DEFINITIONS

In this document, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain technical terms are explained in "Glossary of Technical Terms."

"Accountants' Report"	the accountants' report from the reporting accountants of our Company, the text of which is set out in Appendix I to this document
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"ALMA"	Atacama Large Millimetre/submillimetre Array
"Articles" or "Articles of Association"	the articles of association of our Company adopted on August 27, 2025 and as amended, supplemented or otherwise modified from time to time, a summary of which is set forth in Appendix V to this document
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of Directors of the Company
"BIS"	Bureau of Industry and Security of the U.S. Department of Commerce
"BIS List"	the U.S. Department of Commerce, the Bureau of Industry and Security's Entity List, the Denied Parties List, the Unverified List, the Military End-User List, or the Military-intelligence End User List
"business day"	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open to the public for normal banking business

[**REDACTED**]

"China," "Chinese Mainland" or "the PRC"	the People's Republic of China, and for the purposes of this document only, except where the context requires otherwise, excluding Hong Kong, the Macao Special Administrative Region of the People's Republic of China, and Taiwan
"CIC" or "Industry Consultant"	China Insights Industry Consultancy Limited
"CIC Report"	the industry report commissioned by our Company and independently prepared by CIC, a summary of which is set forth in "Industry Overview" in this document
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Ordinance"	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company," "our Company" or "the Company"	Ningbo Physis Technology Co., Ltd. (寧波菲仕技術股份有限公司), a company incorporated in the PRC as a limited liability company on November 15, 2001 and converted into a joint stock company with limited liability on December 20, 2019
"Compliance Advisor"	Patrons Capital Limited
"Comprehensively Sanctioned Country"	any country or territory subject to a comprehensive export, import, financial or investment embargo under sanctions related law or regulation of the Relevant Jurisdiction, currently Cuba, Iran, North Korea, and the Crimea, the so-called Luhansk People's Republic ("**LPR**") and Donetsk People's Republic ("**DPR**"), Zaporizhzhia and Kherson regions of Ukraine
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	meaning Mr. Wenjie REN (任文傑), Ms. Jin HU (胡瑾), Ningbo Hongrui and the Employee Incentive Platforms who comprise a group of controlling shareholders (as defined in the Listing Rules)
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"CS Capital"	CS Capital Co., Ltd. (國投招商投資管理有限公司)

"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)" or "our Director(s)"	the director(s) of the Company
"EIT"	the PRC enterprise income tax
"Employee Incentive Platform(s)"	the [**REDACTED**] employee incentive platforms of the Company, namely Ningbo Hongjun, Ningbo Hongche and Ningbo Honglan
"EUR," "Euro" or "€"	the lawful currency of the member states of the European Union which adopted the single currency

[**REDACTED**]

"Future Industry Investment Fund"	Future Industry Investment Fund (Limited Partnership) (先進製造產業投資基金(有限合夥)), one of our Shareholders
"Future Industry Investment Fund II"	Future Industry Investment Fund II (Limited Partnership) (先進製造產業投資基金二期(有限合夥)), one of our Shareholders

[**REDACTED**]

"Group," "our Group," "the Group," "we," "us," or "our"	our Company and our subsidiaries from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"Guide"	the Guide for New Listing Applications issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

"H Share(s)"	ordinary share(s) with nominal value of RMB1.00 each in the share capital of our Company, which are to be [**REDACTED**] for and [**REDACTED**] in Hong Kong dollars, and for which an [**REDACTED**] has been made for [**REDACTED**] and permission to [**REDACTED**] on the Stock Exchange

[**REDACTED**]

"Hefeng Venture Capital"	Ningbo Hefeng Venture Capital Co., Ltd. (寧波和豐創業投資有限公司), one of our Shareholders
"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

[**REDACTED**]

"HKFRS(s)"	Hong Kong Financial Reporting Standard(s) issued by Hong Kong Institute of Certified Public Accountants

[**REDACTED**]

"Hong Kong dollars," "HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong

[**REDACTED**]

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited

[**REDACTED**]

"Huangshan SAIFU"	Huangshan SAIF Tourism Cultural Industry Development Fund (Limited Partnership) (黃山賽富旅遊文化產業發展基金(有限合夥)), one of our Shareholders
"Huijia Huijin"	Hainan Huijia Huijin Equity Investment Fund Partnership (Limited Partnership) (海南匯嘉匯金股權投資基金合夥企業(有限合夥)), one of our Shareholders
"Independent Third Party(ies)"	entity(ies) or person(s) who is/are not connected person(s) of our Company or our subsidiaries within the meaning of the Listing Rules
"Innovation Center"	Zhejiang Electric Drive Innovation Center Co., Ltd. (浙江電驅動創新中心有限公司), an other limited liability company established under the laws of the PRC on September 2, 2022 and one of our Company's subsidiaries

[**REDACTED**]

[**REDACTED**]

"International Sanctions"	all applicable laws and regulation to economic sanctions, export controls, trade embargoes and wider prohibitions and restrictions on international trade and investment related activities, including those adopted and administered by the Relevant Jurisdictions
"International Sanction Legal Advisor"	Hogan Lovells International LLP

[**REDACTED**]

"Jiequan Meidu"	Jiangsu Jiequan Meidu Equity Investment Fund Partnership (Limited Partnership) (江蘇疌泉美都股權投資基金合夥企業(有限合夥)), one of our Shareholders

[**REDACTED**]

"Latest Practicable Date"	May 6, 2026, being the latest practicable date for ascertaining certain information in this document before its publication

[**REDACTED**]

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Metropolitan Industrial Investment Fund"	Metropolitan Industrial Investment Fund (Limited Partnership) (京津冀產業協同發展投資基金(有限合夥)), one of our Shareholders
"MOF"	the Ministry of Finance of the PRC (中華人民共和國財政部)
"NDRC"	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
"New Energy Ganzhou"	Physis New Energy Technology Ganzhou Co., Ltd. (菲仕綠能科技(贛州)有限公司), a limited liability company established under the laws of the PRC on March 10, 2023 and one of our Company's subsidiaries
"New Energy Italy"	Physis New Energy Technology S.r.l, a company incorporated under the laws of Italy on November 6, 2018 and one of our Company's subsidiaries
"New Energy Ningbo"	Physis New Energy Technology Ningbo Co., Ltd. (菲仕綠能科技(寧波)有限公司), a limited liability company established under the laws of the PRC on December 4, 2018 and one of our Company's subsidiaries
"New Energy Tianjin"	Physis New Energy Technology Tianjin Co., Ltd. (菲仕綠能電氣技術(天津)有限公司) (previously known as Zhongke Physis Technology (Tianjin) Co, Ltd. (中科菲仕電氣技術(天津)有限公司)), a limited liability company established under the laws of the PRC on October 24, 2018 and one of our Company's subsidiaries
"New Energy Yibin"	Physis New Energy Technology Yibin Co., Ltd. (菲仕綠能科技(宜賓)有限公司), a limited liability company established under the laws of the PRC on April 17, 2026 and one of our Company's subsidiaries
"New Energy Zhuzhou"	Physis New Energy Technology Zhuzhou Co., Ltd. (株洲菲仕綠能科技有限公司), a limited liability company established under the laws of the PRC on July 16, 2019 and one of our Company's subsidiaries

"New Kinetic Energy Fund"	Zhejiang Free Trade Zone (Ningbo) New Kinetic Energy Industry Investment Fund (Limited Partnership) (浙江自貿區(寧波)新動能產業投資基金合夥企業(有限合夥)), one of our Shareholders
"NGTEC"	NGTEC S.r.l., a company incorporated under the laws of Italy on January 9, 2012 and one of our Company's subsidiaries
"Ningbo Hongche"	Ningbo Hongche Investment Management Partnership (Limited Partnership) (寧波泓澈投資管理合夥企業(有限合夥)), one of our Controlling Shareholders
"Ningbo Hongjun"	Ningbo Hongjun Investment Management Partnership (Limited Partnership) (寧波泓駿投資管理合夥企業(有限合夥)), one of our Controlling Shareholders
"Ningbo Honglan"	Ningbo Honglan Investment Management Partnership (Limited Partnership) (寧波泓瀾投資管理合夥企業(有限合夥)), one of our Controlling Shareholders
"Ningbo Hongrui"	Ningbo Hongrui Foundation Investment Partnership (Limited Partnership) (寧波泓鋭基業投資合夥企業(有限合夥)), one of our Controlling Shareholders
"Nomination Committee"	the nomination committee of the Board
"NS-CMIC List"	Non-SDN Chinese Military-Industrial Complex Companies List

[**REDACTED**]

"OSAI Guangzhou"	OSAI CHINA Co. Ltd (歐賽數控技術(廣州)有限公司), a limited liability company (wholly foreign-owned enterprise) established under the laws of PRC on April 14, 2011 and one of our Company's subsidiaries
"OSAI ITA"	OSAIcnc S.r.l., a company incorporated in Italy on October 1, 2019 and one of our Company's subsidiaries

"OSAI NA"	OSAIcnc North America LLC, a company established in Wilmington, the United States, on November 27, 2019 and one of our Company's subsidiaries
"OSAI UK"	OSAI UK Ltd, a company incorporated in the United Kingdom on February 25, 1997 and one of our Company's subsidiaries

[**REDACTED**]

"Overseas Listing Trial Measures"	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), as amended, supplemented or otherwise modified from time to time
"Physis Automation"	Physis Automation Ningbo Co., Ltd. (寧波菲仕自動化技術有限公司), a limited liability company established under the laws of the PRC on January 29, 2010 and one of our Company's subsidiaries
"Physis Hangzhou Bay Branch"	Ningbo Physis Technology Co., Ltd. Hangzhou Bay Branch (寧波菲仕技術股份有限公司杭州灣新區分公司), a branch company of our Company established under the laws of the PRC on December 9, 2019
"Physis Industrial Design"	Physis Industrial Design Ningbo Co., Ltd. (寧波工業設計有限公司), a limited liability company established under the laws of the PRC on September 24, 2012 and one of our Company's subsidiaries
"Physis Jinan"	Jinan Physis Intelligent Electric Drive Technology Co., Ltd. (濟南菲仕智能電驅技術有限公司), an other limited liability company established under the laws of the PRC on December 12, 2025 and one of our Company's subsidiaries

"Physis Motion"	Physis Motion Control Ningbo Co., Ltd. (寧波菲仕運動控制技術有限公司), a limited liability company established under the laws of the PRC on August 2, 2007 and one of our Company's subsidiaries
"Physis New Energy"	Physis New Energy Technology Beijing Co., Ltd. (菲仕綠能科技(北京)有限公司), a limited liability company established under the laws of the PRC on August 11, 2016 and one of our Company's subsidiaries
"Physis Wuhan"	Physis Motion Control Wuhan Co., Ltd. (武漢菲仕運動控制系統有限公司), a limited liability company established under the laws of the PRC on September 2, 2013 and one of our Company's subsidiaries
"Physis Xi'an"	Physis Motion Control Xi'an Co., Ltd. (菲仕智能科技(西安)有限公司), a limited liability company established under the laws of the PRC on March 23, 2018 and one of our Company's subsidiaries
"PRC Legal Advisor"	AllBright Law Offices
"[**REDACTED**] Equity Incentive Scheme"	the [**REDACTED**] equity incentive scheme of our Company approved and adopted in 2017, a summary of the principal terms of which is set forth in "Statutory and General Information" in Appendix VI
"[**REDACTED**] Investment(s)"	the investments in the Company undertaken by the [**REDACTED**] Investors pursuant to the definitive agreements, as applicable, prior to this [**REDACTED**], the details of which are set out in "History, Development and Corporate Structure"
"[**REDACTED**] Investor(s)"	the investors as set out in "History, Development and Corporate Structure"
"[**REDACTED**] Share Option Scheme"	the [**REDACTED**] share option scheme of our Company approved and adopted on August 27, 2025, as amended from time to time, a summary of the principal terms of which is set forth in "Statutory and General Information" in Appendix VI

[**REDACTED**]

"[**REDACTED**]"	the date on which the [**REDACTED**] is to be fixed

"Primary Sanctioned Activity"	any activity in a Comprehensively Sanctioned Country or (i) with; or (ii) directly or indirectly benefiting, or involving the property or interests in property of, a Sanctioned Target by the Company incorporated or located in a Relevant Jurisdiction or which otherwise has a nexus with such jurisdiction with respect to the relevant activity, such that it is subject to the relevant sanctions law or regulation

[**REDACTED**]

"QIB"	a qualified institutional buyer within the meaning of Rule 144A
"Regulation S"	Regulation S under the U.S. Securities Act
"Relevant Jurisdiction(s)"	any jurisdiction that is relevant to the Company and has sanctions related law or regulation restricting, among other things, its nationals and/or entities which are incorporated or located in that jurisdiction from directly or indirectly making assets or services available to or otherwise dealing in assets of certain countries, governments, person or entities targeted by such law or regulation. For the purpose of this document, the Relevant Jurisdictions include the U.S., the European Union ("**EU**"), the United Nations ("**UN**"), the United Kingdom ("**UK**"), UK Overseas Territories and Australia
"Relevant Persons"	the Company, together with its investors and shareholders and persons who might, directly or indirectly, be involved in permitting the [**REDACTED**], trading, clearing and settlement of its shares, including the HKEX and related group companies
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Renminbi" or "RMB"	the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	State Administration of Foreign Exchange of China (中華人民共和國國家外匯管理局)
"Sanctioned Target"	any person or entity (i) designated on any list of targeted persons or entities issued under the sanctions-related law or regulation of a Relevant Jurisdiction; (ii) that is, or is owned or controlled by, a government of a Comprehensively Sanctioned Country; or (iii) that is the target of sanctions under the law or regulation of a Relevant Jurisdiction because of a relationship of ownership, control, or agency with a person or entity described in (i) or (ii)

"Sanctioned Trader"	any person or entity that does a material portion (10% or more) of its business with Sanctioned Targets and Comprehensively Sanctioned Country entities or persons
"SDN" or "SDN List"	individuals and entities that are listed on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**")
"Secondary Sanctionable Activity"	certain activity by the Company that may result in the imposition of sanctions against the Relevant Person(s) by a Relevant Jurisdiction (including designation as a Sanctioned Target or the imposition of penalties), even though the Company is not incorporated or located in that Relevant Jurisdiction and does not otherwise have any nexus with that Relevant Jurisdiction
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen SAIF"	Shenzhen Futian SAIF Dynamiques Equity Investment Fund Partnership (Limited Partnership) (深圳市福田賽富動勢股權投資基金合夥企業(有限合夥)), one of our Shareholders
"Sole Sponsor"	China International Capital Corporation Hong Kong Securities Limited

[**REDACTED**]

"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Strategy Committee"	the strategy committee of the Board
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Supervisor(s)"	the supervisor(s) of the Company

"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-back issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Tongshang Venture Capital"	Ningbo Tongshang Venture Capital Partnership (Limited Partnership) (寧波通商創業投資合夥企業(有限合夥)), one of our Shareholders
"Track Record Period"	the years ended December 31, 2023, 2024 and 2025
"UK," "U.K." or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland

[**REDACTED**]

"Unlisted Share(s)"	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which is/are not listed on any stock exchange
"US," "U.S." or "United States"	the United States of America, its territories, possessions and all areas subject to its jurisdiction
"U.S. Securities Act"	United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"USD," "US$" or "US dollars"	United States dollars, the lawful currency of the U.S.
"VAT"	value-added tax
"Xiamen SAIFU"	Xiamen SAIF Equity Investment Partnership (Limited Partnership) (廈門賽富股權投資合夥企業(有限合夥)), one of our Shareholders
"Xingzheng SAIFU"	Pingtan Xingzheng Saifu Equity Investment Partnership (Limited Partnership) (平潭興證賽富股權投資合夥企業(有限合夥)), one of our Shareholders
"Xingzheng SAIFU I"	Pingtan Xingzheng Saifu No. 1 Equity Investment Partnership (Limited Partnership) (平潭興證賽富一股權投資合夥企業(有限合夥)), one of our Shareholders
"%"	per cent

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

Certain amounts and percentage figures included in this document have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.