance our compliance measures as appropriate. However, there can be no assurance that such measures will be fully effective in preventing all potential violations or that we will not be subject to regulatory scrutiny in the future. Our Directors are of the view that the risk of us engaging in any Primary Sanctionable Activity or Secondary Sanctionable Activity, each as defined under the Guide, or any activity in violation of export control laws is remote, and has no material adverse effect on our business, results of operations or financial condition. However, we cannot guarantee that this assessment will remain accurate if circumstances change or if regulatory enforcement priorities shift.

We may be unable to execute our strategies effectively.

Our business, results of operations and financial condition depend in part on our ability to effectively implement our growth strategies. For example, our strategy to expand into new industry verticals depends on our ability to adapt our solutions to unfamiliar regulatory requirements and technical specifications. Any failure to successfully enter these markets could limit our growth potential and adversely affect our financial condition. If we encounter any issue during our international expansion or if we fail to manage our products portfolio expansion, our business, results of operations and financial condition may be materially and adversely affected. Despite the fact that we have secured orders from leading customers in certain emerging industry verticals during the Track Record Period, such products may not gain sufficient market acceptance or realize revenue as predicted. In addition, we must continue to hire, train and effectively manage new employees. If newly hired employees perform poorly or if we are unsuccessful in hiring, training, managing and integrating new employees, our business, results of operations and financial condition may be materially and adversely affected. To effectively manage the expected growth of our operations and personnel, we will need to continue to improve our technological, operational and financial systems, policies, procedures and controls. All of these endeavors involve risks and will require significant managerial, financial and human resources. There is no assurance that we will be able to effectively manage our growth or to implement all these systems, procedures and control measures successfully or that our new business initiatives will be successful. If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business and prospects may be materially and adversely affected.

If the data collected or used by us are out of date, inaccurate, lacking credible information, or no longer available to us, the performance of our offerings will be adversely affected, which could adversely impact our business.

The quality and availability of the data we use are critical to the performance of our offerings. If the data we collect or utilize becomes outdated, inaccurate, lacks credibility, or is no longer accessible, the effectiveness of our offerings could be severely compromised, which may, in turn, adversely impact our business operations and financial performance.

Our products and solutions rely on data collected from a variety of sources, including data obtained directly from our customers, data from authorized third-party vendors, and data acquired from the public domain. While we make every effort to ensure the data we use is accurate and reliable, we cannot fully guarantee the quality and completeness of the data collected or provided by these sources. For instance, data collected by our customers or provided by our partners may be

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limited in scope or outdated, or it may lack the necessary labels or credible information required for accurate analysis. When such data is used in our AI models and algorithms, it could lead to suboptimal results, negatively affecting the perceived effectiveness of our offerings.

To maintain the quality and reliability of our offerings, we also depend on continuous collaboration with business partners and suppliers. If we are unable to sustain these relationships or if we face difficulties in obtaining new sources of data, our capacity to collect and analyze data will be compromised. This could limit our ability to enhance our products and solutions or develop new data-based products and solutions, potentially leading to a decline in client trust and market reputation.

Our future growth and success, therefore, depend on our ability to continuously source, collect, and process high-quality data, maintain our business relationships with partners and suppliers, and respond to any challenges that may arise in our data acquisition or processing practices. Failure to do so could materially and adversely affect our business operations and financial condition.

We may face risks associated with defective products and the unsatisfactory performance of our products.

Our products may expose us to potential product quality claims if they fail to perform as expected, are proven to be defective, or if their use causes, results in or is alleged to have caused or resulted in project delays or damages or other adverse effects. If our products do not meet specifications or requirements enforced by domestic or overseas regulators or requested by our customers (as the case maybe), we may be subject to product quality claims or litigation. Any product quality claim, regardless of whether relating to project delays or damages, or related regulatory actions could prove costly and time-consuming to defend and could potentially prejudice our brand reputation and our relationship with our customers. If successful, product quality claims may require us to pay substantial damages. Furthermore, certain product quality claims may be the result of defects from parts and components purchased from third-party suppliers. Such third-party suppliers may not indemnify us for defects as to such parts and components or would only provide us with limited indemnification that is insufficient to cover our damages resulting from the product quality claim. Any product quality claim, either with or without merit, may also result in significant negative publicity and thus materially and adversely affect the marketability of our products and our reputation, our relationship with customers, as well as our business, results of operations and financial condition.

We are subject to various regulatory and customer requirements and may not be successful in maintaining an effective quality control system.

The performance, quality and safety of our products are critical to our customers and our success. We have established and maintained stringent quality assurance standards and inspection procedures, including quality control with respect to the raw materials and components purchased from suppliers.

Our quality control system has been certified to meet various quality standards in China and overseas. See “Business—Quality Control.” However, the effectiveness of our quality control system is determined by various factors, including the design of the system, implementation of quality standards, quality of training programs and our employees’ adherence to our quality control policies and guidelines, and should cover all stages of manufacturing processes, including raw material and component procurement and both semi-finished and finished products. If we fail to maintain an effective or adequate quality control system, we may manufacture defective products that would expose us to warranty claims which may include return, replacement or recall of our products and other compensation and product liability. Any such claim, regardless of whether it is ultimately successful, could cause us to incur significant costs, prejudice our business reputation and result in significant disruption to our operations. Furthermore, if any such claim is ultimately successful, we could be required to pay substantial monetary damages or penalties, which could have a material adverse effect on our results of operations and financial condition.

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If we experience increases in labor costs, shortage of labor or deterioration in labor relations, our production costs may be affected.

Labor costs have been fluctuating and may rise in the future. Our direct labor costs accounted for 35.3%, 24.8% and 30.7% of our total cost of sales in 2023, 2024 and 2025. Labor cost increases may cause our production costs to increase, and we may not be able to pass on such increase to our customers. We also cannot assure you that we will not experience any shortage of labor. Any such shortage could hinder our ability to maintain our production schedules and to sustain or expand our business operations, which could materially and adversely affect our business, results of operations and financial condition.

We seek to maintain favorable labor relations with our employees as we believe that our long-term growth depends on the expertise, experience and development of our employees. For details of our employee training efforts and welfare, see “Business—Employees.” However, we cannot assure you that we will not have any labor disputes in the future. Any deterioration of our labor relations could result in disputes, strikes, claims, legal proceedings and reputational damage, labor shortages that disrupt our business operations, as well as loss of experience, know-how and trade secrets.

Future operating results depend upon our ability to obtain raw materials in sufficient quantities on commercially reasonable terms from third-party suppliers.

Raw materials are the major component of our total cost of sales. The raw materials that we mainly use in the manufacturing of our products are mechanical parts, robotic parts, and electrical and electronic components. We procure certain of these raw materials from third-party suppliers. The prices of these materials are susceptible to significant fluctuations due to supply and demand trends in the commodities markets, transportation costs and government regulations, geopolitical events, changes in currency exchange rates, price controls, the economic climate and other unforeseen circumstances. Our results of operations could be adversely affected if we are unable to obtain adequate supplies of high-quality raw materials in a timely manner at reasonable prices, or if there are significant increases in the costs of raw materials that we could not pass on in full to our customers.

We rely on the timely supply of raw materials in order to carry out our production plans as scheduled. Any delays or disruptions in such supplies from our suppliers may have a material and adverse impact on our ability to meet our customers’ demands for our products on time. In addition, any natural or man-made disasters or other unanticipated catastrophic events, including adverse weather, fires, technical or mechanical difficulties, storms, explosions, earthquakes, strikes, acts of terrorism, wars and outbreaks of pandemics could impair the operations of our suppliers and impede our ability to manufacture and deliver our products to our customers in a timely manner.

Some raw materials, including those that are available from multiple sources, are at times subject to industry-wide shortages and significant commodity pricing fluctuations. We cannot assure you that we will be able to extend or renew the agreements that we have entered into for the supply of raw materials on similar terms, or at all. The effects of global or regional economic conditions on our suppliers could also affect our ability to obtain raw materials, and we remain subject to significant risks of supply shortages and price increases, which may adversely affect our business, results of operations and financial condition.

We have derived a substantial portion of our revenue from sales to a limited number of customers, which may expose us to risks relating to customer concentration.

Revenue generated from our largest customer in each period during the Track Record Period accounted for 17.8%, 33.2% and 16.0% of our total revenue for such period, respectively, and revenue generated from our top five customers in each period during the Track Record Period accounted for 58.0%, 67.8% and 51.6% of our total revenue for such period, respectively. See “Business—Our Customers.”

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There are inherent risks whenever a large percentage of total revenue is concentrated with a limited number of customers. Actions taken by our largest customers to exploit their comparably superior bargaining position in negotiating the terms of contracts or otherwise could also have an adverse effect on our operating results. In the event that the existing largest customers cease to engage our solutions, and we are unable to find new customers with similar attributable revenue within a reasonable period of time or at all, our business and profitability may be adversely affected. In addition, if any of such customers delays in their payments or even default, our results of operations, financial condition and liquidity may be materially and adversely affected. As such, should there be any adverse development related to our largest customers’ operations or any other reasons resulting in any deterioration or termination of our business relationship with one or more of our major customers, our business, results of operations and financial condition could be materially and adversely affected.

Our business is subject to seasonal fluctuation.

Our business activity is subject to seasonal patterns due to the procurement cycles of our customers. We typically observe a concentration of business development and customer engagement activities in the first half of a year, reflecting the budgeting processes of our customers. The timing of contract execution and project delivery may be influenced by these cycles, which could result in seasonal fluctuations in our financial performance. However, the actual timing of revenue recognition can vary significantly from period to period depending on the progress and completion of individual large-scale projects. See “Financial Information—Key Factors Affecting Our Results of Operations—Seasonality.” The degree of seasonality in our financial results may vary from year to year due to conditions in the industry and other factors, which makes it difficult for us to predict quarterly performance with precision. To the extent that we experience fluctuations in business activity, if demand exceeds our expectation in a given period, we may not have sufficient capacity or be able to arrange for timely delivery. Conversely, if demand is lower than our expectation, we may face increased working capital and liquidity needs. Furthermore, our operating and financial results for an interim period may not be representative of our overall performance for a year. Our financial results may fluctuate from period to period, which could result in volatility and adversely affect the price of our H Shares.

We are exposed to risks associated with our investments, such as fair value changes, valuation uncertainties and counterparty risks.

During the Track Record Period, we made certain financial investments to preserve and increase the return on our funds, as well as strategic investments that synergize with our business. Our strategic investments during the Track Record Period primarily consisted of our interests in joint ventures, which are accounted for using the equity method and amounted to RMB9.7 million, RMB5.8 million and RMB4.0 million as of December 31, 2023, 2024 and 2025, respectively. For details of each of the investments, see “Financial Information—Discussion of Major Consolidated Statement of Financial Position Items.” Our investments are subject to the risks that any of our counterparties may not perform their contractual obligations, such as in the event that any such counterparty becomes insolvent or declares bankruptcy, which could materially and adversely affect our financial position and cash flow. Furthermore, for those investments measured at fair value, we cannot assure you that market conditions and regulatory environment will create fair value gains on such products we invest in or we will not incur any fair value losses on such investments in the future. If we incur fair value losses, our results of operations and financial condition may be adversely affected.

The fair value measurement of our relevant investments involves the exercise of professional judgment and the use of certain bases, assumptions and observable or unobservable inputs, which, by their nature, could be uncertain. Changes in estimates and judgments could affect their fair value, which in turn may adversely affect our results of operations and financial condition.

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We have granted and may continue to grant share awards, which could result in share-based payment that may affect our financial performance, and potentially dilute existing Shareholders’ ownership.

We granted share awards in the past. We believe the granting of such share awards is important to our ability to attract, retain and motivate our management team and qualified employees. We are required to recognize share-based payment expenses based on the fair value of granted share awards. We recorded share-based payment expenses of RMB1.3 million, RMB1.5 million and RMB2.3 million in 2023, 2024 and 2025, respectively. Any additional grant of share awards by us will further increase our share-based payment, which may adversely affect on our results of operations and financial condition, and potentially dilute existing Shareholders’ ownership.

The discontinuation of any preferential tax treatment available to us in China could adversely affect our results of operations and financial condition.

We are subject to periodic examinations on fulfillment of our tax obligation under the PRC tax laws and regulations by PRC tax authorities. Although we believe that in the past, we have acted in compliance with the requirements under the relevant PRC tax laws and regulations in all material aspects and established effective internal control measures in relation to accounting regularities, we cannot assure you that future examinations by PRC tax authorities would not result in fines, other penalties or action that could adversely affect our business, financial condition and results of operations, as well as our reputation.

Pursuant to the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) (the “EIT Law”) and its implementation regulations, enterprises which operate in China are generally subject to enterprise income tax at a statutory rate of 25% on the taxable profit, while enterprises recognized as a “high and new technology enterprise” (高新技術企業) (“HNTE”) are entitled to a preferential tax rate of 15%. Our Company, including certain of our subsidiaries, enjoyed a preferential income tax rate of 15% as an HNTE during the Track Record Period. Continued qualification as an HNTE is subject to a three-year review by the relevant government authorities in China, and in practice certain local tax authorities also require annual evaluation of the qualification. In the event the preferential tax treatments are discontinued or not verified by the local tax authorities, and the affected entity fails to obtain preferential tax treatments based on other qualifications, it will become subject to the standard PRC enterprise income tax rate of 25%. There is no assurance that we will continue to be qualified to enjoy the above-mentioned preferential tax treatments, or such treatments will not change in the future, which may have a negative impact on our business, results of operations and financial condition.

We historically received government grants and we may not receive such grants or subsidies in the future.

We have received government grants in relation to incentives and awards granted for our research and development initiatives and manufacturing upgrades. We recognized government grants of RMB1.6 million, RMB3.0 million and RMB5.3 million in 2023, 2024 and 2025, respectively. However, these policies may be subject to changes that are beyond our control. We cannot assure you that favorable government policies will continue. In addition, the timing, amount and conditions of government grants are within the sole discretion of the governmental authorities. Governmental authorities may require us to perform certain contractual obligations before we could receive such grants, and we cannot assure you that we could always fully satisfy these conditions or perform the obligations. In such cases, the governmental authorities may cease providing subsidies to us or even require us to repay part or all of the government subsidies we previously received. Any reduction, elimination, repayment or other negative trends in government grants could adversely affect our business, results of operations and financial condition.

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We may fail to obtain or maintain all required licenses, permits and approvals to operate our business.

Our business and operations have been subject to extensive regulations. We are required to obtain and maintain applicable licenses, permits and approvals from different regulatory authorities in order to conduct our existing or future business. As considerable uncertainties could exist with respect to the interpretation and implementation of existing and future laws and regulations governing our business activities, we cannot assure you that we have obtained all the approvals, permits or licenses required for conducting our business in China, or will be able to maintain our existing approvals, permits or licenses or obtain new ones. The government authorities may require us to obtain additional licenses, permits or approvals so that we can continue to operate our existing or future businesses or otherwise prohibit our operations of the types of businesses to which the new requirements apply. In addition, new regulations or new interpretations of existing regulations may increase our costs of doing business and prevent us from efficiently delivering services and expose us to potential penalties and fines. Lastly, our existing licenses may expire without proper renewal or be revoked due to violations of relevant licensure maintenance requirements. If any of our entities is deemed by governmental authorities to be operating without appropriate permits and licenses or outside of their authorized scopes of business or otherwise fail to comply with relevant laws and regulations, we may be subject to penalties and our business, results of operation and financial condition may be materially and adversely affected.

We face certain legal and regulatory risks relating to labor-related laws and regulations, which may adversely affect our business, results of operations and financial condition.

Pursuant to the relevant PRC laws and regulations, employers are obligated to contribute to the social insurance and housing provident funds for their employees. During the Track Record Period, we did not make adequate social insurances and housing provident fund contributions for certain employees. We estimate that the shortfall of social insurance contributions and housing provident fund in 2023, 2024 and 2025 was nil, RMB0.1 million and RMB0.4 million, respectively. As advised by our PRC Legal Advisor, if any of the relevant social insurance authorities is of the view that the social insurance contributions we made for our employees do not comply with the requirements under the relevant PRC laws and regulations, it may order us to pay the outstanding balance within a prescribed time period plus a late fee of 0.05% of the total outstanding balance per day. If we fail to do so within the prescribed period as requested by the relevant social insurance authorities, we may be subject to a fine ranging between one to three times of the total outstanding balance. In addition, if any of the relevant housing provident fund authorities is of the view that our contributions to the housing provident funds do not satisfy the requirements under the relevant PRC laws and regulations, it may order us to pay the outstanding balance within a prescribed period. If we fail to do so within the prescribed period, the relevant housing provident fund authority may apply to a PRC court for an order of mandatory payment.

During the Track Record Period, no administrative action, fine or penalty had been imposed by relevant regulatory authorities with respect to our social insurance or housing provident fund contributions. In addition, we did not receive any notice from judicial or administrative authorities on any claim from our current and former employees regarding any inadequate contributions. We cannot assure you that the relevant government authorities will not require us to pay the shortfall and late fees or impose fines on us, in which case our business, results of operations and financial condition could be adversely affected.

Failure to protect our leasehold interests could adversely affect our business operations.

As of the Latest Practicable Date, we were unable to file the lease agreements for registration with respect to three of our leased properties in China due to the difficulty of procuring our lessors' cooperation to register such leases. If these lessors are not the legal owners or have not obtained the proper authorization from the legal owners of such premises, the legal owners of such premises or third-party tenants that have leased from the legal owners will have ground to challenge the validity of our leasehold interest in the affected premises. Under the relevant PRC laws and regulations, the

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parties to a lease agreement have the obligation to register and file the executed lease agreement. As advised by our PRC Legal Advisor, the validity and enforceability of the lease agreements are not affected by the failure to register or file the lease agreements with the relevant government authorities. According to the relevant PRC regulations, we may be ordered by the relevant government authorities to register the relevant lease agreements within a prescribed period, and we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease if we fail to comply. The maximum potential penalty is RMB30,000. If any of our leases are terminated or voided as a result of challenges from third parties or government agencies, we would need to seek alternative premises and incur relocation costs.

Failure to comply with laws and regulations applicable to our business could subject us to fines and penalties and could also cause us to lose customers or otherwise harm our business.

Our business is subject to regulation by various governmental agencies in China, including agencies responsible for monitoring and enforcing compliance with various legal obligations, such as environment-related laws and regulations, intellectual property laws, employment and labor laws, trade laws, import and export controls, anti-corruption and anti-bribery laws, and tax laws and regulations. In certain jurisdictions, these regulatory requirements may be different or more stringent than in China. These laws and regulations may increase our compliance costs. Non-compliance with applicable regulations or requirements may subject us to negative consequences, including: (1) investigations, enforcement actions, and sanctions; (2) mandatory changes to our offerings; (3) monetary damages and fines; (4) civil and criminal penalties or injunctions; (5) termination of contracts; (6) loss of intellectual property rights; and (7) failure to obtain, maintain or renew certain licenses, approvals and permits.

Responding to any action will likely result in a significant diversion of our management’s attention and resources and incur significant costs. If we fail to comply with relevant laws and regulations, or if we fail to defend ourselves in relevant legal or administrative proceedings, our business, results of operations and financial condition could be adversely affected.

We are exposed to risks relating to the retention of our senior management, as well as our ability to attract and retain qualified and experienced employees.

Our continued success is highly dependent upon the efforts of our senior management and other key employees. If either of them or any of our other key employees leaves and we are unable to promptly hire and integrate a qualified replacement, our business, results of operations and financial position may be adversely affected. In addition, the future growth of our business will depend in part on our ability to attract and retain qualified personnel in all aspects of our business. However, competition to hire highly qualified personnel is intense and we cannot guarantee that we will be able to meet our staffing needs in the future. If we are unable to attract and retain these qualified personnel, our growth may be limited and our business, financial position and operating results could be adversely affected.

We may need additional capital for business growth, product development and technology R&D programs and marketing efforts. If we are unable to raise capital in a timely manner or on acceptable terms, or at all, we could incur losses and be forced to delay, reduce or eliminate such efforts.

We may require additional capital beyond that generated by the operating activities from time to time to carry out R&D activities for developing and enhancing our products and technologies, grow our business and better serve our customers, among other things. Accordingly, we may need to issue additional equity or debt securities or obtain a credit facility. Future issuances of equity or equity-linked securities could significantly dilute our existing shareholders, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our H Shares. The incurrence of debt financing would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations or our ability to pay dividends to our shareholders. Our ability to maintain or obtain additional capital in a timely manner or on commercially acceptable terms is subject to various factors, including general market

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conditions for capital raising activities by our peers as well as economic, political and other conditions in China, Hong Kong and globally. If we are unable to obtain adequate financing on terms satisfactory to us when we require it, our ability to continue to support our research and development and business growth could be significantly impaired, and our business and prospects may be adversely affected.

We may not be able to adequately protect our intellectual property rights and may be subject to intellectual property infringement claims, which could be time-consuming or costly to defend. These claims could harm the value of our brands and adversely affect our business, and may result in a diversion of our financial and management resources and have a material adverse effect on our business, results of operations and financial condition.

Our success depends significantly on our ability to protect our proprietary ingredients, technologies, formulations, and product designs from intellectual property infringement through the establishment, maintenance, and enforcement of our intellectual property rights, including patents, trademarks, copyrights, and trade secrets. We rely on a combination of patents, trademarks, copyrights, trade secrets and confidentiality agreements or other similar provisions to safeguard our intellectual property. However, obtaining and maintaining such protection is costly and time-consuming, and there is no assurance that we will be able to secure or enforce all patents, trademarks or other rights in a timely or cost-effective manner. We may fail to identify patentable aspects of our R&D output promptly, or our applications may not result in granted patents or may be challenged, invalidated, or circumvented by competitors. If we are unable to maintain effective protection of our intellectual property, competitors may develop similar or substitute formulations or technologies, which could weaken our competitive advantage and adversely affect our business and results of operations. As of December 31, 2025, we had registered 139 trademarks, 302 patents, including 148 patents for invention, and 40 software copyrights in China, together with 166 pending patent applications. For details, see “Statutory and General Information—Further Information about Our Business—Intellectual Property Rights” in Appendix IV to this document. The validity, enforceability, and scope of intellectual property rights, however, depend on compliance with procedural and regulatory requirements, which may change in the future. Any failure to comply with such requirements, or changes in relevant laws or administrative practices, could result in the lapse, invalidation, or reduction of our intellectual property protection, thereby allowing competitors to enter the market with similar technologies or products.

We rely on trade secrets, proprietary know-how and confidential business information to maintain our competitive advantage, and we have on a combination of contractual restrictions, confidentiality procedures, and intellectual property registration to establish and protect our proprietary technologies. However, these measures may not provide absolute protection. Parties may intentionally or inadvertently disclose our proprietary information, and legal remedies for breach of confidentiality or misappropriation of trade secrets may be insufficient, uncertain, costly, and time-consuming. Any loss of trade secrets or unauthorized use of our proprietary information may limit our ability to compete in our market, potentially leading to a decline in our market share and revenue.

We cannot assure you that our operations or any aspects of our business do not or would not infringe upon or otherwise violate the trademarks, patents, copyrights or other intellectual property rights held by third parties. While we had not been subject to any material intellectual infringement proceedings and claims during the Track Record Period and up to the Latest Practicable Date, we could be subject to such proceedings and claims in the future. There could also be patents or other intellectual property rights of third parties which we are not aware that our technologies or products may inadvertently infringe. We also cannot assure you that holders of patents purportedly relating to some aspect of our technologies and products, if any such holders exist, would not seek to enforce such patents against us in the PRC or any other jurisdictions, as applicable. If we are found to have violated the intellectual property rights of others, we may be subject to liability for our infringement activities or may be prohibited from using such intellectual property, and we may incur licensing fees or be forced to develop alternatives of our own. In addition, we may incur significant expenses and

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may be forced to divert management’s time and other resources from our business and operations to defend against these third-party infringement claims, regardless of their merits, and the outcome of many of these claims and proceedings cannot be predicted. If a judgment, a fine or a settlement involving a payment of a material sum of money were to occur, or injunctive relief was issued against us, it may result in significant liabilities and may materially disrupt our business and operations by restricting or prohibiting our use of the intellectual property in question, and our business, results of operations and financial position could be materially and adversely affected.

The insurance coverage we have may not adequately protect us against all operating risks.

Our business is subject to a variety of operational risks, including but not limited to production disruptions due to operational errors, power outages, equipment failures and suspension due to other risks; operational restrictions imposed by environmental or other regulatory requirements; social, political and labor unrest, environmental or industrial accidents and catastrophic incidents such as fires, earthquakes, explosions, floods or other natural disasters. In addition, as we may further expand our operations in overseas markets in the future, we may be exposed to risks related to geopolitical tensions, policy changes and intellectual property and technology protection. These aforementioned risks may result in, including but not limited to, damage to or destruction of production facilities, personal injury or casualties, environmental damage, monetary loss and legal liability. The occurrence of any of these events may result in disruption of our operations and cause us to suffer substantial losses or incur significant liabilities.

Despite the fact that we purchase statutory social insurance and the necessary insurance types in accordance with relevant laws and our assets (including fixed assets, vehicles and overseas investments), employee safety, cargo transportation and other applicable items/risks are covered by commercial insurance after risk assessment and management team approval, we may not have adequate or full business liability, interruption or litigation insurance coverage for our operational risks in China and overseas. If we incur material losses or liabilities, and insurance is not adequate to cover such losses or liabilities, our business, results of operations and financial condition may be materially and adversely affected.

We may be involved in legal and other disputes and claims from time to time arising from our operations and any litigation, legal and contractual disputes, claims or administrative proceedings against us and any failure to comply with relevant laws and regulations may expose us to legal risks.

We may be, from time to time, involved in litigation, other legal proceedings or disputes with our employees, suppliers or customers during the ordinary course of business operations related to, among other things, products and other types of liability, labor disputes or contractual disputes. All of these disputes and claims may lead to legal or other proceedings or cause negative publicity against us, thereby resulting in damage to our reputation, substantial costs and diversion of resources and management’s attention from our business activities. In addition, we may encounter additional compliance issues in the course of our operations, which may subject us to administrative proceedings and unfavorable results, and result in liabilities and delays relating to our production schedules. We cannot assure you as to the outcome of such legal proceedings, and any negative outcome may materially and adversely affect our reputation, business, results of operations and financial condition.

We are subject to various risks relating to third-party payments.

During the Track Record Period, certain of our customers settled their payments with us through third-party payors (the “Third-Party Payment Arrangements”). In 2023, 2024 and 2025, the aggregate amount of third-party payments accounted for approximately nil, 0.02% and 0.07% of the total revenue we received from all customers for the relevant periods, respectively. See “Business—Third-Party Payment Arrangements.” We are, nonetheless, subject to various risks relating to such Third-Party Payment Arrangements during the Track Record Period, including possible claims from third-party payors for return of funds as they were not contractually indebted to us, and possible claims from liquidators of third-party payors. In the event of any claims from

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third-party payors or their liquidators, or legal proceedings (whether civil or criminal) instituted or brought against us in respect of third-party payments, we will have to spend significant financial and managerial resources to defend against such claims and legal proceedings, and our financial condition and results of operations may, as a result, be adversely affected.

Future acquisitions, strategic investments, partnerships or alliances could be difficult to identify and integrate, divert management resources, result in unanticipated costs or dilute our Shareholders.

We intend to selectively pursue strategic alliance, investment and acquisition opportunities to strengthen our global competitiveness in the China’s intelligent laboratory solutions market, particularly with respect to high-growth industry verticals. We will evaluate and execute alliance, investment and acquisition opportunities that complement and scale up our business, optimize our profitability, help us penetrate high-growing sectors, and add new capabilities to our company. However, we may have limited experience in making such acquisitions and we may not be able to find suitable acquisition candidates or complete acquisitions on favourable terms, if at all. Even if we complete acquisitions, we may not ultimately strengthen our competitive position or achieve our goals, and any acquisition we complete could be viewed negatively by customers or investors. We may also engage in other forms of business collaborations and relationships in the future, including strategic investments, partnerships and alliances. Negotiating such transactions can be time-consuming, difficult and costly, and our ability to close these transactions may be subject to third-party approvals, such as government regulatory approvals. We cannot assure you that these transactions will close or will lead to commercial benefit for us.

In addition, we may not be able to integrate acquired businesses successfully or effectively manage the combined company or our collaborations. If we fail to successfully integrate our acquisitions, or the people or technologies associated with those acquisitions, into our company, the results of operations of the combined company could be adversely affected. Any integration process will require significant time and resources, require significant attention from management, and disrupt the ordinary functioning of our business. We may ultimately fail to realize the potential cost savings or other financial benefits or the strategic benefits of the acquisitions. Furthermore, an acquisition could also materially impair our results of operations by causing us to incur debt or requiring us to amortize acquired intangible assets. We may also discover deficiencies in internal controls, data adequacy and integrity and regulatory compliance, as well as legal or contractual liabilities in businesses we acquire which we did not uncover prior to such acquisition. Therefore, we may become subject to penalties, lawsuits or other liabilities. Any difficulties in the integration of acquired businesses or technologies or unexpected penalties, lawsuits or liabilities in connection with such businesses or technologies could have a material adverse effect on our business, results of operations and financial condition.

In connection with the foregoing strategic transactions, we may issue additional equity securities that would dilute our Shareholders, use cash that we may need in the future to operate our business and incur substantial debts and liabilities. Such strategic transactions may also subject us to legal and regulatory scrutiny and increase our compliance costs. As a result, our business, results of operations and financial condition may be adversely affected.

We may be the subject of unfair competition, harassing or other detrimental conduct by third parties including complaints to regulatory authorities, negative social media postings and the public dissemination of malicious statements related to us that could harm our reputation and affect our business operations.

As an established brand, our image is sensitive to the clients’ perception of us as a business in entirety, which includes not only the quality our products, but also our corporate management and culture. We cannot guarantee that we may not be the subject of unfair competition, harassment, or other detrimental conduct by third parties. Such conduct includes complaints to regulatory authorities, negative social media postings, and malicious assessments against us. We may be subject to government or regulatory investigation as a result of such third-party conduct and may be

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required to spend significant time and incur substantial costs to address such third-party conduct, and there is no assurance that we will be able to conclusively refute each of the allegations within a reasonable period of time. Additionally, allegations against us, may be disseminated by anyone, whether or not related to us. Social media often publish such content without verifying the accuracy of the content posted and without affording us an opportunity for redress or correction. Although we had promptly taken clarification or rectification measures when we faced negative publicity in the past, it cannot be assured that such measures will always be effective in the future. Any such detrimental conduct against our Company, Directors, employees, spokespersons or business operations, regardless of veracity, could harm our reputation, or lead to potential loss of consumer confidence or difficulty in retaining or recruiting talents that are essential to our business operations. As a result, our business, results of operations and financial condition may be materially and adversely affected.

If we are not able to fully comply with present or future environmental, safety and occupational health laws and regulations, our business, results of operations and financial condition may be adversely affected.

Our business is subject to certain laws and regulations relating to environmental, safety and occupational health matters. See “Business—Environmental, Social and Corporate Governance.” Under these laws and regulations, we are required to maintain safe production conditions and protect the occupational health of our employees. However, we cannot assure you that we will not experience any material accidents or worker injuries in the course of our production process in the future, or that our risk management measures could effectively mitigate the relevant risks and help us navigate the complex and evolving regulatory environment. Changes in existing ESG-related laws and regulations or the promulgation of new ESG-related laws and regulations may increase our compliance costs, and if we fail to comply with such ESG-related laws and regulations, our business, results of operations and financial condition may be adversely affected.

In addition, our production process produces hazardous wastes and wastewater. The disposal of hazardous waste and the discharge of pollutants from our production operations into the environment may give rise to liabilities that may require us to incur costs to remedy such discharge. We cannot assure you that all situations that will give rise to material environmental liabilities will be discovered, or any environmental laws adopted in the future will not materially increase our operating costs and other expenses. Should the authorities impose stricter environmental protection standards and regulations in the future, we cannot assure you that we will be able to comply with such new regulations at reasonable costs, or at all. Any increase in production costs resulting from the implementation of additional environmental protection measures or failure to comply with new environmental laws or regulations may have a material adverse effect on our business, results of operations and financial condition.

Any future occurrence of natural disasters, outbreaks of contagious diseases or other force majeure events may materially and adversely affect our business, results of operations and financial condition.

Our business is subject to general economic and social conditions in China and other countries and regions where we operate. Natural and man-made disasters and other force majeure events which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people there. For instance, typhoons, sandstorms, snowstorms, fires and droughts pose significant risks to the regions, including the cities where we conduct our operations. The potential occurrence or recurrence of any of these events could result in a slowdown of global economy or cause substantial disruptions to our operations, which could materially and adversely affect our business, results of operations, financial condition and prospects. Additionally, acts of war and terrorism may also injure our employees, cause loss of lives, damage our facilities, disrupt our distribution channels and destroy our markets. The potential for war or terrorist attacks may also harm or cause uncertainty to our business in ways that we cannot predict.

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Our Controlling Shareholders have substantial influence over our Company.

Our Controlling Shareholders have substantial influence over our business, including matters relating to our management, policies and decisions regarding mergers, expansion plans, consolidations and sales of all or substantially all of our assets, election of Directors and other significant corporate actions. Immediately after the completion of the [REDACTED], without taking into account any H Shares which may be issued pursuant to the exercise of the [REDACTED], our Controlling Shareholders will collectively hold approximately [REDACTED]% of the enlarged share capital of our Company. This concentration of ownership may discourage, delay or prevent a change in control of our Company, which could deprive other Shareholders of an opportunity to receive a premium for their Shares as part of a sale of our Company and might reduce the price of our Shares. In addition, our Controlling Shareholders may exercise their substantial influence over us and cause us to enter into transactions or take, or fail to take, actions or make decisions that conflict with the best interests of our other Shareholders.

RISKS RELATING TO CONDUCTING BUSINESS IN CHINA

The economic and social conditions in China could affect our business, results of operations, financial conditions and prospects.

During the Track Record Period, majority of our revenue was derived from our businesses in China. Accordingly, our business, results of operations, financial condition and prospects are, to a material extent, subject to economic, political and legal developments in China. In particular, factors such as consumer, corporate and government spending, business investment, level of economic development, and resource allocation could affect the growth of our business.

The PRC economy has experienced significant growth over the past decades since the implementation of China’s reform and opening-up policy. In recent years, the PRC government has implemented measures emphasizing the utilization of market forces in economic reform and the establishment of sound corporate governance practices in business enterprises. These economic reform measures may be adaptively adjusted from industry to industry or across different regions of the country. If the business environment in China changes, our business in China may also be affected.

Any uncertainties embedded in the legal systems of certain jurisdictions where we operate could adversely affect our business, results of operations and financial condition, and our [REDACTED] could be affected as a result.

The legal systems of the jurisdictions where we operate vary significantly. Some jurisdictions have a civil law system based on written statutes and others are largely based on common law. Unlike common law systems where the case laws have binding effects, prior court decisions under civil law systems may be cited for reference but have limited precedential value. We are based in China and our business in China are governed by PRC laws and regulations. The PRC legal system is a civil law system based on written statutes. As the legal system in China continues to develop, laws and regulations may continue to evolve and be subject to interpretation. As these laws and regulations are continually evolving in response to changing economic and other conditions, we cannot foresee how these laws, rules and regulations will be interpreted and enforced, which may adversely affect the legal protections and remedies that are available to us and our [REDACTED].

Government control of currency conversion and restrictions on the remittance of RMB into and out of China could limit our ability to utilize our revenues effectively, to pay dividends and other obligations, and affect the value of our [REDACTED].

The remittance of currency in and out of China is subject to various laws and regulations. Considerable amount of our revenues and expenses are denominated in Renminbi, and the [REDACTED] from the [REDACTED] and any dividends we pay on our H Shares will be in Hong Kong dollars. Under China’s existing foreign exchange regulations, following the completion of the

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[REDACTED], we will be able to make current account foreign exchange transactions, without prior approval from the State Administration of Foreign Exchange (“SAFE”), including paying dividends in foreign currencies and through licensed banks for foreign exchange business, by complying with certain procedural requirements. If we cannot fulfill the regulatory requirements over foreign currency conversion to obtain sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our Shareholders.

Foreign exchange transactions under our capital account are subject to foreign exchange regulations under relevant regulations and require SAFE’s approval. These limitations could affect our ability to obtain foreign exchange through offshore financing.

Furthermore, the [REDACTED] from the [REDACTED] are expected to be deposited in currencies other than Renminbi until we obtain necessary approvals from relevant PRC regulatory authorities to convert these [REDACTED] into onshore Renminbi. If we cannot convert the [REDACTED] into onshore Renminbi in a timely manner, our ability to deploy these [REDACTED] efficiently may be affected as we will not be able to [REDACTED] these [REDACTED] on Renminbi denominated assets onshore or deploy them in uses onshore where Renminbi is required. Further, there is no assurance that new regulations will not be promulgated in the future that would have further requirements on the remittance of Renminbi into or out of mainland China. All of these factors could affect our business, results of operations and financial condition.

We may be subject to complex and evolving laws and regulations regarding privacy and data protection. Actual or alleged failure to comply with cybersecurity and data protection and personal information protection laws and regulations could damage our reputation, deter current and potential customers from using our solutions and could subject us to significant legal, financial and operational consequences.

In recent years, cybersecurity, data protection and personal information protection has become an increasing regulatory focus of government authorities across the world. The PRC government has enacted a series of laws, regulations and governmental policies for the protection of cybersecurity, data protection and personal information protection in the past few years. For instance, on November 7, 2016, the Standing Committee of the National People’s Congress promulgated the Cybersecurity Law of the People’s Republic of China (中華人民共和國網絡安全法), effective since June 1, 2017, created the first national-level data protection framework for “network operators,” which provide services over the internet or through other types of information network. On June 10, 2021, the Standing Committee of the National People’s Congress promulgated the Data Security Law of the People’s Republic of China (中華人民共和國數據安全法), effective since September 1, 2021. The Data Security Law sets out a number of obligations on data security and privacy undertaken by entities and individuals engaged in data-related activities. On September 24, 2024, the State Council promulgated the Regulation on Network Data Security Management (網絡數據安全管理條例), which came into effect on January 1, 2025 and further provides rules on network data security. On October 28, 2025, the Standing Committee of the National People’s Congress revised the Cybersecurity law, and the revised law came into effect on January 1, 2026. This revision has increased the legal liabilities for violations of the Cybersecurity Law. See “Regulatory Overview—Regulations on Cybersecurity, Data Security and Personal Information Protection” for more information.

The above regulatory developments relevant to cybersecurity, data protection and personal information protection could generally impact the data collection, use, storage and other data processing activities conducted by the enterprises in technology industry, including us. We have adopted various measures to ensure legal compliance. See “Business—Data Security and Privacy.” However, the laws and regulations regarding cybersecurity, data protection and personal information protection in China are generally complex and evolving, with uncertainty as to the interpretation and application thereof, which may lead to uncertainty about the scope of our responsibility in this regard. As such, we cannot assure you that our cybersecurity, data protection and personal information protection measures are, and will be, always considered sufficient under

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applicable laws and regulations. Additionally, the effectiveness of our protection measures is also subject to system failure, interruption, inadequacy, security breaches or cyberattacks. If we are unable to comply with the then-applicable laws and regulations, or to address any cybersecurity, data protection and personal information protection concerns, such actual or alleged failure could damage our reputation, deter current and potential users from using our solutions and could subject us to significant legal, financial and operational consequences.

In addition, on December 28, 2021, the CAC, the NDRC, the MIIT, and several other administrations jointly promulgated the Measures for Cybersecurity Review (網絡安全審查辦法, the “CAC Measures”), effective on February 15, 2022, which provides that entities meeting certain standards shall be subject to a cybersecurity review. See “Regulatory Overview—Regulations on Cybersecurity, Data Security and Personal Information Protection” for more information. We process personal information of no more than one million individuals and is [REDACTED] in Hong Kong, which does not constitute an “overseas [REDACTED]”. [REDACTED]. Since the interpretation and implementation of these laws and regulations with respect to the cybersecurity review keep evolving, therefore, we cannot assure you that there will not be any additional regulatory requirements regarding the cybersecurity review relating to the new laws and regulations.

Furthermore, the Measures for the Security Assessment of Outbound Data Transfer (數據出境安全評估辦法), promulgated on July 7, 2022 and effective since September 1, 2022, the Provisions on Promoting and Regulating Cross-border Data Flows (促進和規範數據跨境流動規定), promulgated and effective on March 22, 2024, have provided that the transfer of personal information and important data by data processor meeting certain volume thresholds or other standards as provided therein shall apply for security assessment, file with a standard contract for cross-border data transfer or obtain a personal information protection certification. As of the Latest Practicable Date, in connection with our projects with overseas partners, we have engaged in cross-border data transfers. Such data transfers do not involve any data categories that would trigger the requirement to conduct a security assessment for data export, file standard contractual clauses, or obtain personal information protection certification under applicable PRC laws and regulations. As our business continues to grow, there may be circumstances where we engage in such cross-border data transfers. In such case, in order to satisfy the legal and regulatory requirements, we may need to comply with the foregoing requirements as well as any other limitations under PRC laws then applicable. Complying with these laws and requirements could cause us to incur substantial expenses or require us to alter or change our practices in ways that could harm our business.

In addition to government regulation, privacy advocates and industry groups have and may in the future propose self-regulatory standards from time to time. These and other industry standards may legally or contractually apply to us, or we may elect to comply with such standards. We expect that there will continue to be new proposed laws and regulations concerning cybersecurity, data protection and personal information protection, and we cannot yet determine the impact such future laws, regulations and standards may have on our business.

New laws, amendments to or re-interpretations of existing laws, regulations, standards and other obligations may require us to incur additional costs and restrict our business operations. If so, in addition to the possibility of fines, lawsuits, regulatory investigations, public censure, other claims and penalties, and significant costs for remediation and damage to our reputation, we could be materially and adversely affected if legislation or regulations are expanded to require changes in our data processing practices and policies or if the applicable legislation or regulations are interpreted or implemented in ways that negatively impact our business, financial condition and results of operations. Any inability to adequately address cybersecurity, data protection or personal information protection concerns, even if unfounded, or to comply with applicable laws, regulations, standards and other obligations relating to cybersecurity, data protection or personal information protection could require significant resources and efforts, which have a material effect on our business, financial condition and results of operations.

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[REDACTED] of our H Shares may become subject to PRC taxation on dividends received from us and gains from the disposition of our H Shares.

Non-Chinese resident individual holders of H Shares whose names appear on the register of members of H Shares (“Non-Chinese Resident Individual Holders”), are subject to Chinese individual income tax on dividends received from us. Pursuant to the Circular on Questions Concerning the Collection of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知(國稅函[2011]348號)) dated June 28, 2011 and issued by the State Tax Administration (the “SAT”), the tax rate applicable to dividends paid to Non-Chinese Resident Individual Holders of H Shares varies from 5% to 20% (usually 10%), depending on whether there is any applicable tax treaty between China and the jurisdiction in which the Non-Chinese Resident Individual Holder of H Shares resides, as well as the tax arrangement between China and Hong Kong. Non-Chinese Resident Individual Holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20.0% withholding tax on dividends received from us. In addition, under the Individual Income Tax Law of the PRC (中華人民共和國個人所得稅法) (the “Individual Income Tax Law”) and its implementation regulations, Non-Chinese Resident Individual Holders of H Shares are subject to individual income tax at a rate of 20% on gains realized upon the sale or other disposition of H Shares. However, pursuant to the Circular Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from Transfer of Shares (關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知) issued by the Ministry of Finance and the SAT on March 30, 1998, gains of individuals derived from the transfer of [REDACTED] shares of enterprises may be exempt from individual income tax. As of the Latest Practicable Date, none of the aforesaid provisions had expressly provided that whether individual income tax shall be levied from non-mainland China resident individual holders on the transfer of shares in mainland China resident enterprises [REDACTED] on overseas stock exchanges. To the best of our knowledge, the Chinese tax authorities have not in practice sought to collect individual income tax on such gains. If such tax is collected in the future, the value of such individual holders’ [REDACTED] in H Shares may be materially and adversely affected.

Under the EIT Law and its implementation regulations, a non-Chinese resident enterprise is generally subject to enterprise income tax at a rate of 10% with respect to its income sourced from China, including dividends received from a Chinese company and gains derived from the disposition of equity interests in a Chinese company. This rate may be reduced under any special arrangement or applicable treaty between the China and the jurisdiction in which the non-Chinese resident enterprise resides. Pursuant to the Circular on Questions Concerning Withholding of Enterprise Income Tax for Dividends Distributed by Resident Enterprises in China to Non-resident Enterprises Holding H-shares of the Enterprises (Guo Shui Han [2008] No. 897) (關於中國居民企業向境外H股非居民企業股東派發股息代扣繳企業所得稅有關問題的通知(國稅函[2008]897號)) promulgated by the SAT on November 6, 2008, we intend to withhold tax at 10% from dividends payable to non-Chinese resident enterprise holders of H Shares (including [REDACTED] Nominees). Non-Chinese resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement will be required to apply to the Chinese tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the Chinese tax authorities’ approval. There are uncertainties as to the interpretation and implementation of the EIT Law and its implementation rules by the Chinese tax authorities, including whether and how enterprise income tax on gains derived upon the sale or other disposition of H Shares will be collected from non-Chinese resident enterprise holders of H Shares. If such tax is collected in the future, the value of such non-Chinese resident enterprise holders’ [REDACTED] in H Shares may be materially and adversely affected.

Payment of dividends is subject to restrictions under PRC law.

Under PRC law, dividends may be paid only out of distributable profits. Distributable profits are defined as our profits after taxes as determined under PRC GAAP less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make.

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As a result, we may not have sufficient, if any, distributable profits to enable us to make dividend distributions to our Shareholders in the future, including periods for which our financial statements indicate that our operations have been profitable. Any distributable profits not distributed in a given year are retained and available for distribution in subsequent years.

Moreover, because the calculation of distributable profits under PRC GAAP is different from the calculation under IFRS Accounting Standards in certain respects, our subsidiaries may not have distributable profits as determined under PRC GAAP, even if they have profits for that year as determined under IFRS Accounting Standards, or vice versa. Accordingly, we may not receive sufficient distributions from our subsidiaries. Failure by our subsidiaries to pay dividends to us could have a negative impact on our cash flow and our ability to make dividend distributions to our Shareholders in the future, including those periods in which our financial statements indicate that our operations have been profitable.

It may be difficult to effect service of process, enforce foreign judgments or bring original actions against us, our Directors and senior management residing in China.

We are a company incorporated under the laws of China, and a substantial majority of our assets are located in China. In addition, most of our Directors and senior management reside within mainland China. As a result, the service of process, investigation, collection of evidence, ratification, and enforcement procedure inside China should follow the rules set forth in the Civil Procedure Law of the People’s Republic of China as well as other applicable laws, regulations and interpretations. It would generally require you to commit more time and economic cost. On July 14, 2006, the Supreme People’s Court of China and Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgements in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the “2006 Arrangement”). Pursuant to the 2006 Arrangement, a party with a final judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in China, and vice versa. However, it is subject to the parties in the dispute agreeing to enter into a choice of court agreement in writing under the 2006 Arrangement.

On January 18, 2019, the Supreme People’s Court of China and Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the “2019 Arrangement”) and the 2019 Arrangement was issued on January 25, 2024 and became effective on January 29, 2024. The 2019 Arrangement will supersede the 2006 Arrangement and afford greater clarity and certainty for reciprocal recognition and enforcement of judgments in civil and commercial matters. The 2006 Arrangement will remain applicable to a “choice of court agreement in writing” entered into before the 2019 Arrangement taking effect. However, there remains uncertainties as to the outcome of any specific applications to recognize and enforce such judgments and arbitral awards in China.

The custodians or authorized users of our controlling non-tangible assets, including chops and seals, may fail to fulfill their responsibilities, or misappropriate or misuse these assets.

Under the PRC law, legal documents for corporate transactions, including agreements and contracts are executed using the chop or seal of the signing entity or with the signature of a legal representative whose designation is registered and filed with relevant PRC market regulation administrative authorities. In order to secure the use of our chops and seals, we have established internal control procedures and rules for using these chops and seals. In any event that the chops and seals are intended to be used, the responsible personnel will submit a formal application, which will be verified and approved by authorized employees in accordance with our internal control procedures and rules. In addition, in order to maintain the physical security of our chops, we generally have them stored in secured locations accessible only to authorized employees. The

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procedures, however, may not be sufficient to prevent all instances of abuse or negligence. There is a risk that our employees could abuse their authority, for example, by entering into a contract not approved by us or seeking to gain control of one of our subsidiaries or our affiliated entities or their subsidiaries. If any employee obtains, misuses or misappropriates our chops and seals or other controlling non-tangible assets for whatever reason, we could experience disruption to our normal business operations. We may have to take corporate or legal action, which could involve significant time and resources to resolve and divert management from our operations, and we may not be able to recover our loss due to such misuse or misappropriation if the third party relies on the apparent authority of such employees and acts in good faith.

RISKS RELATING TO THE [REDACTED]

An active [REDACTED] for our [REDACTED] may not develop or be sustained.

Prior to the [REDACTED], [REDACTED] for our [REDACTED]. We cannot assure you that a [REDACTED] for our [REDACTED] with adequate liquidity will develop and be sustained following the completion of [REDACTED]. The initial [REDACTED] for our [REDACTED] will be the result of negotiations, and the [REDACTED] may differ significantly from the [REDACTED] of the [REDACTED] following the [REDACTED].

We have applied to the [REDACTED] for the [REDACTED] of, and permission to [REDACTED] pursuant to the exercise of the [REDACTED]). However, the [REDACTED] on the [REDACTED] does not guarantee that an active and liquid [REDACTED] market for the [REDACTED] will develop, or if it does develop, that it will be sustained following the [REDACTED], or that the [REDACTED] will not decline following the [REDACTED]. If an active [REDACTED] for our [REDACTED] does not develop following the completion of the [REDACTED], the [REDACTED] could be materially and adversely affected. The following factors may affect the [REDACTED]: (1) actual or anticipated fluctuations in our operating performance and revenue; (2) our failure to execute our strategies; (3) an unexpected business interruption resulting from operational breakdowns, natural disasters, or major changes in our key personnel or senior management; (4) adverse market reaction to any indebtedness that we may incur or securities that we may issue in the future; (5) announcements of competitive developments, acquisitions or strategic alliances in our industry; (6) potential litigation or regulatory investigations; (7) general market conditions or other developments affecting us or our industry; (8) changes or proposed changes in laws or regulations, or differing interpretations thereof, affecting our ability to obtain or maintain regulatory approval for our products; (9) inadequate protection of our intellectual property rights or legal proceedings brought against us for infringement of third parties’ intellectual property rights; (10) the operating and stock price performance of other companies in our industry, and other events or factors beyond our control; and (11) the release of lock-up or other transfer restrictions on our outstanding H Shares or sales or perceived sales of H Shares by us or other Shareholders.

[REDACTED]

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You will incur immediate and substantial dilution, and may experience further dilution in the future.

The [REDACTED] of the [REDACTED] is higher than the [REDACTED] per Share immediately prior to the [REDACTED]. Therefore, purchasers of the [REDACTED] in the [REDACTED] will experience an immediate dilution. In order to expand our business, we may consider [REDACTED] and issuing additional Shares in the future. Purchasers of the [REDACTED] may experience dilution in the [REDACTED] per Share of their H Shares if we [REDACTED] which is lower than the [REDACTED] per [REDACTED] at that time. Furthermore, we may issue [REDACTED] pursuant to any existing or future share option incentive scheme, which would further dilute our Shareholders’ interests in our Company.

Actual or perceived sale or availability for sale of substantial amounts of our Shares could adversely affect the market price of our Shares.

Future sales of a substantial number of our Shares, especially by our Directors, executive officers and Controlling Shareholders, or the perception or anticipation that such sales might occur, could negatively impact the market price of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. Certain amount of the Shares controlled by our Controlling Shareholders are subject to certain lock-up periods beginning [REDACTED]. While we currently are not aware of any intention of such persons to dispose of significant amounts of their Shares after the expiry of the lock-up periods, we cannot assure you that they will not dispose of any Shares they may own now or in the future. In addition, certain existing Shareholders of our Shares are not subject to lock-up agreements. Market sale of Shares by such Shareholders and the availability of these Shares for future sale may have a negative impact on the market price of our Shares.

We have significant discretion as to how we will use the net [REDACTED] of the [REDACTED], and you may not necessarily agree with how we use them.

Our management may spend the [REDACTED] from the [REDACTED] in ways you may not agree with or that do not yield a favorable return. See “Future Plans and Use of [REDACTED]” for details of our intended use of [REDACTED]. However, our management will have discretion as to the actual application of our [REDACTED]. You are entrusting your funds to our management, upon whose judgment you must depend, for the specific use we will make of the [REDACTED] from this [REDACTED].

Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance that we will declare and distribute any amount of dividends in the future.

We have declared dividends in the past. However, there is no assurance that we will declare dividends in the future. Under the applicable PRC laws, the payment of dividends may be subject to certain limitations, and the calculation of our profit under applicable accounting standards differs in certain respects from the calculation under IFRS Accounting Standards. The declaration, payment and amount of our future dividends will depend upon our earnings and financial condition, operating requirements, capital requirements, applicable laws and regulations and any other conditions that our Directors may deem relevant and will be subject to the approval of our Shareholders. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the applicable PRC laws and regulations, and would require approval at our shareholders’ meeting. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. For details, see “Financial Information—Dividend Policy” in this document. There can be no assurance that dividends of any amount will be declared or distributed in any year in the future. Our historical dividends should not be taken as indicative of our dividend policy in the future.

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If securities or industry analysts do not publish research reports about us, or if they adversely change their recommendations regarding our [REDACTED] may decline.

The [REDACTED] may be influenced by research reports that industry or securities analysts publish about us or our business. If one or more analysts who cover us downgrade our [REDACTED] or publish negative opinions about us, the market price of our [REDACTED] would likely decline regardless of the accuracy of the information. If one or more of these analysts cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which, in turn, could cause [REDACTED] to decline.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as “anticipate,” “believe,” “could,” “going forward,” “intend,” “plan,” “project,” “seek,” “expect,” “may,” “ought to,” “should,” “would” or “will” and similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved, and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend to update or otherwise revise the forward-looking statements in this document to the public, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

The industry data and forecasts in this document obtained from various government publications have not been independently verified.

This document includes industry data and forecasts extracted from the report prepared by F&S, which was commissioned by us, and from various official governmental publications. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. However, we cannot assure you of the accuracy or completeness of information obtained from these sources. We have not independently verified any of the data, forecasts and other statistics from such sources, nor have we ascertained that the underlying economic assumptions relied upon in those sources. The information from official government sources has not been independently verified by us or any other parties involved in the [REDACTED], or any of our or their respective directors, senior management, representatives, advisers or any other persons involved in the [REDACTED] and no representation is given as to its accuracy. Moreover, such facts, forecasts and other statistics may not be prepared on the same basis or with the same degree of accuracy (as the case may be) in other publications or jurisdictions. For these reasons, the information from various government publications contained in this document may not be accurate and should not be given undue reliance as a basis for making your [REDACTED] in our [REDACTED].

You should read the entire document carefully and we strongly caution you not to place any reliance on any information contained in press articles or other media or research analyst reports regarding us, our business, or our industry [REDACTED].

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the [REDACTED]. Prior to the publication of this Document, there has been press and media coverage regarding us, our business, our industry and the [REDACTED]. There may be additional media coverage regarding us, our business, our industry and the [REDACTED] subsequent to the date of this document but prior to the completion of the [REDACTED]. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and

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other information. None of us or any other person involved in the [REDACTED] has authorized the disclosure of any such information in the press or media and none of us accepts any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it, and you should not rely on such information.