SUMMARY

This summary aims to give you an overview of the information contained in this Document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire Document before you decide to* [REDACTED] *in our H Shares. There are risks associated with any* [REDACTED]*. Some of the particular risks in* [REDACTED] *in our Shares are set out in the section headed "Risk Factors" in this Document. You should read that section carefully before you decide to* [REDACTED] *in our H Shares. Various expressions used in this section are defined in the sections headed "Definitions" and "Glossary of Technical Terms" in this Document.

OVERVIEW

We are a technology-driven provider of new energy heavy-duty trucks and intelligent road freight technologies, dedicated to advancing the road freight industry into zero-carbon, high-efficiency, and safe logistics through electrification and intelligentization technologies. We ranked the 9th in China's new energy heavy-duty truck market by sales volume in 2025, according to CIC.

Currently, our primary business line and revenue source is the sale of new energy heavy-duty trucks, including DeepWay Xingchen and DeepWay Xingtu, which accounted for 99.9%, 99.6% and 99.2% of our total revenue. In 2023, 2024 and 2025, we delivered 509, 3,002 and 8,020 new energy heavy-duty trucks, respectively. We also generated revenue from sale of spare parts and began to commercialize Tianji Suixing and Tianji Yanxing, two of our intelligent road freight technologies, under annual or lifetime subscription model. Such intelligent road freight technologies remain at an early stage of commercialization and contributed only a limited portion of our revenue during the Track Record Period, with their commercialization timetable subject to specific business plans and future regulatory developments. See "Business — Overview — Our Offerings," "Risk Factors — Risks related to Our Business and Our Industry — Changes in PRC regulations, regulatory policies or approval practices relating to intelligent connected vehicles and autonomous-driving technologies may affect the development and commercialization of our intelligent road freight technologies" and "Regulatory Overview — Regulations relating to Intelligent Connected Vehicles and Autonomous Driving." As of December 31, 2025, we were the first and the only new energy heavy-duty truck company in the world to have realized such subscription revenue from intelligent road freight technologies, according to CIC. As of December 31, 2025, we were one of only two companies in China to commercialize L4 technology through new energy heavy-duty trucks, according to CIC.

The vast global road freight market has long been constrained by high carbon emissions, high total cost of ownership (TCO), and safety risks. We focus on addressing these challenges through electrification and technologies. We adopt a two-phase strategy to address these pain points and achieve our objectives. In the first phase, we provide new energy heavy-duty trucks guided by our forward-engineering philosophy. In the second phase, we aim to further enhance the overall efficiency of the road freight industry through leveraging technologies to minimize costs and human error, and fundamentally improve safety.

OUR COMPETITIVE STRENGTHS

We believe our following core competitive strengths will allow us to further consolidate our market position: (i) a major player with proven large-scale deliveries; (ii) strong in-house capabilities in core electrification technologies; (iii) intelligentization technologies tailored to the road freight industry; (iv) products effectively addressing industry pain points; (v) road freight service ecosystem creating synergistic value; and (vi) experienced management team supported by strong strategic shareholders. For details, see "Business — Our Competitive Strengths."

OUR STRATEGIES

To achieve our vision and mission, we intend to pursue the following strategies: (i) advancing in-house development and production of core components; (ii) accelerating intelligent technology R&D; (iii) enhancing domestic sales coverage and expanding global presence; (iv) continuously expanding our product portfolio to drive business growth; and (v) expanding our ecosystem to provide comprehensive one-stop solutions. For details, see "Business — Our Strategies."

SUPPLY CHAIN AND CUSTOMIZATION MODEL

During the Track Record Period, we collaborated with our vehicle customization partners, including JAC Motors and Shandong Reach for vehicle customization and assembly. We procured manufactured vehicles from them while retaining control over vehicle engineering, system architecture, core component selection and system integration. We procure various raw materials and core components, such as battery cells, electric drives, electronic control components, and high-voltage cables, from suppliers in China. For details of our vehicle customization partners and core components suppliers, see "Business — Supply Chain and Customization Model." At early stage, we worked with Baidu for certain driving technologies on a white-box basis, and we had since developed our own R&D capabilities and technology stack. Our current intelligent road freight technologies is based on product-specific development for commercial truck and freight transportation scenarios. See "Business — Research and Development."

SALES AND MARKETING

During the Track Record Period, we predominately generated revenue from China across major regions, and we generated small portion of revenue from overseas sales. See "Business — Overview — Our Offerings." We enhance our brand influence and reach potential customers through online promotion and offline activities. See "Business — Our Customers and Sales — Marketing Strategy."

During the Track Record Period, we primarily relied on direct sales to promote the sale of new energy heavy-duty trucks. In 2025, we introduced distributors in selected provinces to supplement our sales channels, with distributor sales representing 2.5% of our total revenue for the same year. As of the Latest Practicable Date, all distributors were Independent Third Parties, and we did not engage or permit any sub-distributors.

OUR CUSTOMERS AND SUPPLIERS

Our suppliers mainly include vehicle customization partners, and suppliers of battery cells, automotive electronics, and R&D services and equipment, such as supporting R&D services in relation to hardware development and related functions. In each year during the Track Record Period, our purchases from the top five suppliers amounted to RMB839.1 million, RMB3,372.1 million and RMB6,903.4 million, accounting for 88.1%, 92.3% and 79.4% of our total purchases for each year. In each year during the Track Record Period, our purchases from the largest supplier amounted to RMB607.6 million, RMB2,229.7 million and RMB2,336.0 million, accounting for 63.8%, 61.0% and 26.9% of our total purchases for each year.

During the Track Record Period, our customers mainly included industrial and consumer goods express service providers, logistics companies, port and mine operators and sales and service providers who may resell, lease or use the new energy heavy-duty trucks we provide as well as certain battery leasing companies. In each year during the Track Record Period, the total revenue generated from our top five customers amounted to RMB351.1 million, RMB998.5 million and RMB1,564.4 million, accounting for 82.5%, 50.7% and 39.5% of our total revenue for each year, respectively. In each year during the Track Record Period, the revenue generated from our largest customer amounted to RMB147.9 million, RMB504.9 million and RMB501.4 million, accounting for 34.8%, 25.7% and 12.7% of our total revenue for each year, respectively.

Overlapping Customers and Suppliers

During the Track Record Period, to the best of our Directors' knowledge, one of our top five customers was also one of our top five suppliers on a consolidated basis. Specifically, Customer A, a subsidiary of Supplier B, purchased batteries from us to lease batteries to end users, while Supplier B supplied batteries to us for use in our new energy heavy-duty trucks. This overlap arose from our battery operating leasing model. See "Business — Our Customers and Sales — Overlapping Customers and Suppliers."

COMPETITION

The new energy heavy-duty truck industry in China and globally remains in the early stage of large-scale commercialization but is rapidly expanding, driven by policies promoting decarbonization, logistics efficiency, and smart mobility. According to CIC, the market is characterized by increasing competition from both traditional OEMs transitioning toward electrification and emerging technology companies focusing on vehicle intelligence and new energy technologies. Competitors primarily include established heavy-duty truck manufacturers developing battery-electric or hydrogen-powered models, as well as technology-driven enterprises offering powertrain, battery, and intelligent road freight technologies. See also "Business — Competition."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this Document. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, our consolidated financial statements in this Document, including the related notes. Our consolidated financial information was prepared in accordance with IFRS Accounting Standards.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our results of operations in absolute amount and as percentages of our total revenue, for the periods indicated.

	For the year ended December 31					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue	425,640	100.0	1,968,562	100.0	3,961,106	100.0
Cost of sales	(423,818)	(99.6)	(1,958,777)	(99.5)	(3,766,211)	(95.1)
Gross profit	**1,822**	**0.4**	**9,785**	**0.5**	**194,895**	**4.9**
Other income	5,957	1.4	12,916	0.7	23,700	0.6
Other gains and losses, net	65,242	15.3	(55,792)	(2.8)	(63,581)	(1.6)
Selling and marketing expenses	(30,736)	(7.2)	(119,676)	(6.1)	(223,263)	(5.6)
Administrative expenses	(75,124)	(17.6)	(120,794)	(6.1)	(135,470)	(3.4)
Research and development expenses	(351,968)	(82.7)	(364,760)	(18.5)	(386,619)	(9.8)
Impairment losses on financial assets	(2,615)	(0.6)	(10,701)	(0.5)	(4,713)	(0.1)
[REDACTED] expenses	—	—	(9,761)	(0.5)	(27,231)	(0.7)
Finance costs	(1,565)	(0.4)	(16,412)	(0.8)	(26,721)	(0.7)
Loss before tax	**(388,987)**	**(91.4)**	**(675,195)**	**(34.3)**	**(649,003)**	**(16.4)**
Income tax expenses	—	—	—	—	(63)	(0.0)
Loss for the year	**(388,987)**	**(91.4)**	**(675,195)**	**(34.3)**	**(649,066)**	**(16.4)**

During the Track Record Period, we recognized certain non-recurring items, including (i) **[REDACTED]** expenses and (ii) loss (gain) on fair value changes of financial liabilities at FVTPL in connection with preferred shares issued in relation to certain Pre-**[REDACTED]** investments. The amounts of these non-recurring items primarily reflected expenses in relation to **[REDACTED]** and changes in the estimated fair value of preferred shares driven by movements in our valuation assumptions and relevant market conditions. We consider these items to be non-recurring in nature because they relate to specific events and fair value remeasurement processes associated with the Pre-**[REDACTED]** structure and the **[REDACTED]** process, and are not expected to recur in our ordinary course of business.

Revenue

The following table sets forth a breakdown of our revenue, in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Sale of new energy heavy-duty trucks	425,196	99.9	1,961,182	99.6	3,927,491	99.2
Sale of spare parts	444	0.1	7,380	0.4	32,358	0.8
Others	—	—	—	—	1,257	0.0
Total	**425,640**	**100.0**	**1,968,562**	**100.0**	**3,961,106**	**100.0**

During the Track Record Period, our revenue was primarily derived from sale of new energy heavy-duty trucks. The rapid expansion of our revenue from sale of new energy heavy-duty trucks was attributable to the commercialization of our new energy heavy-duty trucks since 2023, combined with the increasing penetration of new energy heavy-duty trucks in the market. Our other revenues are derived from offering Tianji Suixing and Tianji Yanxing. Going forward, we expect revenues from sale of new energy heavy-duty trucks to continue to increase.

Gross Profit and Gross Profit Margin

In 2023, 2024 and 2025, our gross profit was RMB1.8 million, RMB9.8 million and RMB194.9 million, respectively. Our overall gross profit margin was 0.4%, 0.5% and 4.9% in 2023, 2024 and 2025, respectively, showing a general upward trend. For details, see "Financial Information — Major Components of Results of Operations."

Summary of Consolidated Statements of Financial Position

The table below sets forth the selected information from our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets	537,240	567,910	753,015
Current assets	810,503	1,988,201	5,023,353
Total assets	**1,347,743**	**2,556,111**	**5,776,368**
Non-current liabilities	116,053	98,874	225,204
Current liabilities	1,804,060	3,704,813	7,447,835
Total liabilities	**1,920,113**	**3,803,687**	**7,673,039**
Total assets less current liabilities	**(456,317)**	**(1,148,702)**	**(1,671,467)**
Net current liabilities	**(993,557)**	**(1,716,612)**	**(2,424,482)**
Net liabilities	**(572,370)**	**(1,247,576)**	**(1,896,671)**
Share capital	—	130,584	153,438
Paid-in capital	104,184	—	—
Reserves	(676,554)	(1,378,160)	(2,050,109)
Total deficits	**(572,370)**	**(1,247,576)**	**(1,896,671)**

We recorded redemption liabilities as financial liabilities at FVTPL in relation to our certain Pre-**[REDACTED]** investments. As of December 31, 2025, we recorded RMB2,959.8 million of investments with redemption rights as liabilities. For details, see Note 27 of the Accountants' Report set forth in Appendix I to this Document. The redemption liabilities will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the **[REDACTED]**.

For a detailed discussion of our current assets and current liabilities during the Track Record Period, especially the analysis of the fluctuations of net current liabilities and net liabilities during the Track Record Period, see "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position."

Summary of Consolidated Statements of Cash Flows

The following table sets forth our consolidated cash flow data for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net cash (used in)/from operating activities	(714,615)	(429,627)	835,242
Net cash (used in) investing activities	(451,682)	(255,476)	(1,163,572)
Net cash from financing activities	1,180,051	871,991	1,626,827
Net increase in cash and cash equivalents	**13,754**	**186,888**	**1,298,497**
Cash and cash equivalents at beginning of the year	113,209	126,963	313,851
Cash and cash equivalents at end of the year	**126,963**	**313,851**	**1,612,348**

We recorded net cash from operating activities of RMB835.2 million in 2025, as compared to net cash used in operating activities of RMB714.6 million in 2023 and RMB429.6 million in 2024, respectively.

In 2024, our net cash used in operating activities was primarily attributable to our loss before tax of RMB675.2 million, as adjusted by non-cash and non-operating items, which primarily comprised of (i) loss on fair value change of financial liabilities at FVTPL of RMB56.3 million, (ii) depreciation of property, plant and equipment of RMB25.9 million and (iii) amortization of intangible assets of RMB20.3 million. The amount was further adjusted by movements in working capital, primarily including an increase in trade and other receivables of RMB864.8 million; offset by an increase in trade and other payables of RMB913.3 million.

In 2023, our net cash used in operating activities was primarily attributable to our loss before tax of RMB389.0 million, as adjusted by non-cash and non-operating items, which primarily comprised of gain on fair value change of financial liabilities at FVTPL of RMB44.8 million. The amount was further adjusted by movements in working capital, primarily including (i) an increase in trade and other receivables of RMB284.9 million and (ii) an increase in inventories of RMB144.9 million; partially offset by an increase in trade and other payables of RMB96.9 million.

We recorded net cash used in operating activities in 2023 and 2024 primarily because we were in the early stage of commercialization and production ramp-up, during which sales volume and customer receipts had not yet reached a sufficient scale, while we continued to incur operating costs, production ramp-up expenses and other working capital outflows. Our operating cash outflows in these periods were also driven by working capital needs, in particular increases in trade and other receivables and inventories as we expanded sales and procurement scale. In 2024, although trade and other payables and contract liabilities increased, the cash outflow was still affected by the substantial increase in receivables during our rapid commercialization stage. Our operating cash flow turned positive in 2025 as our business scale expanded and our working capital management improved through tighter control over inventory levels and better alignment of payment terms with suppliers. For a more comprehensive discussion, see "Financial Information — Major Components of Results of Operations."

NON-IFRS MEASURES

To supplement our consolidated financial statements presented in accordance with IFRS Accounting Standards, we also use adjusted net loss (non-IFRS measure) and adjusted net loss margin (non-IFRS measure) by adding back **[REDACTED]** expenses and (gain) loss on fair value change of financial liabilities at FVTPL as non-IFRS financial measures. We believe these measures help **[REDACTED]** better understand the underlying trend of our operating performance by excluding certain items that are not considered indicative of our core operations, and facilitate period-to-period comparison. However, these non-IFRS measures have limitations and may not be comparable to similarly titled measures used by other companies, and should not be considered in isolation from, or as a substitute for, our results of operations as reported under IFRS Accounting Standards. Our adjusted net loss was RMB433.8 million, RMB609.1 million and RMB564.9 million in 2023, 2024 and 2025, respectively, and our adjusted net loss margin was 101.9%, 30.9% and 14.3%, respectively. See "Financial Information — Major Components of Results of Operations — Non-IFRS Measures" for details.

Key Financial Ratios

The following table sets forth some of our key financial ratios for the periods/as of the dates indicated. See "Financial Information — Key Financial Ratios" for details.

	For the year ended/As of December 31,		
	2023	2024	2025
Revenue growth *(%)*	N/A	362.5	101.2
Gross profit margin *(%)*	0.4	0.5	4.9
Net loss margin *(%)*	(91.4)	(34.3)	(16.4)
Current ratio	0.4	0.5	0.7

PATH TO PROFITABILITY

We were in the loss-making position during the Track Record Period with net losses of RMB389.0 million, RMB675.2 million and RMB649.1 million in 2023, 2024 and 2025, respectively. This primarily reflects our transition from a pre-revenue research and development phase to full-scale commercialization and production ramp-up, as we only commenced mass production and commercial sales in 2023. In addition, our historical losses were affected by fair value changes of financial liabilities at FVTPL arising from preferred shares issued in connection with Pre-**[REDACTED]** investments. Our financial performance was also affected by intensified competition and a downward pricing trend in the market. Our revenue increased by approximately 9.3 times from RMB425.6 million in 2023 to RMB3,961.1 million in 2025, reflecting rapid scaling following commercialization. While we continued to record net losses, our adjusted net loss (non-IFRS measure) as a percentage of revenue narrowed from 101.9% in 2023 to 30.9% in 2024 and further to 14.3% in 2025. We intend to turn around our profitability through a combination of revenue scale-up, structural gross profit margin improvement and operating leverage. For a detailed discussion, see "Financial Information — Path to Profitability."

RISK FACTORS

Our business and the **[REDACTED]** involve certain risks, which are set out in the section headed "Risk Factors." You should read that section in its entirety carefully before you decide to **[REDACTED]** in our Shares. Some of the major risks we face include: (i) our historical performance may not be indicative of future growth; (ii) the market of new energy heavy-duty trucks and intelligent road freight technologies is highly competitive. We compete against a large number of both established competitors and new market entrants; (iii) our reliance on key strategic partners, including JAC Motors, Shandong Reach and major suppliers, may materially adversely affect our business, financial condition and results of operations; (iv) we generate revenue from the sales of a limited number of new energy heavy-duty truck models; and (v) we are subject to the risk of customer concentration.

DIVIDEND

During the Track Record Period, no dividends have been declared and paid by us. As confirmed by our PRC Legal Advisor, according to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above. Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any dividend policy or fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

WORKING CAPITAL SUFFICIENCY

Taking into account the financial resources available to us, including anticipated cash flow from our operating activities, existing cash and cash equivalents, available bank facilities and the estimated net **[REDACTED]** from the **[REDACTED]**, our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this Document.

Our Directors have considered our working capital management and liquidity position in assessing our working capital sufficiency. Although we recorded net losses during the Track Record Period, we generated net cash from operating activities in 2025 and completed substantial financing, which strengthened our liquidity position. We intend to finance our future working capital requirements and capital expenditures primarily from cash expected to be generated from operating activities, bank facilities and funds raised from financing activities, including the net **[REDACTED]** we will receive from the **[REDACTED]**.

[REDACTED] EXPENSES

Based on the mid-point **[REDACTED]** of HK$**[REDACTED]** (being the mid-point of our **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per **[REDACTED]**), the total **[REDACTED]** expenses payable by our Company are estimated to be approximately HK$**[REDACTED]** (equivalent to approximately RMB**[REDACTED]**, representing **[REDACTED]**% of the gross **[REDACTED]** from the **[REDACTED]**), assuming the **[REDACTED]** is not exercised. Such estimated total **[REDACTED]** expenses include (i) **[REDACTED]** related expenses (including, but not limited to, commissions and fees) of approximately RMB**[REDACTED]**; (ii) fees and expenses of the legal advisors and reporting accountant of approximately RMB**[REDACTED]**, and (iii) other fees and expenses of approximately RMB**[REDACTED]**, of which RMB**[REDACTED]** is expected to be charged to our consolidated statements of profit or loss and RMB**[REDACTED]** is expected to be charged against equity upon the **[REDACTED]**.

As of December 31, 2025, we had incurred RMB**[REDACTED]** of **[REDACTED]** expenses for the **[REDACTED]**, of which RMB**[REDACTED]** was charged to our consolidated statements of profit or loss and RMB**[REDACTED]** was charged against equity. We expect to incur additional **[REDACTED]** expenses of approximately RMB**[REDACTED]**, of which approximately RMB**[REDACTED]** is expected to be charged to our consolidated statements of profit or loss and approximately RMB**[REDACTED]** is expected to be charged against equity upon the **[REDACTED]**.

[REDACTED]

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

During the Track Record Period and up to the Latest Practicable Date, Mr. Wan Jun, Shanghai Junwei, Beijing Chengyue and the Employee Incentive Platforms formed our Single Largest Group of Shareholders, and they are collectively interested in, and are entitled to exercise control over, an aggregate of approximately 20.44% of our total issued share capital as of the Latest Practicable Date. Immediately following the completion of the **[REDACTED]** and assuming the **[REDACTED]** is not exercised, they will hold approximately **[REDACTED]**% of our total issued share capital. For details, please refer to the sub-section headed "History, Development and Corporate Structure — The Single Largest Group of Shareholders" in this Document.

PRE-[REDACTED] INVESTMENTS

We have undertaken several rounds of Pre-**[REDACTED]** Investments. For details of the background of our Pre-**[REDACTED]** Investors and the principal terms of the Pre-**[REDACTED]** Investments, see "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments."

[REDACTED] FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of the **[REDACTED]** of, and permission to deal in, the H Shares in issue and to be issued pursuant to the **[REDACTED]** (including any Shares which may be issued pursuant to the exercise of the **[REDACTED]**) and the H Shares to be converted from Unlisted Shares. Our **[REDACTED]** is made on the basis that, among other things, we satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to: (i) based on our revenue for the year ended December 31, 2024, is more than HK$500 million; and (ii) our expected market capitalization at the time of **[REDACTED]**, which, based on the low-end of the indicative **[REDACTED]**, exceeds HK$4 billion.

SHORTER TRADING RECORD PERIOD

The Company was established in July 2020. We started the delivery of DeepWay Xingchen I in June 2023, and accordingly recorded revenue from sales of DeepWay Xingchen I since then. As such, the Company has a trading record since June 2023 and the first five months of 2023 cannot be counted towards the satisfaction of the requirement of a trading record under Rule 8.05(3) of the Listing Rules. Pursuant to Rule 8.05A of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rule 8.05(3) of the Listing Rules. For more details, please refer to the section headed "Waivers from Strict Compliance with the Listing Rules".

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net **[REDACTED]** of approximately HK$**[REDACTED]** from the **[REDACTED]** based on the mid-point of the **[REDACTED]**, after deduction of **[REDACTED]** fees and commissions and estimated expenses payable by us in connection with the **[REDACTED]**.

In line with our strategies, we intend to use the net **[REDACTED]** for the following purposes, subject to changes with respect to our evolving business needs and changing market conditions: (i) approximately **[REDACTED]** (HK$**[REDACTED]**) will be used for research and development in the continuous development of new energy heavy-duty trucks and commercialization of intelligent road freight technologies, (ii) approximately **[REDACTED]** (HK$**[REDACTED]**) will be used for strengthening our sales and after-sales network coverage, (iii) approximately **[REDACTED]** (HK$**[REDACTED]**) will be used for infrastructure expansion and (iv) approximately **[REDACTED]** (HK$**[REDACTED]**) will be used for working capital and general corporate purposes. See "Future Plans and Use of **[REDACTED]**" for details.

LEGAL PROCEEDING AND COMPLIANCE

We may from time to time become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any material legal, arbitral or administrative proceedings pending or, to our knowledge, threatened against us or any of our Directors that could have a material and adverse effect on our business, reputation, financial condition or results of operations.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, we had an order backlog of 516 units, out of which 416 units had been confirmed with deposits received, representing a contracted value of approximately RMB215.6 million. We have also completed two rounds of pre-**[REDACTED]** financings in January 2026 and April 2026, respectively. We expect our net loss in 2026 to increase, primarily due to (i) fair value losses arising from the remeasurement of preferred shares, classified as financial liabilities at FVTPL prior to the **[REDACTED]** and (ii) share-based compensation expenses in relation to employee incentives previously granted, notwithstanding our continued efforts to improve operating performance.

Our Directors have further confirmed that as of the date of this Document, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2025, being the end date of our latest audited financial statements, and there has been no event since December 31, 2025 that would materially affect the information shown in the Accountants' Report set out in Appendix I to this Document.