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Application Proof of

Tage iDriver Technology Co., Ltd.

踏歌智行科技股份有限公司

(the “Company”)

(A joint stock company incorporated in the People’s Republic of China with limited liability)

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Tage iDriver Technology Co., Ltd. 踏歌智行科技股份有限公司

(A joint stock company incorporated in the People’s Republic of China with limited liability)

[REDACTED]

Number of [REDACTED] under : [REDACTED] H Shares (subject to the
the [REDACTED] [REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to reallocation)
Number of [REDACTED] : [REDACTED] H Shares (subject to reallocation
and the [REDACTED])
Maximum [REDACTED] : HK\$[REDACTED] per H Share, plus brokerage
of 1.0%, SFC transaction levy of 0.0027%,
AFRC transaction levy of 0.00015% and Hong
Kong Stock Exchange trading fee of 0.00565%
(payable in full on application in Hong Kong
dollars and subject to refund)
Nominal value : RMB1.00 per H Share
[REDACTED] : [REDACTED]

*Sole Sponsor, [REDACTED]
[REDACTED]*



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The [REDACTED] is expected to be fixed by agreement between the [REDACTED] (acting in such capacity and as the [REDACTED]) and us on the [REDACTED]. The [REDACTED] is expected to be on or before [REDACTED] (Hong Kong time) and, in any event, not later than 12:00 noon on [REDACTED] (Hong Kong time). The [REDACTED] will be no more than HK\$[REDACTED] and is currently expected to be not less than HK\$[REDACTED] per [REDACTED]. If, for any reason, the [REDACTED] is not agreed by [REDACTED] (Hong Kong time) between the [REDACTED] (acting in such capacity and as the [REDACTED]) and us, the [REDACTED] will not proceed and will lapse.

Applicants for [REDACTED] are required to pay, on application (subject to application channel), the maximum [REDACTED] of HK\$[REDACTED] for each [REDACTED] together with a brokerage fee of 1.0%, a SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and a Hong Kong Stock Exchange trading fee of 0.00565%, subject to refund if the [REDACTED] as finally determined is less than HK\$[REDACTED].

The [REDACTED] (acting in such capacity and as the [REDACTED]), and with our consent may, where considered appropriate, reduce the number of [REDACTED] and/or the indicative [REDACTED] range below that is stated in this document (which is HK\$[REDACTED] to HK\$[REDACTED]) at any time prior to the morning of the last day for lodging applications under the [REDACTED]. In such a case, an announcement will be published on the website of our Company at www.i-tage.com and on the website of the Hong Kong Stock Exchange at www.hkexnews.hk. Details of the arrangement will then be announced by us as soon as practicable. Further details are set forth in “Structure of the [REDACTED]” and “How to Apply for [REDACTED]” in this document.

Prior to making an investment decision, prospective investors should consider all of the information set out in this document, including the risk factors set out in “Risk Factors”.

The obligations of the [REDACTED] under the [REDACTED] are subject to termination by the [REDACTED] (acting in such capacity and as the [REDACTED]) if certain grounds arise prior to 8:00 a.m. on the [REDACTED]. See “[REDACTED] — [REDACTED] Arrangements and Expenses — [REDACTED] — Grounds for Termination” of this Document.

The H Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be [REDACTED], sold, pledged or transferred within the United States, or to or for the account or benefit of the U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. The H Shares are being [REDACTED] and sold only outside the United States in offshore transactions in reliance on Regulation S.

[REDACTED]

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IMPORTANT

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IMPORTANT

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

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IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

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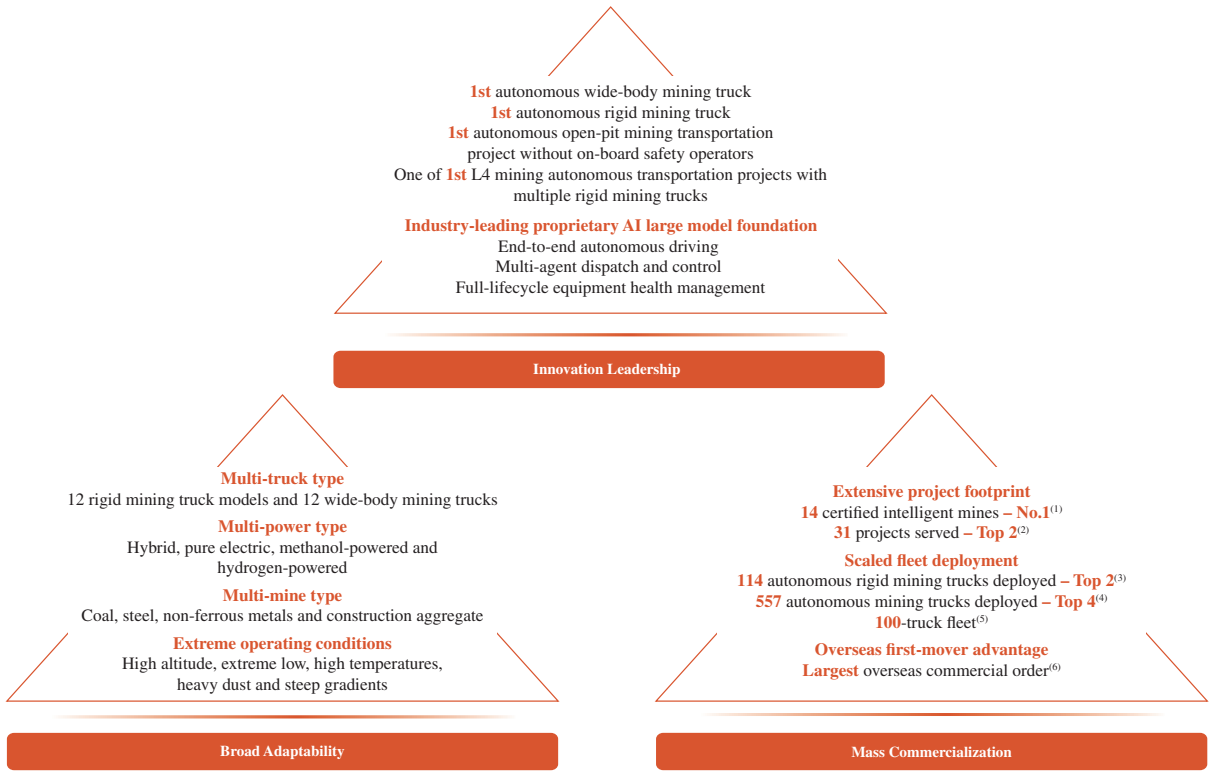
SUMMARY

This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this document. You should read the entire document before you decide to invest in the [REDACTED]. There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in “Risk Factors” in this document. You should read that section carefully before you decide to invest in the [REDACTED].

OVERVIEW

We are a pioneer and leader in mining autonomous driving transportation, driving the industry’s high-quality growth. Our vehicle–ground–cloud mining autonomous driving transportation system, KuangGu, is powered by our proprietary AI large model foundation specializing in end-to-end autonomous driving, multi-agent dispatch and control, and full-lifecycle equipment health management. We focus on delivering safe, sustainable, efficient and cost-effective mining autonomous driving transportation solutions to customers in closed-environment scenarios such as open-pit mines.

We are committed to the commercialization of autonomous driving application. Since our inception in 2016, we have been at the forefront of innovations in mining autonomous driving transportation. According to CIC, in 2018, we retrofitted China’s first autonomous wide-body mining truck and first autonomous rigid mining truck; in 2020, we deployed the first autonomous transportation open-pit mining project without on-board safety operators in China; in 2022, we deployed a fleet of autonomous rigid mining trucks at an open-pit mine, marking one of China’s first L4 mining autonomous transportation projects with multiple rigid mining trucks. In 2024, our self-designed 100-ton hybrid electric autonomous wide-body mining trucks (TG136HA) were successfully massively deployed in northwest, China. The below diagram sets forth our operating highlights:



SUMMARY

Notes:

- (1) As of December 31, 2025, 14 intelligent mines deploying our solutions had obtained certification from relevant competent authorities, ranking first in China, according to CIC.
- (2) As of December 31, 2025, we served 31 projects, ranking second in China in terms of served project number, according to CIC.
- (3) As of December 31, 2025, we had delivered and serviced 114 autonomous rigid mining trucks, ranking second in China, according to CIC.
- (4) As of December 31, 2025, we had delivered and serviced 557 autonomous mining trucks, including both wide-body and rigid mining trucks, ranking among the top four in China, according to CIC.
- (5) As of December 31, 2025, we had achieved the deployment of over 100 autonomous mining trucks at a single mine.
- (6) As of December 31, 2025, we had secured the largest overseas commercial order in China by contract value and solution delivery volume, according to CIC, involving the delivery of solutions for over 40 third-party rigid mining trucks.

We maintain robust long-term relationships with various large mine operators, including CHN Energy, Jiangxi Copper, Yiwu Guanghui, and Baotou Iron & Steel. Recognizing the innovation and effectiveness of our solutions, these major customers constantly make new orders and grant us new project mandates. As of December 31, 2025, we had served 31 intelligent open-pit mining projects in China, spanning Xinjiang, Inner Mongolia, Jiangxi, Guangdong and Heilongjiang. Certain major customers and shareholders offered strategic support to our long-term development, including from CHN Energy Fund Management. We actively engage with potential customers across international markets to advance our international expansion strategy, positioning ourselves as the partner of choice for the autonomous and intelligent transformation of open-pit mines worldwide.

OUR STRENGTHS

We believe that our business success and leading market position are underpinned by the following key strengths: (i) a pioneer and leader in mining autonomous driving transportation; (ii) multi-dimensional technological leadership built on an industry-leading proprietary AI large model foundation; (iii) highly adaptable mining autonomous driving transportation solutions; (iv) deep integration across the full industry value chain; and (v) scientist-led management team with a proven industry-academia-research advantage. See “Business — Our Strengths.”

OUR STRATEGIES

We plan to implement the following strategies to consolidate and enhance our leading position in the industry: (i) focusing on core technology breakthroughs and strengthening system capabilities and scenario scalability; (ii) accelerating domestic commercialization in core regions with major customers and extending replicable overseas flagship deployments; (iii) extending proven in-mine capabilities to off-mine scenarios through scalable technology replication and breakthroughs; (iv) building a cross-disciplinary talent team to support long-term growth; (v) building an integrated empowerment ecosystem to support strategy execution; and (vi) selected M&A and strategic investments to drive growth. See “Business — Our Strategies.”

OUR OFFERINGS

Our mining autonomous driving transportation solutions comprise (i) mining autonomous driving transportation solutions with Tage purpose-built trucks, (ii) mining autonomous driving transportation solutions for third-party trucks, and (iii) intelligent operations and other services. Customers can adopt the delivery model that best aligns with their operational capabilities and production requirements, including procuring new autonomous trucks or upgrading existing fleets. All three delivery models are supported by our mining autonomous driving transportation system, KuangGu. See “Business — Our Mining Autonomous Driving Transportation Systems.” We operate a project-based business model.

Mining Autonomous Driving Transportation Solutions with Tage Purpose-Built Trucks

Our mining autonomous driving transportation solutions with Tage purpose-built trucks primarily involve the sales of fully integrated autonomous wide-body mining trucks through close collaboration with OEMs, together with ground coordination infrastructure and cloud control platform. Under this delivery model, our autonomous driving system, is incorporated into wide-body mining trucks at the manufacturing stage through factory-installed integration, enabling vehicle-level delivery. Such offering is mainly targeted at mining operators seeking to procure new autonomous wide-body mining trucks as part of the intelligent upgrading of their mining operations. As of December 31, 2025, we offered 12 mainstream autonomous wide-body mining truck models, covering multiple powertrain configurations, including hybrid, pure electric, and methanol-powered.

SUMMARY

Mining Autonomous Driving Transportation Solutions for Third-Party Trucks

We offer mining autonomous driving transportation solutions for third-party trucks, including wide-body mining trucks and rigid mining trucks. Our mining autonomous driving transportation solutions include intelligent on-board systems, ground coordination infrastructure and cloud control platform. We separately offer intelligent on-board systems under this business model. Our intelligent on-board systems primarily comprise our autonomous driving kits, including autonomous driving domain controllers, sensors, communication equipment, converters, storage devices and OBUs. As of December 31, 2025, our mining autonomous driving transportation solutions have supported 12 mainstream rigid mining truck models, representing one of the broadest model coverages in the industry.

Intelligent Operations and Other Services

Our intelligent operations and other services comprise (i) operational maintenance and technology services, and (ii) intelligent transportation services. Our operational maintenance and technology services include efficiency enhancement, software upgrades, fault diagnosis and troubleshooting, algorithm optimization, full lifecycle equipment management, and on-site personnel training, ensuring stable, safe and efficient operations. Our intelligent transportation services involve the provision of integrated mining transportation services across the loading, hauling and dumping process, with service fees charged on a volume basis.

Our Mining Autonomous Driving Transportation Systems, KuangGu

We have developed a pioneering integrated vehicle-ground-cloud mining autonomous driving transportation system, KuangGu, including intelligent on-board systems, ground coordination infrastructure and cloud control platform. These systems operate with a high degree of coordination and seamless integration, forming the foundation of our closed-loop mining autonomous driving transportation solutions. Our KuangGu is designed to directly address key operational challenges faced by mining operations, including vehicle sensors’ reduced perception performance in extreme operating conditions, lowered control precision in complex road conditions, multi-vehicle conflicts, and low efficiency in large-scale transportation operations.

See “Business — Our Offerings.”

OUR TECHNOLOGY ADVANTAGES

We have developed an integrated “vehicle-ground-cloud” collaborative technology architecture that represents a standard paradigm for mining autonomous driving transportation. This architecture enables stable coordination across intelligent on-board systems, ground coordination infrastructure, and a cloud control platform, forming a unified and scalable technical foundation for autonomous mining operations. In addition, we have established a standardized autonomous driving kits that are compatible with both wide-body mining trucks and rigid mining trucks, supporting deployment across multiple vehicle models and operating scenarios.

Relying on the vehicle-ground-cloud integrated architecture, we have independently built three AI large model foundation: (i) end-to-end autonomous driving large model, (ii) multi-agent dispatch and control large model, and (iii) full-lifecycle equipment health management large model. We also have developed a series of engineering application technologies deeply adapted to mining scenarios, with all technical indicators ranking among the industry’s top tier.

See “Business — Our Technology Advantages.”

OUR RESEARCH AND DEVELOPMENT

Our ability to develop new technologies, design new portfolio or solutions, and enhance existing solutions is critical for maintaining our market position. Our R&D team consists of dedicated talents with profound industry expertise, and our core R&D team members have an average of more than 10 years of experience in engineering, with domestic or overseas working experience in reputable technology companies. As of December 31, 2025, our R&D team consisted of 72 members. Our R&D team represented 44.7% of total employees as of the same date. We incurred R&D expenses of RMB80.6 million, RMB70.2 million and RMB57.8 million in 2023, 2024 and 2025, respectively, representing 50.6%, 51.2% and 49.8% of our operating expenses for the respective period. See “Business — Research and Development.”

SUMMARY

OUR SALES AND MARKETING

We primarily adopt a direct sales model. Our sales approach is customer-centric, with a market development strategy focused on strategic clients and high-quality mining projects, particularly customers with large-scale operations. We emphasize service quality and project profitability to ensure delivery and operational stability. As of December 31, 2025, our sales team comprised 13 employees with extensive industry experience and deep expertise in our solutions. See “Business — Sales and Marketing.”

OUR CUSTOMERS AND SUPPLIERS

Our customer base primarily comprises mine owners and operators, earthwork engineering companies, and mining dump truck manufacturers. Mine owners and operators are typically the end users of our solutions, responsible for on-site operations and long-term deployment, and often directly manage mining sites. Revenue generated from our largest customer in 2023, 2024 and 2025 accounted for 24.4%, 26.5% and 40.5%, respectively, of our revenue during same periods. Revenue generated from our five largest customers in 2023, 2024 and 2025 accounted for 84.9%, 87.0% and 88.2%, respectively, of our revenue during same periods. As we derived a significant portion of our revenue from our top five customers in each year during the Track Record Period, we are exposed to the risk of concentration of our major customers. See “Risk Factors — Risks Relating to Our Business and Industry — We depend on a limited number of customers for a substantial portion of our revenue. The loss of, or a significant reduction in sales to, one or more of our major customers would adversely affect our business, results of operations and financial condition.” During the Track Record Period, our customers generally settled their payments through bank transfer.

We engage third-party suppliers mainly for critical components and raw materials used in our solutions, including (i) engineering vehicles such as mining trucks, and (ii) components for our solutions, such as radar, LiDAR, and cameras. During the Track Record Period, we did not experience any shortages in raw material supply from our major suppliers. Charges from our largest supplier in 2023, 2024 and 2025 accounted for 32.2%, 29.7% and 44.8%, respectively, of our total purchase amount during same periods. Charges from our five largest suppliers in 2023, 2024 and 2025 accounted for 60.0%, 54.3% and 84.0%, respectively, of our total purchase amount during same periods. As we procured a significant portion of our products and services, such as mining trucks from our top five suppliers in each year of the Track Record Period, we are exposed to the risk of concentration of our major suppliers. See “Risk Factors — Risks Relating to Our Business and Industry — We rely on third party suppliers, including a limited number of key suppliers, and any disruption to or deterioration of these supplier relationships could materially and adversely affect our business.” During the Track Record Period, we generally settled our payments to our suppliers through bank transfer.

COMPETITION

According to CIC, the mining autonomous driving transportation solution market in China and globally is primarily driven by (i) safety risks across multiple mining operations, (ii) efficiency and cost pressures, (iii) labor shortages, and (iv) supportive policy initiatives and regulatory guidance. We primarily compete with companies engaged in the design, R&D and deployment of autonomous driving technologies and autonomous vehicle solutions for mining and industrial applications. In 2025, we ranked third in China’s mining autonomous driving transportation solution market in terms of revenue. See “Industry Overview.”

BUSINESS SUSTAINABILITY

While we did not achieve profitability during the Track Record Period, we recorded robust revenue growth, with our revenue increasing from RMB190.2 million in 2023 to RMB526.9 million in 2025, representing a CAGR of 66.4%. Our gross loss margin was 24.8% and 45.5% in 2023 and 2024, respectively, before we achieved a gross profit margin of 4.8% in 2025, marking our transition towards positive gross profitability. Our net loss narrowed from RMB312.7 million in 2023 to RMB163.7 million in 2025, and our adjusted net loss (non-IFRS measure) similarly narrowed from RMB255.6 million to RMB103.6 million over the same period.

Our net losses during the Track Record Period were primarily attributable to our sustained R&D investment in core technologies, the front-loaded costs associated with early-stage commercialization and project ramp-up, and the organizational expansion required to support rapid growth in project delivery and fleet deployment. We believe these investments are essential to building our long-term technological and commercial foundation.

SUMMARY

We expect to achieve sustainable profitability over the medium to long term, driven by: (i) scaling commercialization, which generates operating efficiency and margin improvement as we increasingly benefit from economies of scale in procurement and system deployment; (ii) deep customer integration, which fosters high switching costs, strong customer stickiness, and expanding recurring revenue from our intelligent operations and other services; (iii) a diversified business model spanning purpose-built truck solutions, third-party truck solutions, and recurring services, which enhances revenue resilience across market cycles; (iv) improving operational efficiency, reflected in our operating expense ratio declining from approximately 83.7% in 2023 to 22.0% in 2025; (v) sustained technology leadership anchored in our proprietary AI large model foundation, which creates strong barriers to entry; and (vi) strengthening cash flow generation, with our operating cash flow turning positive in 2025 at RMB37.9 million, up from net outflows in 2023 and 2024.

Taken together, we believe our business is transitioning from an early-stage investment and commercialization phase towards a scale-driven growth phase, characterized by improving unit economics, increasing operating efficiency, and strengthening cash flow generation — positioning us to achieve sustainable profitability over time.

See “Business — Business Sustainability.”

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The tables below present our summary consolidated financial data derived from our consolidated statements of profit or loss and other comprehensive income and consolidated statements of cash flows for the years ended December 31, 2023, 2024 and 2025, our consolidated statements of financial position as of December 31, 2023, 2024 and 2025 included in the Accountants’ Report in Appendix I to this Document. The following data and discussion should be read in conjunction with our consolidated financial statements and related notes and the section headed “Financial Information.”

Description of Major Components of Our Results of Operations

The following table sets forth a summary of our consolidated statements of profit or loss for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
<i>(RMB in thousands, except for percentage)</i>						
Revenue	190,189	100.0	152,175	100.0	526,875	100.0
Cost of sales	(237,367)	(124.8)	(221,388)	(145.5)	(501,578)	(95.2)
Gross (loss)/profit	(47,178)	(24.8)	(69,213)	(45.5)	25,297	4.8
Other income	7,447	3.9	4,357	2.9	6,816	1.3
Impairment losses (including reversals of impairment losses)						
on financial assets and others	(672)	(0.4)	(30,714)	(20.2)	(3,121)	(0.6)
Other gains and losses, net	(49,586)	(26.1)	(26,338)	(17.3)	19,828	3.8
Distribution and selling expenses	(26,879)	(14.1)	(29,179)	(19.2)	(15,634)	(3.0)
Administrative expenses	(51,745)	(27.2)	(37,629)	(24.7)	(42,534)	(8.1)
Research and development expenses	(80,604)	(42.4)	(70,176)	(46.1)	(57,799)	(11.0)
Other expenses	(1,484)	(0.8)	(7,537)	(5.0)	(7,459)	(1.4)
[REDACTED] expenses	—	—	—	—	(732)	(0.1)
Finance costs	(67,273)	(35.4)	(83,859)	(55.1)	(92,052)	(17.5)
Share of results of associates	5,278	2.8	5,716	3.8	3,773	0.7
Loss before tax	(312,696)	(164.4)	(344,572)	(226.4)	(163,617)	(31.1)
Income tax expense	—	—	(3)	(0.0)	(42)	(0.0)
Loss and total comprehensive expense for the year	(312,696)	(164.4)	(344,575)	(226.4)	(163,659)	(31.1)

See “Financial Information — Description of Major Components of Our Results of Operations.”

Non-IFRS Financial Measure

We define adjusted net loss (Non-IFRS Measure) for the year as net loss for the year adjusted by adding back (i) interests on redemption liabilities, (ii) modification of redemption liabilities and (iii) [REDACTED]

SUMMARY

expenses. The following table reconciles our adjusted net loss (Non-IFRS Measure) for the year to loss for the year that is in accordance with IFRS Accounting Standards:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Loss for the year	(312,696)	(344,575)	(163,659)
Add:			
— Interests on redemption liabilities ⁽¹⁾	60,212	76,228	82,680
— Modification of redemption liabilities ⁽²⁾	(3,152)	—	(23,392)
— [REDACTED] expenses ⁽³⁾	—	—	732
Adjusted net loss (Non-IFRS Measure) for the year	(255,636)	(268,347)	(103,639)

Notes:

- (1) Interests on redemption liabilities represent the imputed interest expense arising from the accretion of redemption liabilities over time based on the effective interest method.
- (2) Modification of redemption liabilities represents the gain arising from the remeasurement of redemption liabilities due to changes in their contractual terms.
- (3) [REDACTED] expenses represent fees incurred in connection with the [REDACTED].

We had a net loss of RMB312.7 million, RMB344.6 million and RMB163.7 million in 2023, 2024 and 2025, respectively, primarily due to substantial research and development expenses, administrative expenses, and distribution and selling expenses incurred in connection with the expansion of our business and capabilities. Apart from the reasons mentioned above, the decrease in our net loss from RMB344.6 million in 2024 to RMB163.7 million in 2025 is also attributable to the significant increase in revenue and the turnaround from a gross loss to a positive gross profit. Correspondingly, our adjusted net loss (Non-IFRS Measure) decreased from RMB268.3 million in 2024 to RMB103.6 million in 2025. Our adjusted net loss (Non-IFRS Measure) increased by 5.0% from 2023 to 2024, but declined by 61.4% from 2024 to 2025, reflecting a markedly accelerated pace of reduction.

Selected Items from the Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Non-current assets			
Property, plant and equipment	83,238	68,373	36,693
Right-of-use assets	6,725	2,629	19,905
Intangible assets	17,403	15,637	13,155
Investments in associates	33,111	36,837	38,512
Financial assets at fair value through profit or loss (“FVTPL”)	4,944	3,810	1,446
Trade and notes receivables	3,267	1,279	—
Prepayments, deposits and other receivables	10,123	9,894	7,705
Contract assets	475	—	3,265
Amounts due from related parties	1,100	2,182	—
Time deposits	20,000	—	—
Total non-current assets	180,386	140,641	120,681
Current Assets			
Inventories	53,075	92,610	56,135
Trade and notes receivables	76,136	46,781	349,355
Contract assets	2,872	3,586	1,352
Prepayments, deposits and other receivables	23,429	23,746	38,122
Notes receivables measured at fair value through other comprehensive income (“FVTOCI”)	—	198	—
Amounts due from related parties	6,456	12,045	17,038
Amounts due from shareholders	721	1,962	—
Financial assets at FVTPL	—	—	20,000
Restricted bank deposits	23,035	4,386	61,035
Cash and cash equivalents	91,670	2,855	121,914
Total current assets	277,394	188,169	664,951

SUMMARY

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Current Liabilities			
Trade and notes payables	57,562	47,181	391,451
Other payables and accruals	58,942	94,573	82,260
Amounts due to related parties	7,405	13,391	16,304
Amounts due to shareholders	49	682	7,527
Contract liabilities	7,571	24,308	11,095
Lease liabilities	5,190	1,261	10,583
Redemption liabilities	—	1,054,064	—
Bank borrowings	99,002	156,292	138,148
Provisions	3,547	29,316	33,058
Financial liabilities at FVTPL	—	—	25
Deferred income	333	333	70
Total current liabilities	239,601	1,421,401	690,521
Non-current liabilities			
Other payables and accruals	25,147	2,642	2,500
Contract liabilities	—	1,209	28,673
Lease liabilities	759	1,230	599
Redemption liabilities	977,836	—	—
Bank borrowings	—	32,747	31,312
Deferred income	333	—	83
Financial liabilities at FVTPL	253	305	—
Total non-current liabilities	1,004,328	38,133	63,167
Net (Liabilities) Assets	(786,149)	(1,130,724)	31,944

Our current assets decreased by 32.2% from RMB277.4 million as of December 31, 2023 to RMB188.2 million as of December 31, 2024, primarily due to the decrease in cash and cash equivalents, restricted bank deposits, and trade and notes receivables, which was partially offset by the increase in inventories and amounts due from related parties. Our current assets increased from RMB188.2 million as of December 31, 2024 to RMB665.0 million as of December 31, 2025, primarily due to the increase in trade and notes receivables, cash and cash equivalents, restricted bank deposits, and financial assets at fair value through profit or loss, which was partially offset by the decrease in inventories.

Our net current assets of RMB37.8 million as of December 31, 2023 changed to net current liabilities of RMB1,233.2 million as of December 31, 2024, primarily due to a substantial increase in our current liabilities, in particular redemption liabilities, bank borrowings, contract liabilities, other payables and accruals, and provisions. Such decrease was partially offset by the increase in certain current assets, mainly attributable to higher inventories and higher amounts due from related parties, despite a notable decrease in cash and cash equivalents and restricted bank deposits. Our net current liabilities of RMB1,233.2 million as of December 31, 2024 decreased to RMB25.6 million as of December 31, 2025, primarily due to a significant increase in our current assets, in particular trade and notes receivables, prepayments, deposits and other receivables, financial assets at FVTPL, restricted bank deposits and cash and cash equivalents. Such improvement was partially offset by the increase in trade and notes payables, despite notable decreases in redemption liabilities, other payables and accruals, bank borrowings and contract liabilities.

Our net liabilities increased from RMB786.1 million as of December 31, 2023 to RMB1,130.7 million as of December 31, 2024, primarily due to our loss and total comprehensive expense for the year of RMB344.6 million. Our net liabilities turned to net assets of RMB31.9 million as of December 31, 2025, primarily due to the transfer of redemption liabilities to equity and restructure the Company into a joint stock limited company of RMB1,244.7 million and the issuance of shares of RMB77.3 million, partially offset by our loss and total comprehensive expense for the year of RMB163.7 million.

See “Financial Information — Discussion of Key Items of Consolidated Statements of Financial Position.”

SUMMARY

Summary of the Consolidated Statements of Cash Flows

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Operating cash flows before movements in working capital	(164,846)	(166,477)	(60,761)
Net cash generated (used in)/from operating activities	(204,483)	(177,283)	37,881
Net cash generated (used in)/from investing activities	(125,028)	10,276	(108,601)
Net cash generated from financing activities	357,526	78,192	189,779
Net increase (decrease) in cash and cash equivalents	28,015	(88,815)	119,059
Cash and cash equivalents at beginning of year	63,655	91,670	2,855
Cash and cash equivalents at end of year	91,670	2,855	121,914

See “Financial Information — Liquidity and Capital Resources — Cash Flow.”

SELECTED FINANCIAL RATIOS

The following table sets forth our key financial ratios for the years indicated:

	As of/For the year ended December 31,		
	2023	2024	2025
Revenue growth (%)	133.8	(20.0)	246.2
Gross (loss)/profit margin (%) ⁽¹⁾	(24.8)	(45.5)	4.8
Adjusted net loss margin (Non-IFRS Measure) (%) ⁽²⁾	(134.4)	(176.3)	(19.7)

Notes:

- (1) Gross (loss)/profit margin equals gross (loss)/profit divided by revenue and multiplied by 100%.
- (2) Adjusted net loss margin (Non-IFRS Measure) equals adjusted net loss (Non-IFRS Measure) for the year divided by revenue for the year and multiplied by 100%. The use of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for or superior to, the analysis of our results of operations or financial condition as reported under the IFRS Accounting Standards.

See “Financial Information — Key Financial Ratios.”

RISK FACTORS

Our business and the [REDACTED] involve certain risks as set out in the section headed “Risk Factors” in this Document. You should read that section in its entirety carefully before you decide to invest in our Shares. Some of the major risks we face include: (i) if we are unable to retain existing customers, attract new customers, and increase revenue from our current customer base, our results of operations and financial condition would be materially and adversely affected; (ii) our customers may not purchase our solutions in the quantities indicated in preliminary or nonbinding orders. We are subject to risks that these indicative orders may be canceled, delayed, or fail to convert into actual revenue; (iii) our development of mining autonomous driving transportation solutions at an early stage and subject to risks related to technological feasibility, integration challenges, customer adoption, substantial capital requirements and other unforeseen factors; (iv) if we fail to continuously improve our technologies, develop and introduce innovative solutions that adapt to changing market demand and customer expectations in a cost-effective and timely manner, our future business, results of operations, financial condition and competitive position would be materially and adversely affected; and (v) the size of our addressable markets and the demand for our solutions may not increase as rapidly as we expect due to various factors, which could materially and adversely affect our business, results of operations and financial condition. See “Risk Factors.”

THE SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Prof. Yu is (i) directly interested in 11.7% of the total issued share capital of our Company; (ii) indirectly interested in 7.18% of our total issued share capital through Ningbo Tage by virtue of his role of the sole general partner of Ningbo Tage; (iii) controlling 0.71% of the voting rights in our Company held directly by Mr. Zhou, by virtue of the 2026 AIC Agreement with Mr. Zhou; and (iv) controlling 1.46% of the voting rights in our Company held directly by BUE

SUMMARY

Foundation, by virtue of the BUE AIC Agreement. In addition, Dalian Tage holds 59.77% interest in Ningbo Tage as its limited partner, and Mr. Zhou is the general partner of Dalian Tage. As such, Prof. Yu, Mr. Zhou, Ningbo Tage, Dalian Tage and BUE Foundation are the Single Largest Group of Shareholders of the Company, which directly and indirectly control 21.04% of the voting rights in our Company as of the Latest Practicable Date.

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), the Single Largest Group of Shareholders will, directly and indirectly, control [REDACTED]% of the voting rights in aggregate in our Company. Therefore, they will remain as the Single Largest Group of Shareholders upon [REDACTED].

See “Relationship with our Single Largest Group of Shareholders.”

PRE-[REDACTED] INVESTMENTS

We have completed series rounds of Pre-[REDACTED] Investments. For further details of the identity and background of the Pre-[REDACTED] Investors and the principal terms of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments.”

CONTINUING CONNECTED TRANSACTIONS

We have entered into and are expected to continue certain transactions which will constitute continuing connected transactions under Chapter 14A of the Listing Rules upon [REDACTED]. For further details, see “Connected Transactions.”

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of the [REDACTED] of, and permission to [REDACTED] our H Shares to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]) and the H Shares to be converted from Domestic [REDACTED] Shares 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: (a) our revenue of RMB526.9 million for the year ended December 31, 2025 which exceeds HK\$500 million, and (b) our expected market capitalization at the time of [REDACTED], which, based on the [REDACTED] of HK\$[REDACTED] per H Share (being the low-end of the indicative [REDACTED] range), exceeds HK\$4 billion.

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED], after deducting the [REDACTED] fees and [REDACTED] and estimated expenses payable by us in connection with the [REDACTED], assuming the [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED]) and assuming that the [REDACTED] is not exercised. We intend to use the net [REDACTED] from the [REDACTED] for the following purposes: (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for the further development of our R&D over the next five years; (ii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for improving our commercialization capabilities in China and overseas and further strengthening our cooperation with domestic and global customers; (iii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for potential investment, and merger and acquisition opportunities aimed at further integrating upstream and downstream resources in our industry chain; and (iv) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be employed as working capital and for general corporate uses. See “Future Plans and Use of [REDACTED].”

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

As of April 30, 2026, we had deployed over 140 autonomous wide-body mining trucks at one single mine. Our Directors have confirmed that up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025 (being the date of our latest audited financial statements) and there has been no event since December 31, 2025 which would materially affect the information shown in the Accountants’ Report set out in Appendix I to this document.

SUMMARY

[REDACTED] STATISTICS

	Based on an [REDACTED] of HK\$[REDACTED] per H Share	Based on an [REDACTED] of HK\$[REDACTED] per H Share
Market capitalization for our Shares ⁽¹⁾	HK\$[REDACTED]	HK\$[REDACTED]
Market capitalization of our H Shares ⁽²⁾	HK\$[REDACTED]	HK\$[REDACTED]
Unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per Share ⁽³⁾	HK\$[REDACTED]	HK\$[REDACTED]

Notes:

- (1) The calculation of market capitalization is based on [REDACTED] Shares expected to be in issue upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised).
- (2) The calculation of market capitalization is based on [REDACTED] H Shares expected to be in issue upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised) and the conversion of [REDACTED] Domestic [REDACTED] Shares into H Shares.
- (3) The unaudited [REDACTED] adjusted consolidated net tangible asset of the Group attributable to owners of the Company as of December 31, 2025 per Share is calculated after the adjustments referred to in “Appendix II — Unaudited [REDACTED] Financial Information” to this Document and is based on [REDACTED] Shares outstanding immediately following completion of the [REDACTED]. It does not take into account (i) any Shares which may be allotted and issued upon the exercise of the [REDACTED] or (ii) the issuance of Series D Preferred Shares and the transfer of shares held under share incentive plan to an external investor during the four months ended April 30, 2026 or (iii) any Shares which may be issued or repurchased by the Company pursuant to the general mandates after May 1, 2026 or (iv) the Shares to be exercised under share incentive platform.

DIVIDENDS

No dividend was paid or declared by our Company or other entities comprising our Group during the Track Record Period and as of the date of this document. 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. 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.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] expenses will be approximately RMB[REDACTED] (assuming no exercise of the [REDACTED]), representing [[REDACTED]%] of the gross [REDACTED] (assuming that the [REDACTED] is not exercised) of the [REDACTED]. During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED], of which RMB[REDACTED] was charged to the consolidated statements of profit or loss, while the remaining amount of RMB[REDACTED] is directly attributable to the issuance of Shares and will be charged to equity upon completion of the [REDACTED]. We expect to incur [REDACTED] expenses of approximately RMB[REDACTED], of which approximately RMB[REDACTED] is expected to be recognized in the consolidated statements of profit or loss and approximately RMB[REDACTED] is expected to be recognized as a deduction in equity directly upon the [REDACTED]. Our Directors do not expect such expenses to materially impact our results of operations in 2025. By nature, our [REDACTED] expenses are comprised of (i) [REDACTED] related expenses of approximately RMB[REDACTED], and (ii) non-[REDACTED] related expenses of approximately RMB[REDACTED], which consist of fees and expenses of legal advisors and Reporting Accountants of approximately RMB[REDACTED] and other fees and expenses of approximately RMB[REDACTED].

DEFINITIONS

In this document, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. Certain other terms are explained in “Glossary of Technical Terms.”

“%”	per cent
“Accountants’ Report”	the accountants’ report 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”	Accounting and Financial Reporting Council of Hong Kong
“Anhui Tage”	Anhui Tage iDriver Technology Co., Ltd. (安徽踏歌智行科技有限公司), a company established under the laws of the PRC with limited liability on December 16, 2021, our direct wholly-owned subsidiary
“Articles of Association” or “Articles”	the articles of association of our Company adopted by special resolution on May 8, 2026 with effect from the [REDACTED], as amended, supplemented or otherwise modified from time to time, a summary of which is set out in “Appendix V — Summary of Articles of Association”
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of our Board
“BIS”	the Bureau of Industry and Security of the U.S. Department of Commerce
“Board” or “Board of Directors”	the board of Directors of our Company
[REDACTED]	
“BUE Foundation”	Beihang University Education Foundation (北京航空航天大學教育基金會), a non-public fundraising foundation established under the laws of the PRC on May 17, 2005, one of the Single Largest Group of Shareholders of our Company
“Business Day” or “business day”	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“CAGR”	Compound annual growth rate

[REDACTED]

DEFINITIONS

[REDACTED]

“Chinese Mainland, “ “China” or “PRC”	the People’s Republic of China and for the purpose of this document only, unless the context otherwise requires, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Chizhou Tage”	Chizhou Tage Intelligent Manufacturing Technology Co., Ltd. (池州踏歌智造科技有限公司), a company established under the laws of the PRC with limited liability on April 2, 2025, our direct wholly-owned subsidiary
“CHN Energy”	China Energy Investment Corporation Co., Ltd. (國家能源投資集團有限責任公司) (formerly known as Shenhua Group Corporation Limited (神華集團有限責任公司)), a company established under the laws of the PRC with limited liability on October 23, 1995, a connected person of our Company
“CIC” or “Industry Consultant”	China Insights Industry Consultancy Limited, our industry consultant, an independent market research and consulting company
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“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
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company Law” or “PRC Company Law”	Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
“Company” “our Company” or “the Company”	Tage iDriver Technology Co., Ltd. (踏歌智行科技股份有限公司), a limited liability company established under the laws of the PRC on October 12, 2016 and converted into a joint stock company with limited liability on December 31, 2025
“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
“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
“CSDC”	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)

DEFINITIONS

“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Dalian Tage”	Dalian Tage Technology Partnership (Limited Partnership) (大連踏歌科技合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on March 11, 2026, and a share incentive platform of our Company and one of the Single Largest Group of Shareholders of our Company
“Director(s)” or “our Director(s)”	the director(s) of our Company
“Domestic Share(s)” or “Domestic [REDACTED] Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi and not [REDACTED] or traded on any stock exchange
“EAR”	the Export Administration Regulations (15 C.F.R. Parts 730–774) administered by the BIS
“EIT”	PRC enterprise income tax

[REDACTED]

“Extreme Conditions”	the occurrence of “extreme conditions” as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below

[REDACTED]

“General Rules of HKSCC”	General Rules of HKSCC published by the Stock Exchange and as amended from time to time

[REDACTED]

“Group” “our Group” “we” or “us”	our Company and our subsidiaries from time to time
“Guide” or “Guide for New Listing Applicants”	the Guide for New Listing Applicants issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Hefei Tage” Hefei Tage iDriver Technology Co., Ltd. (合肥踏歌智行科技有限公司), a company established under the laws of the PRC with limited liability on April 13, 2023, our direct wholly-owned subsidiary

[REDACTED]

“H Share(s)” ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which will be subscribed for and traded in Hong Kong dollars and [REDACTED] on the Stock Exchange

“HK\$” or “Hong Kong dollars” Hong Kong dollars, the lawful currency of Hong Kong

[REDACTED]

“Hong Kong” or “HK” the Hong Kong Special Administrative Region of the PRC

“Hong Kong Listing Rules” or “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

[REDACTED]

DEFINITIONS

[REDACTED]

“IFRS”	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board
“Independent Third Party(ies)”	entity(ies) or person(s) who is/are not connected person(s) of our Company or its subsidiaries
“Inner Mongolia Tage”	Inner Mongolia Tage iDriver Technology Co., Ltd. (内蒙古踏歌智行科技有限公司), a company established under the laws of the PRC with limited liability on December 25, 2018, our direct wholly-owned subsidiary

[REDACTED]

“International Sanctions”	International laws and regulations relating to the economic sanctions and export control restrictions administered and enforced by the Relevant Jurisdiction(s)
“International Sanctions Legal Advisor”	Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo), our legal advisor as to International Sanctions in connection with the [REDACTED]

[REDACTED]

DEFINITIONS

[REDACTED]

“Latest Practicable Date” May 12, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication

[REDACTED]

“Main Board” the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange

“MIIT” or “Ministry of Industry and Information Technology” Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部) (formerly known as the Ministry of Information Industry)

“Mr. Zhou” or “Mr. Zhou Huasheng” Mr. Zhou Huasheng (周華生), an executive Director, the chief executive officer and one of the Single Largest Group of Shareholders of our Company

“NDRC” National Development and Reform Commission (國家發展和改革委員會)

“Ningbo Tage” Ningbo Free Trade Zone Tage Partner Enterprise Management Partnership Enterprise (Limited Partnership) (寧波保稅區踏歌夥伴企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on August 21, 2017, and a share incentive platform of our Company and one of the Single Largest Group of Shareholders of our Company

“Nomination Committee” the nomination committee of our Board

[REDACTED]

DEFINITIONS

[REDACTED]

“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“PRC GAAP”	generally accepted accounting principles of PRC
“PRC Legal Advisor”	JunHe LLP, our legal advisor as to PRC law
“Pre-[REDACTED] Investment(s)”	the investment(s) in our Company undertaken by the Pre-[REDACTED] Investors, the details of which are set out in “History, Development and Corporate Structure”
“Pre-[REDACTED] Investor(s)”	the Pre-[REDACTED] investor(s) described in “History, Development and Corporate Structure”

[REDACTED]

“Prof. Yu” or “Prof. Yu Guizhen”	Prof. Yu Guizhen (余貴珍), the Chairman of the Board, an executive Director, the co-chief executive officer and one of the Single Largest Group of Shareholders of our Company
“document” or “Document”	this document being issued in connection with the [REDACTED]
“province” or “Province”	a province or, where the context requires, a provincial level autonomous region or municipality, under the direct supervision of the central government of the PRC
“Regulation S”	Regulation S under the U.S. Securities Act
“Relevant Jurisdiction(s)”	has the meaning ascribed to it under Chapter 4.4 of the Guide. For the purposes of this document, Relevant Jurisdictions include the U.S. and the UN

DEFINITIONS

“Remuneration Committee”	the remuneration committee of our Board
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SAFE”	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“Sanctioned Country(ies)”	has the meaning ascribed to it under Chapter 4.4 of the Guide and means any country or territory subject to a general and comprehensive export, import, financial or investment embargo under sanctions related law or regulation of the Relevant Jurisdiction
“SASAC”	State-owned Assets Supervision and Administration Commission (國有資產監督管理委員會)
“SAT”	the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
“SDN”	Specially Designated Nationals designated pursuant to U.S. sanctions programs
“Securities Law”	the Securities Law of the People’s Republic of China (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time
“SFC”	Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shanghai-Hong Kong Stock Connect”	a securities trading and clearing links program developed by the Stock Exchange, Shanghai Stock Exchange, [REDACTED] and CSDC for mutual market access between Hong Kong and Shanghai
“Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, comprising [REDACTED] Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing links program to be developed by the Stock Exchange, Shenzhen Stock Exchange, [REDACTED] and CSDC for mutual market access between Hong Kong and Shenzhen
“Single Largest Group of Shareholders”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Prof. Yu, Mr. Zhou, Ningbo Tage, Dalian Tage and BUE Foundation, further details of which are set out in “Relationship with our Single Largest Group of Shareholders”

DEFINITIONS

[REDACTED]

“Sole Sponsor” the sole sponsor as named in “Directors and Parties Involved in the [REDACTED]”

[REDACTED]

“State Council” State Council of the PRC (中華人民共和國國務院)

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

“subsidiary(ies)” has the meaning ascribed to it under the Listing Rules

“substantial Shareholder(s)” has the meaning ascribed to it under the Listing Rules

“Tage (Beijing) IT” Tage iDriver (Beijing) Intelligent Technology Research Co., Ltd. (踏歌智行(北京)智能技術研究有限公司), a company established under the laws of the PRC with limited liability on April 20, 2023, our direct wholly-owned subsidiary

“Takeovers Code” the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time

“Tongliao Tage” Tongliao Tage iDriver Technology Co., Ltd. (通遼市踏歌智行科技有限公司), a company established under the laws of the PRC with limited liability on July 19, 2022, our direct non wholly-owned subsidiary

“Track Record Period” the financial years ended December 31, 2023, 2024 and 2025

“Trial Measures” 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

“U.S.” or “United States” the United States of America, its territories and possessions, any State of the United States, and the District of Columbia

“U.S. dollar” or “US\$” United States dollar, the lawful currency of the United States

“U.S. Securities Act” United States Securities Act of 1933 and the rules and regulations promulgated thereunder, as amended, supplemented or otherwise modified from time to time

[REDACTED]

DEFINITIONS

[REDACTED]

“VAT” value-added tax

[REDACTED]

“Xinjiang Tage” Xinjiang Tage iDriver Technology Co., Ltd. (新疆踏歌智行科技有限公司), a company established under the laws of the PRC with limited liability on December 16, 2021, our direct wholly-owned subsidiary

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.

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this document. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“4G/5G”	Fourth-generation and fifth-generation mobile communication technologies used to support wireless data transmission between mining vehicles, ground-based systems and cloud platforms, including for positioning, dispatching and remote monitoring
“ADE” or “Average Displacement Error”	the average spatial deviation between predicted and actual vehicle trajectories over a specified time horizon, serving as a key metric for assessing the accuracy and stability of trajectory prediction in autonomous driving systems.
“AI”	Artificial intelligence, a field of research in computer science focused on creating systems capable of performing tasks that typically require human intelligence
“Autonomous driving transportation”	transportation activities carried out by vehicles capable of sensing their environment and navigating or operating with reduced or no human intervention.
“chassis”	The structural part of an engineering machinery designed to mount the body of the machinery that provide load-bearing and transportation capabilities
“Coordinated speed guidance”	a cloud-based control mechanism that dynamically provides speed adjustment instructions to multiple vehicles within an autonomous fleet, based on real-time traffic conditions, task priorities and right-of-way allocation, with the aim of optimizing traffic flow efficiency, avoiding conflicts and ensuring safe and coordinated operations.
“deep learning”	A class of machine learning algorithms based on artificial neural networks that enable autonomous systems to extract features and patterns from complex, high-dimensional data for perception and decision-making
“digital twin”	A virtual replica of a physical asset, such as a vehicle or infrastructure, that mirrors its real-time state and performance for simulation, monitoring, and predictive maintenance applications
“domain controller”	High-performance computational units that manage specific functional domains within a vehicle — such as powertrain, chassis, or infotainment

GLOSSARY OF TECHNICAL TERMS

“drive-by-wire”	A design where vehicle functions such as steering, braking and acceleration are electronically controlled via commands sent through electronic interfaces, replacing the traditional manual controls such as pedals or levers operated by the hand and foot
“dual carbon”	A policy concept commonly used in the PRC referring to the objectives of carbon peaking and carbon neutrality, namely achieving a peak in carbon emissions by a specified target year and subsequently realizing net-zero carbon emissions through emissions reduction and offset measures
“ESG”	Environmental, social and governance
“extended-range”	A vehicle configuration that includes an auxiliary generator or larger battery pack to extend driving distance beyond the standard range of a pure electric powertrain
“full-stack”	An end-to-end development capability encompassing hardware design, software engineering, system integration, and data infrastructure, typically owned in-house to ensure tight coordination and performance optimization
“GHG” or “greenhouse gas”	Atmospheric gasses such as carbon dioxide and methane that contribute to global warming, often tracked and reported by companies to align with climate-related regulatory or ESG frameworks
“GNSS” or “Global Navigation Satellite System”	A constellation of satellites that provide global geolocation and timing services
“ISO”	The International Organization for Standardization, an independent, non-governmental organization that develops and publishes international standards
“ISO 14001”	An internationally recognized standard for Environmental Management System published by the ISO
“ISO 45001”	An internationally recognized standard for Occupational Health and Safety Management Systems published by the ISO
“ISO 9001”	An internationally recognized standard for Quality Management Systems published by the ISO
“km/h”	Kilometer per hour
“L4 autonomous driving”	A level of autonomous driving defined under the SAE classification framework, under which a vehicle is capable of performing all dynamic driving tasks without human intervention within specified and constrained operating environments, such as designated mining areas

GLOSSARY OF TECHNICAL TERMS

“large language model”	a type of artificial intelligence model trained on large volumes of text data using deep learning techniques to understand, generate and process natural language.
“large model”	an artificial intelligence model with a large number of parameters trained on extensive datasets, capable of performing complex tasks such as perception, prediction and decision-making.
“latency”	The delay between the transmission of data and its reception or processing
“LiDAR”	A remote sensing device that uses light from a laser to measure the relative spatial positions of objects
“loading, hauling and dumping”	a sequence of mining operations involving the loading of material, transportation of such material, and its subsequent unloading at a designated location as part of the mine production cycle.
“mass production”	A large-scale production phase that adopts automated intelligent manufacturing and engineering facilities to ensure product consistency, reduce labor costs, enhance utilization, and achieve cost-efficiency
“multi-agent”	a system comprising multiple autonomous agents that interact, cooperate or coordinate with one another to accomplish tasks or achieve common objectives.
“OBU” or “on-board unit”	A device installed on vehicles enabling V2X communication and supporting V2X applications
“OEM”	The original equipment manufacturer, which assembles and installs automotive parts during the construction of a new vehicle
“operating expenses”	the sum of distribution and selling expenses, administrative expenses and research and development expenses
“OTA” or “over-the-air”	Remote software updating through cloud networks
“overburden removal”	The mining operation of removing soil, rock or other material that overlies a mineral deposit, in order to expose the underlying ore body for extraction, which is commonly performed in open-pit mining operations
“payload”	The maximum permissible weight that an engineering machinery can safely transport in addition to its own unloaded weight
“perception”	In autonomous vehicles, refers to the ability of vehicles to perceive and understand its environment, process and interpret data from sensors and base decisions on this knowledge

GLOSSARY OF TECHNICAL TERMS

“redundancy”	Referring to employing two or more parallel systems, sensors or components that perform the same or similar functions to ensure that vehicle can continue to operate safely in the event of partial failure
“rigid mining truck”	A rigid-frame mining haul truck designed for large-payload and long-distance transportation in mining operations, typically featuring a non-articulated chassis and used in large-scale open-pit mines
“RTK system”	Real-Time Kinematic Position system, referring to a high-precision GNSS technology that collects and process signals from GNSS satellites to provide real-time accurate
“sensor”	A device, module, machine, or subsystem whose purpose is to detect events or changes in its environment and send the information to other electronics, frequently a computer processor
“V2V”	Vehicle-to-vehicle, referring to wireless information exchange and communication technologies between OBUs, enabling real-time sharing of driving data such as speed, position and direction to enhance road safety and traffic efficiency Definition
“V2X”	Vehicle-to-everything, referring to the communication between a vehicle and any entity that may affect, or may be affected by, the vehicle
“VCU”	Vehicle control unit, a central domain controller located within a machine, which receives signals from various sensors dispersed throughout the machine, including those linked to the brakes, accelerator pedal, battery system, and charging connections
“wide-body mining truck”	A type of heavy-duty vehicles used for transporting large volumes of loose materials, which are characterized by their wide width, enabling easy maneuverability in off-highway operations and facilitating navigation through narrow spaces

FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. All statements other than statements of historical facts contained in this document, including, without limitation, those regarding our future financial position, our strategy, plans, objectives, goals, targets and future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe,” “expect,” “estimate,” “predict,” “aim,” “intend,” “will,” “may,” “plan,” “consider,” “anticipate,” “seek,” “should,” “could,” “would,” “continue,” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- general political and economic conditions, including those related to the PRC;
- our business prospects and our ability to successfully implement our business plans and strategies;
- future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand;
- our capital expenditure plans;
- the actions and developments of our competitors;
- our financial condition and performance;
- our dividend policy;
- any changes in the laws, rules and regulations of the central and local governments in the PRC and other relevant jurisdictions and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of our business and our business plans;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which we operate;
- various business opportunities that we may pursue; and
- capital market developments, changes in the global economic conditions and material volatility in the global financial markets.

Additional factors that could cause actual performance or achievements to differ materially include, but are not limited to, those discussed under “Risk Factors” and elsewhere in this document. We caution you not to place undue reliance on these forward-looking statements, which reflect our management’s view only as of the date of this document. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur. All forward-looking statements contained in this document are qualified by reference to the cautionary statements set out in this section.

RISK FACTORS

You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an investment in our H Shares. 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 and financial condition. In any such case, the market price of our H Shares could decline, and you may lose all or part of your investment.

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in the section headed “Forward-Looking Statements” in this document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

If we are unable to retain existing customers, attract new customers, and increase revenue from our current customer base, our results of operations and financial condition would be materially and adversely affected.

Our ability to retain existing customers, attract new customers, and broaden the scope of solutions utilized by our customers is essential to our revenue growth. Customer engagement may decrease for a variety of reasons, including satisfaction with our solutions, the quality and pricing of competing offerings, overall economic conditions, or changes in our customers’ operations. If we fail to encourage customers to adopt and use our solutions, anticipate evolving industry trends, enhance our offerings, innovate and develop new solutions that meet changing customer demand, or expand our operations into new markets, we may be unable to attract and acquire new customers.

Our success depends on our ability to strengthen our sales capabilities and grow our customer base. If we are unable to attract, motivate, and retain a sufficient number of qualified sales and marketing professionals to support our business, the commercialization of our solutions and our ability to acquire new customers could be adversely affected. The loss of a significant number of customers or a slowdown in their growth could materially and adversely impact our business, results of operations, financial condition and prospects. The growth of our business also depends on existing customers continuing or expanding their use of our solutions. However, customers are under no obligation to maintain or increase their usage, and we cannot assure you that they will do so. If we fail to retain customers or sustain their continued or expanded use of our solutions, or if our customers experience a decline in their business performance, our growth may slow or contract, and our business may be materially and adversely affected.

Our customers may not purchase our solutions in the quantities indicated in preliminary or non-binding orders. We are subject to risks that these indicative orders may be canceled, delayed, or fail to convert into actual revenue.

When customers select our solutions, we typically receive preliminary estimates of anticipated order volumes; however, these estimates may be revised significantly, potentially multiple times, and may not reflect actual future volumes, which could be substantially higher or lower. The timeline from design to delivery may be lengthy, and we remain exposed to risks of contract termination, postponement, or unsuccessful implementation. If actual sales for solutions with indicative orders fail to meet our forecasts, our business, results of operations and financial condition could be materially and adversely affected.

RISK FACTORS

Our development of mining autonomous driving transportation solutions at an early stage are subject to risks related to technological feasibility, integration challenges, customer adoption, substantial capital requirements and other unforeseen factors.

Demand for mining autonomous driving transportation solutions depends on economic, political, and social conditions and consumer sentiment towards autonomous driving technology. The market opportunities we are pursuing remain at an early stage of development, making it difficult to predict demand, adoption rates, or future growth in the markets where we operate. Despite our substantial and ongoing investments in research and development, achieving L4 autonomous driving requires continued significant investment and may face challenges in attaining widespread adoption, scalability, or profitability at levels necessary to sustain long-term growth. Even if we scale commercially, key industry players may resist adoption due to the disruptive nature of our technologies, develop competing solutions, or take measures to impede our progress.

In addition, we may encounter setbacks arising from regulatory, safety, and reliability concerns, many of which are beyond our control. Any loss of confidence in autonomous driving technology could negatively influence potential customers and partners. A decline in confidence regarding the safety or reliability of autonomous driving technology may reduce willingness to adopt our solutions. Incidents involving autonomous vehicles, even those unrelated to our technologies, could generate significant negative publicity, prompt calls for stricter regulations, or lead to temporary suspensions of autonomous vehicle operations. Such events may also result in more stringent industry standards and heightened public scrutiny. If broader industry challenges related to safety, reliability, and public acceptance are not adequately addressed, our ability to expand market share, achieve growth targets, and maintain investor confidence could be materially compromised, which would have a significant adverse impact on our business, results of operations and financial condition.

If we fail to continuously improve our technologies, develop and introduce innovative solutions that adapt to changing market demand and customer expectations in a cost-effective and timely manner, our future business, results of operations, financial condition and competitive position would be materially and adversely affected.

Our future business performance, results of operations, financial condition, and competitive position depend on our ability to develop new and enhanced autonomous driving transportation solutions for mining operations. These solutions must incorporate and integrate the latest advancements in sensing and perception technologies, software and hardware, camera, radar, AI, and deep learning capabilities to meet evolving customer demands, regulatory requirements, and industry standards.

Autonomous driving is an emerging technology, and we may face significant unforeseen technical challenges, including delays in completing the development of new or upgraded solutions. These efforts require substantial investment in R&D and also demand that we: (i) design innovative, accurate, and safety- and efficiency-enhancing features that differentiate our solutions from those of competitors; (ii) continuously improve the reliability of our autonomous driving technologies; (iii) collaborate effectively with customers, suppliers, and partners on new designs and development initiatives; (iv) invest in talent development and foster a culture of innovation; (v) respond effectively to technological advancements and product launches by competitors; and (iv) adapt quickly and cost-effectively to changing customer requirements, market conditions, and regulatory standards.

If we experience delays in or fail to complete the development of new and enhanced solutions as expected, we may be unable to meet customer requirements, secure additional sales from existing or new customers, or achieve broader market acceptance of our offerings. If we are unable to deliver innovative

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solutions, our ability to retain customers and capitalize on new market opportunities may be severely impacted. Such circumstances could materially and adversely affect our business, results of operations, financial condition and competitive position.

The size of our addressable markets and the demand for our solutions may not increase as rapidly as we expect due to various factors, which could materially and adversely affect our business, results of operations and financial condition.

We provide mining autonomous driving transportation solutions for our customers. Demand for our solutions is closely linked to the development and expansion of addressable markets, which in turn depends on the adoption of autonomous driving technologies within addressable markets. We are actively pursuing opportunities in the mining autonomous driving transportation industry, a market undergoing rapid technological, regulatory, and competitive changes. The timing and scale of commercialization of autonomous driving technologies across diverse mining scenarios remain difficult to predict. If customer preferences, mine development plans, or local policy support for autonomous mining infrastructure shift, our solutions may fail to remain competitive.

Growth in the addressable markets for our solutions is influenced by factors beyond our control. Any future event that results in a material slowdown in one or more of these markets, or if growth in these markets is not sustained, could materially and adversely affect our business, results of operations, financial condition and prospects. Given the evolving nature of the addressable markets, particularly in developing mining industries where adoption of autonomous driving remains at an early stage, it is challenging to predict customer demand and deployment timelines. The addressable markets for our solutions may be smaller than our current estimates, and our actual growth may be constrained by infrastructure limitations, local acceptance of new technologies, or budgetary constraints of mining enterprises or mining operators. Even if the overall mining automation market expands substantially, there is no assurance that demand for our solutions will increase at a similar pace, especially if we fail to deliver competitive pricing, reliable service, or localized support. If customer demand does not materialize as expected, or if we are unable to accurately forecast deployment timelines, the size of our actual addressable markets, production planning, and results of future operations may be adversely affected.

The industries that we operate are highly competitive. If we fail to compete with our competitors, our business, results of operations and financial condition may be materially and adversely affected.

The industries in which we operate are highly competitive. We primarily compete with companies focused on developing and commercializing autonomous driving technologies for mining operations. If we face competitors with longer operating histories, greater financial resources, more advanced technological capabilities, or broader customer bases and relationships, we may not be able to respond as quickly or effectively to new opportunities, technological changes, evolving regulatory requirements or shifts in customer demand.

We may also encounter competition from new entrants offering lower pricing or innovative technologies and solutions, which could further increase competitive pressures. Heightened competition may lead to lower sales, price reductions, reduced margins, or loss of market share. In addition, we may need to make significant additional investments in research and development, marketing and sales, talent acquisition, and technology expansion, which could strain our resources. We cannot assure you that these measures will successfully mitigate competitive pressures or result in improved outcomes. If we are unable to compete effectively, or if doing so requires us to take costly actions in response to competitors, our business, results of operations and financial condition could be materially and adversely affected.

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We have been and expect to continue investing significantly in R&D, which may adversely affect our profitability and operating cash flow and may not generate the results we expect to achieve.

Our ability to develop new technologies, design innovative solutions, and enhance existing offerings is critical to maintaining our market position. We have made substantial investments in research and development to drive technological progress and ensure that our solutions remain competitive in a rapidly evolving market. Our research and development expenses amounted to RMB80.6 million, RMB70.2 million and RMB57.8 million in 2023, 2024 and 2025, respectively. The industries in which we operate are characterized by rapid technological change and continuous innovation. To expand our products and solution portfolio and maintain competitiveness, we must allocate significant resources, including financial investment, to advance our technologies. Consequently, we expect to continue incurring substantial R&D expenditure in the future.

However, these significant R&D expenses carry inherent risks, as they may not succeed or deliver the expected benefits. R&D activities are inherently uncertain, and we may face challenges in securing and retaining adequate resources, including qualified R&D personnel. Even if our R&D efforts achieve the expected outcomes, our short-term cash flow and liquidity could be adversely impacted, and we may encounter practical obstacles in commercializing these results. Emerging technologies could render our existing technologies, infrastructure, solutions obsolete or less attractive, limiting our ability to recover related development costs and potentially lead to decreases in revenue, profitability, and market share. Furthermore, if our innovations require regulatory filings or compliance with additional requirements, and we fail to complete such filings or meet these obligations in a timely manner, our expenses could increase, or we may be unable to successfully commercialize new solutions, or technologies.

Our R&D initiatives may not contribute to our results of operations for several years, and such contributions may fall short of expectations or fail to offset the costs incurred, which would materially and adversely affect our business, results of operations, financial condition and competitive position.

The sales performance of our solutions will partially depend on effective deployment and operation by our customers or on-site service teams and the overall user experience.

The sales performance of our solutions will partially depend on our customers or on-site service teams successfully deploying and operating our solutions on mining trucks, roads, and systems, and their failure to do so may result from factors beyond our control. Our solutions are technologically complex, incorporating numerous advanced features and generally subject to rigorous safety testing. For example, certain solutions control critical vehicle functions such as engine, transmission, safety systems, steering, navigation, and braking, and therefore need to be seamlessly integrated with other systems developed by our customers or on-site service teams. Even after entering into collaboration agreements, we may encounter challenges in achieving the required interoperability between our solutions and specific vehicle models, which could hinder successful implementation, and further adversely impact overall sales performance.

In addition, our solutions are specifically engineered to deliver superior capabilities in sensing, prediction, and real-time response to complex mining environments. Our proprietary AI and perception systems are designed to meet the unique operational demands of mining sites. However, these specialized features may cause trucks to behave in ways unfamiliar to operators accustomed to traditional, human-driven mining trucks. We cannot guarantee that customers will adapt quickly to the operational processes required for autonomous mining trucks. For instance, customers may face challenges in adjusting business operations for tasks such as truck dispatching, pre-trip inspections, remote monitoring, and maintenance. Any incidents or accidents resulting from improper operation due

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to failure to adapt to these new processes could severely damage our brand reputation, generate negative publicity, and lead to product liability claims, all of which could materially and adversely affect our business, results of operations and financial condition.

We may not be successful in implementing our business development strategies, which may adversely affect our growth prospects.

We have implemented a range of business strategies, including developing new technologies, enhancing our solution portfolio, and expanding our operations. We plan to continue introducing new solutions and refining existing ones to meet evolving market demand and customer expectations. However, there is no assurance that our strategies will remain aligned with broader industry trends, emerging technologies, or shifting customer preferences. If our strategies fail to keep pace with market developments, our business, results of operations and financial condition could be adversely affected.

In addition, we may be unable to secure the resources necessary to execute our plans, including capital investment and qualified personnel to support growth. We also face operational challenges in scaling deployments, maintaining consistent performance in complex and variable mining environments, and expanding into international markets that may have different technical standards, regulatory requirements, or customer demands. If we are unable to develop and launch new solutions or enhance existing ones in a timely and cost-effective manner, our competitiveness and overall business performance could be materially and adversely impacted.

Our overseas expansion strategy will be subject to a variety of costs and legal, regulatory, political and economic risks.

Our business and results of operations are affected by our ability to execute our overseas expansion strategy, which primarily involves expanding into new international markets. Operating internationally subjects us to additional risks and challenges such as: (i) compliance with foreign laws, regulations and local industry standards; (ii) export control and economic sanctions laws and regulations; (iii) exposure to increased overseas litigation risks; (iv) political and economic instability, as well as geopolitical tensions, including the threat of war or terrorist attacks; (v) foreign currency exchange rate fluctuations, currency controls and cash repatriation restrictions; (vi) unfamiliarity with local operating and market conditions and competitive landscapes; (vii) uncertainty on the degree of market acceptance; (viii) competition from local companies; (ix) failure to attract and retain locally qualified management and employees; (x) alignment of the operations, culture and systems of the international team with our existing operations; (xi) foreign taxes; and (xii) potential disputes and difficulty in managing relationships with overseas customers and distributors. The political, economic and regulatory environments in these jurisdictions may continue to evolve, and relevant laws, regulations and policies may be updated or adjusted from time to time.

Any failure to manage the foregoing and other risks and uncertainties or to respond appropriately to such evolving political, economic and regulatory developments could result in operational inefficiencies, increased costs and a diversion of management’s attention from other business matters, which in turn could adversely affect our overseas business and expansion, and result in reduced turnover from our overseas operations, which in turn could materially and adversely affect our business, results of operations and financial condition.

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We depend on a limited number of customers for a substantial portion of our revenue. The loss of, or a significant reduction in sales to, one or more of our major customers would adversely affect our business, results of operations and financial condition.

Our major customers include mine owners and operators, earthwork engineering companies, and mining dump truck manufacturers, including leading domestic producers of heavy trucks and mining trucks. Revenue from our largest customer accounted for 24.4%, 26.5% and 40.5% of our total revenue in 2023, 2024 and 2025, respectively. Revenue from our five largest customers represented 84.9%, 87.0% and 88.2% of our total revenue for the same year.

Due to the project-based nature of our business, we generate a substantial portion of our revenue from a limited number of customers in each year during the Track Record Period. Consequently, our gross profit margin is highly dependent on the terms and profitability of transactions with these major customers, and our working capital position is closely tied to the payment terms we negotiate with them. Any adverse changes in pricing, cost structure, or payment terms with these customers could significantly affect our overall gross profit margin, cash flow, and liquidity. Furthermore, revenue attributable to any single major customer, or our overall customer concentration, may fluctuate from period to period, which could affect our business, results of operations and financial condition.

We have a limited track record of commercialization in a new and rapidly evolving industry, and there can be no assurance that our sales and marketing efforts will succeed.

We are a development-stage company with a limited operating history since 2016, and therefore, have a limited track record in developing, commercializing, and marketing our products, services and solutions. Our ability to successfully commercialize our offerings may involve uncertainty, require more time, and incur higher costs than would be expected for a company with a longer history of solution launches and marketing. In particular, the commercialization of new products, services and solutions requires additional resources. The success of our sales and marketing efforts depends on our ability to attract, motivate, and retain qualified professionals with technical expertise to effectively communicate with potential customers, experience in marketing and selling similar products, services and solutions, and strong industry relationships. We may not be able to scale our operations rapidly enough to generate significant revenue, raise additional capital, or achieve profitability. As an early-stage company, we will continue to face risks and challenges commonly encountered during commercialization, including marketing our offering, expanding operations, and managing unforeseen expenses and difficulties.

Due to our limited track record in commercialization, there is no assurance that our efforts to market and sell our products, services and solutions will succeed. We may expend significant resources pursuing, but fail to achieve, customer orders. Even after obtaining customer orders, the timeline from design to delivery may be lengthy, and we remain subject to risks of contract termination, postponement, or unsuccessful implementation. In addition, we may experience delays in launches of new products, services and solutions. Any of these factors, individually or collectively, could materially and adversely affect our commercialization, result in unrecoverable sales and marketing expenses, and, in turn, negatively impact our business and results of operations.

We may be involved in legal proceedings and commercial or contractual disputes, which could materially and adversely affect our reputation, business, results of operations and financial condition.

We may be involved in legal proceedings and commercial or contractual disputes in the ordinary course of our business. For example, in October 2025, a customer commenced legal proceedings against us in relation to contractual disputes. As of the Latest Practicable Date, the proceedings remain ongoing and no judgment has been rendered. See “Business — Legal Proceedings and Compliance.” We cannot

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guarantee that we will not be involved in various legal and other disputes in the future, which may expose us to additional risks and losses. In addition, we may have to pay legal costs associated with such disputes, including fees relating to appraisal, auction, execution and legal advisory services. Litigation and other disputes may lead to inquiries, investigations and proceedings by regulatory authorities and other governmental agencies and may result in damage to our reputation, additional operating costs and diversion of resources and management’s attention from our core business. The disruption of our business due to judgment, arbitration and legal proceedings against us or adverse adjudications in proceedings against our Directors, senior management or key employees may materially and adversely affect our reputation, business, results of operations, financial condition and prospects. In particular, any publicity related to legal matters involving our leadership or technologies could undermine investor confidence and customer relationships, impacting both current and future business opportunities.

We may be unable to obtain, maintain or enforce adequate intellectual property protection for our proprietary technologies, which could expose us to increased competition and adversely affect our business.

Our business relies significantly on our ability to obtain, maintain and enforce intellectual property rights to protect our proprietary technologies and solutions. We have sought to safeguard key technologies primarily through patent filings in the PRC. However, the process of applying for, prosecuting and maintaining patents is complex, time-consuming and costly, and there can be no assurance that all applications will be granted, maintained or enforced on terms that provide meaningful protection.

We may fail to identify all patentable aspects of our research and development activities in a timely manner, and granted patents may be rejected, invalidated, narrowed in scope or deemed unenforceable due to deficiencies, lack of novelty or changes in laws or their interpretation. Even where patents are granted, competitors may design around our intellectual property by developing non-infringing alternatives, and patent protection is inherently limited in duration. Upon expiration, we may face increased competition for similar products or solutions.

In addition, compliance with procedural, documentary and fee-related requirements imposed by relevant authorities is required throughout the lifecycle of intellectual property rights. Any failure to comply with such requirements could result in the lapse or abandonment of our intellectual property rights or applications. Furthermore, the scope and effectiveness of intellectual property protection may vary by jurisdiction, and we may not be able to obtain or enforce protection in all markets in which competitors operate. Changes in intellectual property laws or their application could further diminish the value or scope of our intellectual property rights.

If we are unable to obtain, maintain or effectively enforce adequate intellectual property protection, competitors may be able to develop and commercialize competing solutions, which could materially and adversely affect our business, results of operations, financial condition and competitive position.

We may become involved in intellectual property-related disputes or litigation, including claims of infringement by or against third parties, which could be costly, time-consuming and adversely affect our business and financial condition.

Our industry is characterized by intensive intellectual property activity, and we may become involved in disputes or legal proceedings to protect, enforce or defend our intellectual property rights, or to respond to allegations that we infringe the intellectual property rights of third parties. Competitors or other third parties may infringe or misappropriate our intellectual property, requiring us to initiate litigation or other proceedings to enforce our rights.

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Conversely, third parties may assert that our solutions infringe their intellectual property rights. Such claims may arise due to the broad and complex nature of patent claims, undisclosed pending patent applications, or the employment of personnel who previously worked for other industry participants. Intellectual property disputes are often costly, time-consuming and uncertain in outcome, and may result in injunctions, damages, licensing obligations, product redesign or discontinuation, or diversion of management attention, regardless of their merit.

Intellectual property disputes may also arise from collaborative arrangements, including disagreements over ownership of jointly developed technologies. In addition, litigation or administrative proceedings may result in our patents being invalidated, narrowed or deemed unenforceable, or may require the disclosure of confidential information through discovery or other procedural requirements. Many competitors may have greater financial and legal resources than we do, which could place us at a disadvantage in such disputes. Any adverse outcome in intellectual property-related proceedings could materially and adversely affect our business, results of operations and financial condition.

In addition to patented technologies, we rely on trade secrets and confidential know-how for critical aspects of our solutions. If such information is disclosed, misappropriated or independently developed by others, our ability to maintain technological differentiation and competitive edge could be adversely affected.

In addition to our issued intellectual property rights and pending applications, we rely on trade secrets, including unpatented know-how, technologies, and other proprietary information, to protect our solutions and maintain our competitive position. We protect these trade secrets through measures such as non-disclosure and confidentiality agreements, non-compete covenants, and incorporating similar undertakings into agreements with parties that have access to such information. We also enter into employment agreements requiring employees to assign to us any inventions or discoveries made during their employment. However, we cannot guarantee that employees or third parties will not intentionally or inadvertently use or disclose our proprietary confidential information. Competitors may obtain access to and exploit such information, potentially compromising our competitive position, despite any legal action we may pursue against unauthorized disclosures. The failure or inability to protect these unpatented proprietary technologies, trade secrets, processes and know-how could have a material adverse effect on our results of operations. In addition, disputes may arise if our employees or business partners use intellectual property owned by others in their work for us, particularly regarding rights to related or resulting know-how and inventions.

Trade secrets are inherently difficult to protect. Employees or business partners may intentionally or inadvertently disclose our trade secrets to competitors, or such information may otherwise be misappropriated. Enforcing claims that a third party has illegally obtained and is using our trade secrets is costly, time-consuming, and unpredictable in outcome.

We entered into outsourced R&D arrangements with certain business partners for R&D projects. If any such collaboration is terminated, our business, financial condition and prospects may be materially and adversely affected.

From time to time, we engage third party suppliers for certain outsourced R&D arrangements. Such arrangements may reduce our direct control over the quality, development, and deployment of our solutions. There is no assurance that our business partners or third-party vendors will continue to collaborate with us on commercially reasonable terms or at all. Furthermore, we cannot guarantee that we will be able to establish new partnerships or extend existing relationships upon the expiration of current agreements. If we are unable to maintain collaborations with key business partners for R&D projects and other initiatives, our business, results of operations and financial condition could be adversely affected.

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Any failure to provide high-quality maintenance and support services for our customers may harm our relationships with them and, consequently, our business.

As we continue to expand our customer base, we have to maintain the ability to deliver efficient customer support and maintenance services at scale to meet growing demand. We may not be able to recruit or retain a sufficient number of qualified support personnel with experience in servicing our solutions. Consequently, we may be unable to respond promptly to short-term increases in customer demand for technical support or maintenance assistance. In addition, we may not be able to adapt the scope of our maintenance and technical support services to remain competitive with evolving offerings from our competitors. Any failure to maintain high-quality maintenance and support services could adversely affect our business.

If customer demand for support and maintenance increases, we may incur higher costs that could negatively impact our results of operations. Delays in expanding service capacity, inefficiencies in servicing our solutions, unforeseen reliability issues, or failure to provide high-quality maintenance and support could harm customer relationships and, in turn, our business. Any failure to, or any perception in the market that we do not, maintain high-quality maintenance and support services could materially and adversely affect our business.

We rely on third party suppliers, including a limited number of key suppliers, and any disruption to or deterioration of these supplier relationships could materially and adversely affect our business.

We rely on third party suppliers for the provision of key components and parts used in our solutions, and collaborate with automotive OEMs and contract manufacturers for the manufacturing, assembly and testing of our solutions. This reliance reduces our direct control over production capacity, product quality and delivery schedules. If we are unable to maintain stable relationships with these partners, or if such services or supplies become unavailable or cannot be obtained on commercially reasonable terms, we may be unable to secure alternative suppliers in a timely manner, or at all, which could materially and adversely affect our business, results of operations, financial condition and competitive position.

In addition, our procurement is significantly concentrated among a limited number of suppliers. In 2023, 2024 and 2025, purchases from our five largest suppliers accounted for approximately 60.0%, 54.3% and 84.0% of our total purchase amount, respectively, while purchases from our largest supplier accounted for approximately 32.2%, 29.7% and 44.8% of total purchase amount in the same periods. Any disruption to, or deterioration of, our relationships with these key suppliers, whether due to operational issues, capacity constraints, pricing changes, compliance failures or other factors, could result in supply shortages, increased costs or delays in production.

Our supply chain may also be adversely affected by factors beyond our control, including suppliers’ failure to procure raw materials, insufficient manufacturing or testing capacity, quality issues, shipment delays, prioritization of other customers, manufacturing yield issues, supplier misconduct, or disruptions caused by natural disasters or other incidents. Any significant supply chain disruption could interrupt the manufacturing or delivery of our solutions, delay research and development or commercialization efforts, and result in loss of customers, contractual penalties or reputational harm. If these risks materialize, our ability to meet customer demand, scale our operations and maintain stable margins could be materially and adversely affected.

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Increases in costs of the materials and other components that we use in our products, services and solutions would adversely affect our business, results of operations and financial condition.

Significant changes in the markets in which we purchase materials, components, and supplies for our products, services and solutions may adversely affect our profitability. In the event of any supply shortages or inflationary pressures, we may experience increases in the cost of our products, services and solutions, and, therefore, our gross profit margin may decrease, at least in the short term, as a result of these cost increases. Competitive and market pressures limit our ability to recover increases in costs through increases in prices we charge to our customers. The inability to pass on price increases to our customers when raw material or component prices increase rapidly or are significantly higher than historic levels would adversely affect our business, results of operations and financial condition.

Our success depends on the continued service and contribution of our management and skilled technical personnel, including R&D and engineering talents. Any failure to attract, retain or motivate such individuals could materially and adversely affect our operations and growth.

Hiring and retaining key individuals, such as key management, technical staff, qualified executives, developers and engineers, are critical to our business, particularly to the R&D and commercialization of each of our solutions. As of December 31, 2025, our R&D team consisted of 72 members, representing 44.7% of our total employees. Our ability to continue to conduct and expand our business operations depends in part on our ability to attract and retain a large and growing number of key R&D personnel. However, our ability to meet our R&D needs, including the availability of qualified personnel to fill potentially vacant R&D positions, while controlling our R&D costs, is generally subject to numerous external factors, including but not limited to, the availability of a sufficient number of qualified persons in the market, prevailing remuneration standards, changing demographics, health and other insurance costs and the adoption of new or revised employment and labor laws and regulations that are applicable to our operations. If we are unable to locate, attract or retain qualified R&D personnel, our technological capabilities and quality of solutions provided to customers or collaborators may decrease, which could lead to impaired competitive advantages and reduced financial performance.

Changes in our management team would also disrupt our business. Our management and senior leadership team has significant industry experience, and their knowledge and relationships would be difficult to replace. Changes in our management team may occur from time to time, and we cannot predict whether significant resignations will occur or whether we will be able to recruit qualified personnel.

We may experience difficulty in hiring employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel may have greater resources than we have and may offer more attractive compensation packages for new employees. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees have breached their legal obligations, resulting in a diversion of our time and resources and potentially in litigation.

Our employee hiring and retention also depend on our ability to build and maintain a diverse and inclusive workplace culture and be viewed as an employer of choice. If our share-based or other compensation programs and workplace culture cease to be viewed as competitive, our ability to attract, retain, and motivate key individuals would be weakened, which would in turn materially and adversely affect our business, results of operations and financial condition.

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Our business may suffer from claims relating to, among other things, actual or alleged defects in our solutions, or if our solutions actually or allegedly fail to perform as expected, and publicity related to these claims could harm our reputation and decrease demand for our solutions or increase regulatory scrutiny.

Our solutions are highly technical and complex and may contain undetected defects, errors, or bugs at different stages of development or deployment. Such issues may not be identified until after our solutions have been tested, commercialized, or used in the field. If defects arise, we may incur significant development, repair, recall, or replacement costs, and may be unable to correct such issues in a timely manner.

As our autonomous driving technology is used in mining environments involving significant operational hazards, any actual or alleged malfunction, whether caused by our solutions or not, may result in accidents leading to personal injuries, fatalities, or property damage. Publicity surrounding such incidents could harm our brand, reduce customer trust, and increase regulatory scrutiny.

We typically offer a standard warranty of one to two years. Material defects could expose us to damages, warranty claims, and statutory quality-related liabilities. If defects related to components supplied by third parties, our indemnification rights may be limited, and repair or replacement costs beyond supplier liability caps may need to be borne by us. We could face material claims for breach of contract, product liability, personal injury, fraud, tort, or breach of warranty. Defending such claims, regardless of merit, could be costly, time-consuming, distract management, and adversely affect our reputation and customer relationships. Given our customers’ reliance on our solutions for mission-critical operations, any defect, error, security vulnerability, service interruption, or failure may cause substantial customer losses. Customers could seek significant compensation or cease doing business with us, and any negative publicity or customer dissatisfaction could further reduce market demand. These developments could materially and adversely affect our business, results of operations, financial condition and prospects.

We may be subject to the risks associated with international trade policies, investment restrictions, geopolitics and trade protection measures, including imposition of trade restrictions and sanctions, and our reputation, business, results of operations and financial condition could be adversely affected.

Our operations may be affected by deteriorating political and economic relations among countries, as well as by sanctions and export and import controls imposed by governmental authorities in the jurisdictions where we operate and where our technologies and components originate. We also face broader geopolitical risks, including economic and labor conditions, increased duties, taxes and other costs, and political instability. Our business in certain countries, and the financial performance of our solutions containing components with origins in other countries, could be materially and adversely affected by international trade regulations, including duties, tariffs, and antidumping penalties. In particular, the U.S. government has imposed economic and trade sanctions that directly or indirectly affect China-based technology companies. These regulations are subject to frequent change, and their interpretation and enforcement carry significant uncertainty, which may be heightened by national security considerations or driven by political or other factors beyond our control. See “Regulatory Overview — Laws and Regulations Relating to International Sanctions and U.S. Outbound Investment Rule.”

While we believe that currently applicable sanctions and export controls do not impose material limitations on our operations during the Track Record Period, we cannot assure you that regulators will not take the position that our past, current or future activities globally constitute sanctionable activities or business. Furthermore, new requirements or restrictions could come into effect which might increase

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the scrutiny on our business or result in one or more of our business activities being deemed to have violated sanctions or export controls. Our business and reputation could be adversely affected if the authorities of the U.S., the UN, and/or any other jurisdiction or regions were to determine that any of our activities constitutes a violation of the sanctions or export controls they impose or provides a basis for a designation of our Group. Non-compliance with international sanctions laws and export controls could subject us to whistleblower complaints, adverse media coverage, investigations and severe administrative, civil and criminal sanctions, collateral consequences, remedial measures and legal expenses, all of which could materially and adversely affect our business, reputation, financial condition and results of operations. In addition, If any of our customers, end users or suppliers becomes subject to international sanctions or export controls in the future, we may have to discontinue our business with such customers, end users or suppliers due to potential economic sanctions liability risks. In such events, our financial results may be materially and adversely affected.

International sanctions and export controls measures continue to evolve. These restrictions, and any similar or more expansive measures that may be imposed now or in the future by the U.S. Office of Foreign Assets Control or other authorities in various jurisdictions, may materially and adversely affect the ability of our customers and suppliers to obtain or use technologies, systems, software, devices, or components that are critical to their products, services offerings, or business operations. This, in turn, may adversely impact our business, results of operations and financial condition. Such restrictions or similar measures that may be implemented by the U.S. or other jurisdictions may be difficult or costly to comply with and could materially and adversely affect our ability to obtain technologies, systems, devices, or components that are essential to our technology infrastructure, offerings, and business operations.

Other countries may also consider adopting similar trade restrictions or policies that could affect our import and export activities. As a result, our business, results of operations and financial condition could be negatively impacted by new sanctions, export controls, or other trade-related measures.

On August 9, 2023, the Biden administration issued an executive order and an advance notice of proposed rulemaking outlining a framework for outbound investment controls focused on China, including Hong Kong and Macau. On October 28, 2024, the U.S. Department of the Treasury issued a final rule implementing this executive order (the “**Outbound Investment Rule**”), which took effect on January 2, 2025. The Outbound Investment Rule imposes investment prohibitions and notification requirements on U.S. persons for certain investments in entities associated with China (including Hong Kong and Macau) that engage in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems, collectively referred to as “covered activities.” Such entities associated with China are referred to as “covered foreign persons.” U.S. persons subject to the Outbound Investment Rule are prohibited from engaging in, or required to report, certain investments in a “covered foreign person.” Transactions subject to the investment prohibition or notification requirement include acquisitions of equity or contingent equity interests, certain debt financing arrangements, greenfield and brownfield investments, joint ventures, and certain limited partner investments in non-U.S. pooled investment funds. The Outbound Investment Rule excludes certain investments, such as purchases of publicly traded securities. On December 18, 2025, the U.S. Congress enacted the Comprehensive Outbound Investment National Security Act of 2025 (the “**COINS Act**”), which codifies and expands the Outbound Investment Rule and provides independent statutory authority for the program for at least seven years. The Department of the Treasury was given 450 days to amend the Outbound Investment Rule to conform with the provisions set forth therein, and the existing Outbound Investment Rule remains in effect until then.

We may be deemed a “covered foreign person” under the Outbound Investment Rule because we develop AI systems intended for the control of robotic systems, which constitutes a covered activity. If

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U.S. persons engage in a covered transaction involving us, such as acquiring equity interests in us that are not publicly traded, they may be required to submit notifications to the U.S. Department of the Treasury. Although acquisitions of publicly traded securities (such as our H Shares after the [REDACTED]) are exempt from covered transaction requirements, the Outbound Investment Rule may reduce U.S. investors’ interest in our equity securities. If our ability to raise such capital is significantly impaired, it could adversely affect our business, financial condition, and prospects.

Investors, including those that are U.S. persons or are subsidiaries of U.S. persons, should consult their legal counsel regarding the applicability of the publicly traded securities exception to the [REDACTED], notification obligations, if any, applicable to them under the Outbound Investment Rule, and the procedures for filing such notifications.

Our operations are subject to extensive and evolving regulatory requirements, and changes in automotive safety and autonomous driving regulations may create significant uncertainties for our business and financial prospects.

We operate in highly regulated industries and are required to comply with applicable laws, rules, and regulations governing our operations. See “Regulatory Overview — Laws and Regulations Relating to the Autonomous Driving and Intelligent Connected Vehicle Industry.” Given the dynamic nature of the regulatory environment, we cannot assure you that we will remain in full compliance with all applicable laws and regulations on a continuous basis.

Safety regulations, among other regulatory requirements, play a critical role in our operations. These regulations often impose stringent compliance and reporting obligations and may evolve in response to new technological developments, adverse publicity related to industry recalls, or safety concerns regarding autonomous driving. If the manufacturing, use, or sale of our solutions fails to meet the conditions or requirements of any new regulations applicable at the time, our business, results of operations and financial condition could be materially and adversely affected.

Failure to adapt to new legislation or changes in regulatory requirements, including evolving judicial interpretations of such regulations in the automotive intelligence industry, could adversely impact our business. We must continuously monitor applicable laws, regulations, and compliance procedures to ensure adherence in all markets where we operate. Given the potential complexity and frequent changes in these regulations, we may incur higher compliance costs. If we are not currently in compliance with existing regulations, fail to comply with new regulations, or fail to keep pace with regulatory updates, we may incur costs to remedy non-compliance, and our operations may be disrupted. Furthermore, we have no control over the sale or use of our solutions by customers in jurisdictions where such products may be deemed non-compliant, which could damage our brand and adversely affect our business, results of operations and financial condition.

If we fail to obtain and maintain the requisite licenses and approvals required in any jurisdiction where we operate, our business, results of operations and financial condition may be materially and adversely affected.

We are required to obtain and maintain all necessary licenses and approvals in the jurisdictions where we operate. However, we cannot assure you that we will be able to successfully update or renew such licenses or complete the required filings in a timely manner, or that these licenses and filings will be sufficient to support all of our current or future business activities. There are significant uncertainties regarding the interpretation and enforcement of existing and future laws, regulations, and policies applicable to our operations. We cannot guarantee that we will not be deemed in violation of any current or future laws, regulations, or policies as a result of changes in interpretation by relevant authorities.

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Failure to obtain, maintain, or renew the requisite licenses or approvals, or to complete necessary filings, could subject us to penalties, including confiscation of revenues, imposition of fines, suspension, or restriction of our operations. Any such penalties could disrupt our business and have a material adverse effect on our operations, financial condition, and prospects.

We are exposed to risks and uncertainties associated with strategic transactions or acquisitions.

As we continue to scale our operations around the globe, we may enter into strategic transactions, including joint ventures or equity or debt investments, with various third parties to further our business purpose from time to time. Strategic transactions could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the counterparty, and an increase in expenses incurred in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have limited ability to control or monitor their actions. To the extent strategic third parties suffer negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our reputation by virtue of our association with such third parties.

In addition, we may acquire additional assets, technologies or businesses that are complementary to our existing businesses. Future acquisitions and the subsequent integration of new assets, technologies and businesses into our own would require significant attention from our management and could result in a diversion of resources from our existing businesses, which in turn could adversely affect our business. Acquired assets, technologies or businesses may not generate the financial or operating results we expect. In addition, acquisitions could result in the use of substantial amounts of cash, dilutive issuances of equity securities, incurrence of debt, incurrence of significant goodwill impairment charges, amortization expenses for other intangible assets and exposure to potential unknown liabilities of the acquired business.

Our business and prospects depend on our ability to build our brands and reputation. Negative publicity regarding us, our Directors, employees, branding or solutions, whether warranted or not, could adversely affect our business.

We believe that maintaining and strengthening our brand is critical to the continued success of our business. A well-recognized brand enhances our appeal to customers and supports our competitive positioning. Operating in a highly competitive market, our ability to maintain and improve brand recognition directly impacts our market share and growth prospects. The success of our brand promotional efforts depends on the effectiveness of our marketing strategies and the extent of positive word-of-mouth referrals from satisfied customers. While we may incur additional expenses to promote our brand, we cannot assure you that such efforts will be successful or achieve the desired impact.

Furthermore, negative publicity or allegations concerning us, our Directors, employees, or the industry in which we operate could materially and adversely affect our brand image and reputation. Such events may erode market recognition and trust in our solutions, resulting in reduced sales, loss of business partners, and difficulty in attracting and retaining highly skilled personnel. Negative publicity may also arise from malicious harassment or unfair competition by third parties, which are beyond our control. These circumstances could divert management’s attention and lead to governmental investigations or other forms of scrutiny, materially and adversely impacting our business, financial condition, and prospects.

We may also be subject to anti-competitive, harassing, or other harmful conduct by third parties, including anonymous or non-anonymous complaints to regulatory authorities. As a result, we could face government or regulatory investigations, requiring significant time and resources to address such matters, with no assurance that we can conclusively refute all allegations within a reasonable timeframe,

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or at all. Additionally, allegations may be posted online anonymously. Customers often rely on readily available information about solutions without further verification or regard for accuracy. Information on social media spreads almost instantaneously, and its impact is immediate. Social media platforms typically publish user-generated content without filtering or verifying its accuracy. Such information may be inaccurate and unfavorable to us, potentially harming our business, financial performance, and prospects. The resulting damage may occur immediately, leaving us little or no opportunity to respond or correct misinformation. Our reputation could be adversely affected by the public dissemination of anonymous allegations or malicious statements about our business, which, in turn, may lead to loss of market share, customers, and revenue.

Any failure or perceived failure to comply with data privacy and security laws, or other concerns about our practices or policies with respect to the collection, use, storage, retention, transfer, disclosure, and other processing of data, could damage our reputation and deter current and potential customers from using our solutions.

In recent years, cybersecurity, data protection, and personal information security have become an increasing regulatory focus for government authorities worldwide. In China, a series of laws, regulations, and policies have been introduced to strengthen oversight in these areas. We are subject to a variety of laws and regulations relating to data security and privacy, as our business operations involve collection, use, storage, retention, transfer, disclosure and other processing of data. The interpretation and application of laws, regulations and standards relating to cybersecurity, data protection and privacy are still subject to change, and these regulations are also affected by different interpretations or significant changes, making it difficult for us to anticipate the scope of our responsibilities in this regard. See “Regulatory Overview — Laws and Regulations Relating to the Cybersecurity, Personal Information Protection and Data Security.” While we strive to comply with our privacy guidelines as well as all applicable data protection laws and regulations, any failure or perceived failure to comply may result in proceedings or actions against us by government entities or others, and could damage our reputation.

Our information technology networks and systems may experience malfunction, unexpected system failure, interruption, insufficiency or security breaches.

Our information technology networks and systems are critical to the smooth functioning of our operations, including electronic communications among our personnel, customers and suppliers. These networks and systems are essential for synchronizing demand forecasts, order placements, and service status updates, as well as for ensuring real-time communication and data sharing with key stakeholders. Some of these systems are managed by third parties, which may expose us to additional risks. Our information technology networks and systems may encounter malfunctions, unexpected failures, interruptions, insufficiencies, or security breaches. These networks and systems could be susceptible to damage or disruptions from software upgrades, hardware failures, power outages, cyberattacks, computer viruses, telecommunication failures, user errors, or other unforeseen catastrophic events. If our IT networks and systems suffer damage or disruption, we may incur substantial costs to repair or replace critical infrastructure.

Failure to detect or prevent fraudulent, illegal or other misconduct by our employees, customers, suppliers or third parties may materially and adversely affect our business.

We are exposed to fraudulent, illegal activities or other misconduct by our employees, customers, suppliers or other third parties in connection with the R&D, manufacturing, deployment and support of our solutions, that could subject us to liabilities, fines and other penalties imposed by government authorities and negative publicity. There can be no assurance that our internal controls and policies will effectively detect or prevent all forms of misconduct. Any illegal, fraudulent, corrupt or collusive

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activity by our employees, customers, suppliers or other third parties, including but not limited to, those in violation of anti-corruption or anti-bribery laws, could subject us to negative publicity that could severely damage our brand and reputation, especially in high-visibility or government-related deployments, and, if conducted by our employees, could further subject us to significant financial and other liabilities to third parties and fines and other penalties imposed by government authorities. Accordingly, our failure to detect and prevent fraudulent or illegal activities or other misconduct by our employees, customers, suppliers or other third parties could materially and adversely affect our business, results of operations, financial condition and prospects.

Our risk management and internal control systems may not be adequate or effective.

While we continuously review and seek to strengthen our internal controls, we cannot assure you that these systems are fully comprehensive or consistently effective in identifying, managing, and mitigating all risks, including those related to fraud, non-compliance, or operational errors. See “Business — Risk Management and Internal Control.” Our internal control and risk management frameworks rely on effective implementation by employees across departments and deployment sites. Given the scale and complexity of our operations, such as autonomous driving related product and solution deployments in remote mining areas, customized delivery projects, and ongoing technical support, we depend on cross-functional coordination and real-time judgment by our employees. We cannot guarantee that all employees involved in these processes are adequately trained or that implementation will be free from human error, oversight, or circumvention. Any failure to update, adapt, or enforce our internal control systems in response to evolving regulatory requirements, business expansion, or operational changes could result in process breakdowns or control lapses. Furthermore, if we are unable to allocate sufficient qualified personnel or technical resources to monitor and maintain these systems, particularly in key risk areas such as procurement, data security, safety compliance, and deployment execution, our business, results of operations, financial condition and prospects could be materially and adversely affected.

Failure to comply with property-related laws and regulations regarding certain of our leased properties and to renew our leases could adversely affect our business.

Under applicable PRC laws and regulations, real property lease agreements are required to be filed with the relevant competent authorities for record purposes. As of the Latest Practicable Date, eight lease agreements had not been registered with relevant authorities. As advised by our PRC Legal Advisor, the absence of such filings does not affect the validity or enforceability of these lease agreements, nor does it require us to vacate the leased premises. However, the relevant government authorities may require the parties to complete the filing within a specified period and may impose a fine ranging from RMB1,000 to RMB10,000 for each lease agreement that is not filed within the prescribed timeline. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any penalties arising from the non-registration of our lease agreements. Based on the foregoing, our PRC Legal Advisor is of the view that the non-registration of such lease agreements would not have any material adverse impact on our business operations. However, we cannot assure you that we would not be subject to any penalties and/or requests from local authorities to fulfill the registration requirements, which may increase our costs in the future. In addition, as of the Latest Practicable Date, the lessors of one of our leased properties did not provide us with the relevant title certificates. If the title of any leased properties were successfully challenged, we may be forced to relocate our operations on the affected properties and we may have to cease our operational activities in the event we face challenges in relation to our properties. If we fail to find replacement properties which are suitable or on terms acceptable to us for the affected operations, our business, financial condition and results of operations may be materially and adversely affected.

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Our insurance coverage may not be sufficient to cover all losses or potential claims by our customers which would affect our business, results of operations and financial condition.

We maintain insurance coverage, including property all-risks insurance for our facilities, machinery, and key equipment. While we believe our insurance arrangements are generally consistent with industry practice, our coverage may not be sufficient to fully protect us against all potential risks associated with our operations. In particular, our solutions are deployed in complex, heavy-duty mining environments where risks of operational disruption, equipment damage, or third-party injury may be elevated. Insurance coverage for certain high-severity events, such as vehicle malfunction leading to operational downtime, safety incidents involving personnel, or damage caused by natural disasters at remote mining sites, may be unavailable, limited, or subject to significant exclusions. If we were to suffer unexpected losses, particularly involving product liability, on-site accidents, or severe equipment damage, our existing insurance coverage may not be sufficient to mitigate the financial impact. This could materially and adversely affect our business, results of operations, financial condition and growth prospects.

Our business may be materially and adversely affected by force majeure events, natural disasters or other issues beyond our control.

Uncertainties about global economic conditions and regulatory changes and other factors including fluctuation of interest rates, inflation level, unemployment, labor and healthcare costs, access to credit, consumer confidence and other macroeconomic factors may pose risks and materially and adversely affect demand for our solutions. In addition, force majeure events or natural disasters such as floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of a widespread health epidemic or any severe epidemic disease, acts of war, terrorism or other force majeure events beyond our control may disrupt our R&D, commercialization activities and business operations, all of which could adversely affect our business, financial condition and prospects.

RISKS RELATING TO OUR FINANCIAL CONDITION AND ADDITIONAL CAPITAL

We have incurred significant operating losses and net losses during the Track Record Period and may not be able to achieve or subsequently maintain profitability in the near future.

In 2023, 2024 and 2025, our net losses amounted to RMB312.7 million, RMB344.6 million and RMB163.7 million, respectively. We may continue to incur net losses in the near term, as we are still expanding our business and operations and consistently investing in R&D. We may not achieve profitability, or maintain it thereafter, in the foreseeable future.

We believe that our future revenue growth will depend, among other factors, on our ability to develop new technologies, enhance customer experience, establish effective commercialization strategies, compete successfully, introduce new solutions, and maintain and secure additional customers. However, you should not rely on the revenue growth of any prior period as an indication of our future performance, as our growth in a relatively short period of time is not necessarily indicative of results that we may achieve in the future.

We also expect our costs and expenses to increase in future periods as we continue to expand our business and operations, invest in R&D, and broaden our geographic presence. If we are unable to generate sufficient revenues and effectively manage our costs, we may continue to record significant losses and may not achieve, or subsequently maintain, profitability.

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We recorded net current liabilities during the Track Record Period, which we may continue to experience in the future.

As of December 31, 2023, 2024 and 2025, we recorded net current assets of RMB37.8 million and net current liabilities of RMB1,233.2 million and RMB25.6 million, respectively. Our net current liabilities position may reduce our financial flexibility, limit our ability to execute our business plans, and expose us to liquidity risks. Our ability to meet short-term obligations, including the settlement of trade and other payables as they fall due, will depend primarily on our capacity to generate sufficient operating cash flows and obtain external financing when required.

Our liquidity position will be affected by various factors, including our future operating and financial performance, industry conditions, and the broader economic and capital market environment, many of which are beyond our control. If we are unable to maintain adequate working capital, we may need to pursue additional external funding to support our operations and growth initiatives. If such financing is unavailable on acceptable terms, in a timely manner, or at all, we may be forced to delay or discontinue certain business plans, which could materially and adversely affect our business, results of operations and financial condition.

We recorded net operating cash outflows historically and there can be no assurance that we will not have net cash outflow from operating activities in the future.

We recorded net cash used in operating activities of RMB204.5 million and RMB177.3 million, and net cash from operating activities of RMB37.9 million in 2023, 2024 and 2025, respectively. We cannot assure you that we will generate positive cash flows from operating activities in the future. If we continue to experience net operating cash outflows, our working capital may become constrained, which could adversely affect our financial condition.

Our future liquidity will depend primarily on our ability to maintain sufficient cash inflows from operating activities and to obtain adequate external financing, including through issuing securities and/or other sources such as external debt. Such financing may not be available to us on favorable or commercially reasonable terms, or at all. If we fail to secure sufficient funding in a timely manner and on reasonable terms, or at all, we may default on our payment obligations and may be unable to expand our business. As a result, our business, results of operations and financial condition could be adversely affected.

We are subject to credit risk related to delay in payment and defaults of customers or related parties, which would adversely affect our liquidity and financial condition.

We are exposed to credit risk arising from delays in payment and potential defaults by our customers or related parties. As of December 31, 2023, 2024 and 2025, our trade and notes receivables were RMB79.4 million, RMB48.1 million and RMB349.4 million, respectively. The collectability of these receivables may be affected by factors beyond our control, including prolonged deployment acceptance and settlement cycles, adverse financial conditions or operational challenges faced by customers, and their inability or unwillingness to make timely payments. If any of our customers delay or default on their payment obligations, we may be required to recognize impairment losses or write off the relevant receivables, which could materially and adversely affect our liquidity, cash flow and financial condition.

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If we fail to maintain adequate inventory, or if we mismanage our inventory, we could lose sales or incur high inventory-related expenses, which could negatively affect our results of operations and financial condition.

Our inventories primarily include raw materials and contract fulfillment costs. As of December 31, 2023, 2024 and 2025, we had inventories of RMB53.1 million, RMB92.6 million and RMB56.1 million, respectively. To ensure adequate inventory supply, we must forecast inventory needs and expenses, place orders sufficiently in advance with our suppliers and manufacturing partners based on our estimates of future demand for particular products. Our ability to accurately forecast demand for our solutions could be affected by many factors, including but not limited to uncertain market conditions, volatile customer demand, fierce market competition, general economic conditions and other factors beyond our control.

In addition, any mismanagement of our inventory could result in inventory levels exceeding customer demand, inventory write-downs, or the sale of excess inventory at discounted prices, which would adversely affect our financial condition, including our gross margin, and negatively impact our brand. We face heightened risks of excessive or obsolete inventory when launching new portfolios of solutions, as market acceptance is inherently uncertain. We periodically assess our inventories for impairment and may record provisions to write down inventory to its net realizable value if it becomes outdated, damaged, or subject to price declines that reduce its net realizable value below cost.

Failure to obtain or maintain any of the government grants or preferential tax treatments could adversely affect our business, results of operations, financial condition and prospects.

During the Track Record Period, we received government grants, many of which were non-recurring or subject to periodic review. In 2023, 2024 and 2025, the government grants recognized as other income amounted to RMB5.8 million, RMB2.8 million and RMB3.9 million, respectively. In addition, we benefited from various preferential tax treatments under prevailing PRC tax laws. For example, we were recognized as a High-New Technology Enterprise and entitled to a reduced income tax rate during the Track Record Period. See Note 12 to the Accountants’ Report in Appendix I to this document.

The PRC governmental authorities may, at their discretion, reduce or cancel such government grants or preferential tax treatments, which could adversely affect our business, results of operations, financial condition and prospects. As government grants are typically provided on a one-off basis, there is no assurance that we will continue to receive or benefit from them in the future. Furthermore, we may not be able to successfully or timely obtain government grants or preferential tax treatments that may become available to us, and any such failure could negatively impact our business, results of operations, financial condition and prospects.

We may not be able to obtain additional capital when desired, on favorable terms or at all.

We require substantial capital to support key initiatives, including research and development of our autonomous driving technology, attracting and retaining top talent, launching new solutions, growing our customer base, and delivering high-quality technical support services. Our capital needs will depend on various factors, including: (i) technological advancements; (ii) market acceptance of our solutions, including enhancements and overall sales performance; (iii) R&D expenditures; (iv) relationships with customers and suppliers; (v) cost-control capabilities; (vi) sales and marketing expenses; (vii) infrastructure and system upgrades, as well as capital improvements to our facilities; (viii) potential acquisitions of businesses or product lines; and (ix) general economic conditions, inflation, rising interest rates, and international conflicts and their impact on our industry.

RISK FACTORS

If our capital requirements differ materially from current plans, we may need additional funding sooner than expected. Such financing may not be available on favorable terms, in a timely manner, or at all. Without adequate capital, we may be unable to execute our business plans, develop or enhance solutions, expand sales and marketing efforts, pursue strategic opportunities, or respond effectively to competitive pressures.

We may grant share-based awards, which may result in share-based compensation expenses and as a result, may adversely affect our results of operations and financial condition.

During the Track Record Period, we did not incur any share-based payment expenses. We believe the granting of share-based payments is of significant importance to our ability to attract and retain key personnel and employees. Nevertheless, share-based payment expenses would potentially dilute the shareholding of existing shareholders. We may grant share-based payments to employees in the future. As a result, we may incur share-based payment expenses, which may affect our results of operations and financial condition.

RISKS RELATING TO CONDUCTING BUSINESS IN THE JURISDICTIONS WHERE WE OPERATE

Failure to respond to development in the economic, government policies, laws and regulations in the principal place where we operate may have a material adverse effect on our business, results of operations and financial condition.

Our business, results of operations and financial condition may be influenced by the overall political, economic and social conditions in the countries where we operate. In particular, due to our extensive operations in the PRC, our business, results of operations, financial condition, and prospects are affected by economic, social and legal developments in the PRC. The PRC government as well as the governments of the other jurisdictions where we operate have implemented and may continue to introduce various policies, measures and regulations aimed at encouraging economic growth and guiding resource allocation. These policies and measures may be adjusted from time to time. Failure to respond to such development may materially and adversely affect our business.

You may experience difficulties in effecting service of the legal process and enforcing judgments against us and our management.

We are a company incorporated under PRC laws and substantially all of our assets and subsidiaries are located in the PRC. Substantially all of our Directors and senior management resides within the PRC. The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts of most other jurisdictions. As a result, recognition and enforcement in the PRC of judgments of a court in any of these jurisdictions outside the PRC may be difficult. As a result, it may be difficult and time-consuming to effect service of process upon our Directors and senior management outside the PRC. In addition, investors may also experience difficulties in seeking recognition and enforcing foreign judgments in the PRC if there is a lack of reciprocal recognition and enforcement of judicial rulings and awards of other jurisdictions. Furthermore, although we will be subject to the Listing Rules and the Takeovers Code upon the [REDACTED] of our H Shares on the Stock Exchange, the holders of H Shares will not be able to bring actions on the basis of violations of the Listing Rules and must rely on the Stock Exchange to enforce its rules. Moreover, the Takeovers Code does not have the force of law and provides only standards of commercial conduct considered acceptable for takeover and merger transactions and share repurchases in Hong Kong.

RISK FACTORS

Holders of our H Shares may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our H Shares.

As is customary with all major economies, China has tax treaties or similar arrangements with jurisdictions across the world. Under the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) and its implementation rules, and subject to any applicable tax treaty or similar arrangement between China and your jurisdiction of residence that provides for a different income tax arrangement, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources payable to investors that are resident enterprises outside of the PRC, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of shares by such investors is subject to 10% (or a lower rate) PRC income tax if such gain is regarded as income derived from sources within the PRC unless a treaty or similar arrangement otherwise provides. Under the Individual Income Tax Law of the People’s Republic of China (《中華人民共和國個人所得稅法》) and its implementation rules, dividends from sources within the PRC paid to foreign individual investors who are not residents in the PRC are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to 20% PRC income tax, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws. Although our business operations are in China, it is unclear whether dividends we pay with respect to our H Shares, or the gain realized from the transfer of our H Shares, would be treated as income derived from sources within the PRC and as a result be subject to PRC income tax. If PRC income tax is imposed on gains realized through the transfer of our H Shares or on dividends paid to our non-resident investors, the value of your investment in our H Shares may be adversely affected. Furthermore, our Shareholders whose jurisdictions of residence have tax treaties or arrangements with the PRC may not qualify for benefits under such tax treaties or arrangements.

Payment of dividends is subject to restrictions under PRC laws.

Under PRC laws, dividends may be paid only out of distributable profits. Our distributable profits represent our distributable net profits less appropriations to statutory surplus reserve, general reserve, and discretionary surplus reserve (as approved by our Shareholders’ meeting), each such appropriation based on the unconsolidated net profit determined under PRC GAAP. Our distributable net profit referred to above represents the lowest of (i) our net profit attributable to our equity holders for a period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under PRC GAAP, and (ii) our net profit attributable to our equity holders for the period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under IFRS Accounting Standards. As a result, we may not have sufficient distributable profits, if any, to make dividend distributions to our Shareholders in the future, including in respect of periods where we register an accounting profit. Any distributable profits that are not distributed in a given year are retained and available for distribution in subsequent years.

RISKS RELATING TO THE [REDACTED]

There has been no prior public trading market for our H Shares, and their liquidity and market price may be volatile.

Prior to the [REDACTED], there was no public market for our H Shares. We cannot assure you that a public market for our H Shares with adequate liquidity and trading volume will develop and be sustained following the completion of the [REDACTED]. In addition, the [REDACTED] of our H Shares may not be an indication of the market price of our H Shares following the completion of the

RISK FACTORS

[REDACTED]. If an active, liquid public market for our H Shares does not develop following the completion of the [REDACTED], the market price and liquidity of our H Shares could be materially and adversely affected.

The price and trading volume of our H Shares may be highly volatile. Several factors, some of which are beyond our control, such as variations in our results of operations, changes in our pricing policy, the emergence of new technologies, strategic alliances or acquisitions, the addition or departure of key personnel, changes in profit forecast or recommendations by financial analysts, changes in ratings by credit rating agencies, litigation or the removal of the restrictions on share transactions, could cause large and sudden changes to the volume and price at which our H Shares will trade.

Substantial future sales or the expectation of substantial sale of our H Shares in the public market could cause the price of our H Shares to decline.

Although our Single Largest Group of Shareholders are subject to restrictions on their sales of H Shares as described in “[REDACTED]” in this document, future sales of a significant number of our H Shares by our Single Largest Group of Shareholders or other existing Shareholders in the public market after the [REDACTED], or the perception that these sales could occur, could cause the market price of our H Shares to decline and could materially impair our future ability to raise capital through [REDACTED] of our H Shares. We cannot assure you that our Single Largest Group of Shareholders, or other existing Shareholders will not dispose of H Shares held by them or that we will not issue H Shares pursuant to the general mandate to issue shares granted to our Directors, upon the expiration of restrictions set out above. We cannot predict the effect, if any, that any future sales of H Shares by our Single Largest Group of Shareholders or other existing Shareholders, or the H Shares available for sale by our Single Largest Group of Shareholders or other existing Shareholders, or the issuance of H Shares by our Company may have on the market price of the H Shares. Sale or issuance of a substantial number of H Shares by our Single Largest Group of Shareholders or us, or the market perception that such sale or issuance may occur, could materially and adversely affect the prevailing market price of our H Shares.

We may need additional capital, and the sale or issue of additional H Shares or other equity securities could result in additional dilution to our Shareholders.

Notwithstanding our current cash and cash equivalents and the net [REDACTED] from the [REDACTED], we may require additional cash resources to finance our continued growth or other future developments. We cannot assure you that financing will be available in the amounts or on terms acceptable to us, if at all. If we fail to raise additional funds, we may need to sell additional equity securities, which could result in additional dilution to our Shareholders.

As the [REDACTED] of our H Shares is higher than our consolidated net tangible book value per Share, purchasers of our H Shares in the [REDACTED] may experience immediate dilution upon such purchases.

As the [REDACTED] of our H Shares is higher than the consolidated net tangible assets per Share immediately prior to the [REDACTED], purchasers of our H Shares in the [REDACTED] may experience an immediate dilution. Our existing Shareholders will receive an increase in the [REDACTED] adjusted consolidated net tangible asset value per Share of their H Shares. In addition, holders of our H Shares may experience further dilution of their interest if the [REDACTED] is exercised or if we issue additional H Shares in the future to raise additional capital.

RISK FACTORS

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 use the net [REDACTED] from the [REDACTED] in ways that you may not agree with or that may not generate favorable returns. For details on our current plans for the use of [REDACTED], see “Future Plans and Use of [REDACTED]” in this document. However, our management will have broad discretion in how the net [REDACTED] are ultimately applied. By investing in our H Shares, you are placing your trust in our management’s judgment regarding the allocation of these funds. If there is any change to the use of [REDACTED] as disclosed in this document, we will make appropriate announcement(s) and comply with all applicable requirements under the Listing Rules.

We cannot assure you whether and when we will declare and pay dividends in the future.

Our ability to declare and pay dividends will depend on a number of factors, including our profitability, financial condition, cash flow, and capital requirements. Any future declaration and payment of dividends will be subject to the discretion of our Board and dependent on our compliance with corporate approval procedures. In addition, the determination of dividend amounts, timing and form is subject to a range of factors, including but not limited to our operating results, cash flows, financial position, expected capital expenditures, available distributable profits as determined under IFRS Accounting Standards, provisions of our Articles of Association, the PRC Company Law and other applicable laws and regulations, as well as market conditions, our business strategy, contractual obligations, tax considerations and any other factors deemed relevant by our Board. There can be no assurance as to whether, when or in what form we will pay dividends in the future. Subject to the foregoing constraints, we may not be able to pay dividends in accordance with our stated dividend policy. See “Financial Information — Dividends.”

Certain facts, forecasts and statistics contained in this document are derived from a third-party report and publicly available official sources and they may not be reliable.

Certain facts, forecasts and statistics contained in this document relating to, among other things, China, the PRC economy and the industry in which we operate have been derived from a third-party report and various official government publications. However, we have not independently verified information and statistics from official government sources, and we cannot assure you of the quality or reliability of such source materials. Information from official government sources have not been prepared or independently verified by us, the [REDACTED] or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, such statistics in this document may be inaccurate or may not be comparable to statistics produced with respect to other economies. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts.

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 “believe,” “expect,” “estimate,” “predict,” “aim,” “intend,” “will,” “may,” “plan,” “consider,” “anticipate,” “seek,” “should,” “could,” “would,” “continue,” and other 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

RISK FACTORS

important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this document, 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.

Investors should read the entire document carefully and should not consider any particular statements in this document or in published media reports without carefully considering the risks and other information contained in this document.

There may have been, prior to the publication of this document, and there may be, subsequent to the date of this document but prior to the completion of the [REDACTED], coverage in the media regarding us and the [REDACTED], which contained among other things, certain financial information, projections, valuations and other forward-looking information about us and the [REDACTED]. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for the accuracy or completeness of such media coverage or forward-looking statements. We make no representation as to the appropriateness, accuracy, completeness or reliability of any information disseminated in the media or otherwise publicly available, nor the fairness or appropriateness of any estimates, forecasts, views or opinions expressed by the press or other media or otherwise publicly available regarding our H Shares or the [REDACTED] or us. We disclaim any information in the media to the extent that such information is inconsistent or conflicts with the information contained in this document. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this document only and should not rely on any other information.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our Company must have a sufficient management presence in Hong Kong, which normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 of the Listing Rules may be waived by having regard to, among other considerations, our arrangements for maintaining regular communication with the Stock Exchange.

Given that (i) our business operations are principally located, managed and conducted in the PRC and will continue to be principally based in the PRC; (ii) most of our executive Directors principally reside in the PRC and will continue to reside in the PRC; and (iii) the management and operation of our Group have mainly been under supervision of the executive Directors of our Company, who are principally responsible for the overall management, corporate strategy, planning, business development and control of our Group’s business, we do not have, and do not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from compliance with Rules 8.12 and 19A.15 of the Listing Rules subject to, among others, the following conditions:

1. **Authorized Representatives:** We have appointed Mr. Zhao Bin (趙斌) and Ms. Chan Yee Lam (陳綺藍) (“**Ms. Chan**”) as our authorized representatives (“**Authorized Representatives**”) for the purpose of Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our principal channel of communication with the Stock Exchange and would be readily contactable by the Stock Exchange, and if required, will be able to meet with the Stock Exchange to discuss any matters in relation to our Company within a reasonable period of time;
2. **Directors:** When the Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact each of our Directors (including our independent non-executive Directors) promptly at all times. To enhance communication between the Stock Exchange, our Authorized Representatives and our Directors, we have implemented the following measures: (a) each Director will provide his/her mobile telephone number, office phone number, e-mail address and facsimile number (to the extent applicable) to the Authorized Representatives; (b) in the event that a Director expects to travel or is otherwise out of office, he or she will provide the telephone number of the place of his or her accommodation to the Authorized Representatives; and (c) we have provided the telephone number, e-mail address and facsimile number (to the extent applicable) of each Director to the Stock Exchange. Each of our other Directors who does not ordinarily reside in Hong Kong possesses or can apply for valid travel documents to visit and will be able to meet with the Stock Exchange within reasonable period of time; and
3. **Compliance Advisor:** We have appointed Maxa Capital Limited as our compliance advisor (“**Compliance Advisor**”) pursuant to Rule 3A.19 of the Listing Rules, who will provide us with professional advice on continuing obligations under the Listing Rules and act as our additional channel of communication with the Stock Exchange during the period from the [REDACTED] to the date on which our Group complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

[REDACTED]. The Compliance Advisor will be available to answer inquiries from the Stock Exchange. We have also provided to the Stock Exchange the names, mobile phone numbers, office phone numbers and email addresses of at least two officers of the Compliance Advisor who will act as our Compliance Advisor’s contact persons between the Stock Exchange and our Company.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARY

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following factors in assessing the “relevant experience” of the individual:

- (a) length of employment with the issuer and other issuers and the roles he/she played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the Securities and Futures Ordinance, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

We have appointed Ms. Zhu Meng (朱萌) (“**Ms. Zhu**”) and Ms. Chan as the joint company secretaries of our Company. See “Directors and Senior Management — Joint Company Secretaries” in this document for further biographical details of Ms. Zhu and Ms. Chan.

Ms. Chan, an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the qualification requirements stipulated under Rule 3.28 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules.

Accordingly, while Ms. Zhu does not possess the qualification required under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules on the basis of the arrangements below:

1. Ms. Zhu will endeavor to attend relevant training courses, including briefings on the latest changes to the relevant applicable Hong Kong laws and regulations and the Listing Rules which will be organized by our Hong Kong legal advisor on an invitation basis and seminars organized by the Stock Exchange for [REDACTED] issuers from time to time;

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

2. both Ms. Zhu and Ms. Chan have confirmed that each of them will be attending a total of no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investors relations as well as the functions and duties of the company secretary of a Hong Kong [REDACTED] issuer during each financial year as required under Rule 3.29 of the Listing Rules;
3. Ms. Chan will assist Ms. Zhu to enable her to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as our company secretary throughout the three years from the [REDACTED];
4. Ms. Chan will communicate regularly with Ms. Zhu on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Ms. Chan will work closely with, and provide assistance to, Ms. Zhu in the discharge of her duties as a company secretary, including organizing our Board meetings and Shareholders’ general meetings;
5. upon expiry of Ms. Zhu’s initial term of appointment for an initial period of three years from the [REDACTED] as the company secretary of our Company, our Company will evaluate her experience in order to determine if she has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Ms. Zhu’s appointment as the company secretary of our Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules;
6. our Company has appointed Maxa Capital Limited as its Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules which will act as the additional communication channel with the Stock Exchange and provide professional guidance and advice to our Company and Ms. Zhu as to the compliance with the Listing Rules and all other applicable laws and regulations; and
7. the waiver can be revoked with immediate effect if there are material breaches of the Rules 3.28 and 8.17 of the Listing Rules by our Company.

Before the end of the three-year period, we shall liaise with the Stock Exchange to revisit the situation in the expectation that we should then be able to demonstrate to the Stock Exchange’s satisfaction that Ms. Zhu, having had the benefit of Ms. Chan’s assistance throughout the three years from the [REDACTED], would then have acquired the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver would not be necessary.

WAIVERS IN RESPECT OF CONTINUING CONNECTED TRANSACTIONS

We have entered into and are expected to continue to have certain transactions after the [REDACTED] which will constitute our non-exempt continuing connected transactions under Chapter 14A of the Listing Rules upon [REDACTED]. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us waivers in relation to certain continuing connected transactions between us and certain connected persons under Chapter 14A of the Listing Rules. See “Connected Transactions — Non-exempt Continuing Connected Transactions.”

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

For further information on our Directors, see “Directors and Senior Management” in this Document.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Prof. Yu Guizhen (余貴珍)	Room 2403, Unit 3, Building 3 No. 5 Yard, North 4th Street University Town Changping District Beijing PRC	Chinese
Mr. Zhou Huasheng (周華生)	Room 404, No. 58 Pubu Bay Street Shanghai Kangcheng Residential Community Lane 958 Xinsong Road Minhang District Shanghai PRC	Chinese
Mr. Zhao Bin (趙斌)	Room 2110, Building 2 West Zone, No. 11 Ding, Xueyuan Road Haidian District Beijing PRC	Chinese
Dr. Wang Jifu (王紀福)	Room 301, Unit 1, Building 2 Enjili, Enji West Street Haidian District Beijing PRC	Chinese
Non-executive Directors		
Mr. Chen Xinghua (陳興華)	Room 707, 8th Floor, Building 2 Yard 19, Yuetan South Street Xicheng District Beijing PRC	Chinese
Mr. Zhou Hui (周輝)	No. 78 Zhonghai Jiufengli Lane 368 Wennan Road Songjiang District Shanghai PRC	Chinese

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Name	Address	Nationality
Independent non-executive Directors		
Ms. Chen Ying (陳穎)	Room 1421, Metropole Building 416 King’s Road North Point Hong Kong	Chinese Hong Kong
Dr. Xin Weidong (辛衛東)	Room 201, Unit 3, Building 15 Jinyu Ziguang Xingan South Road Saihan District Hohhot, Inner Mongolia PRC	Chinese
Dr. Tong Shumeng (童書盟)	No. 241, Xiangjiang Garden 1 Xiangjiang North Road Chaoyang District Beijing PRC	Chinese

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor	Huatai Financial Holdings (Hong Kong) Limited 62/F, The Center 99 Queen’s Road Central Hong Kong

[REDACTED]

Reporting Accountants and Independent Auditor	Deloitte Touche Tohmatsu <i>Certified Public Accountants</i> <i>Registered Public Interest Entity Auditors</i> 35/F, One Pacific Place 88 Queensway Hong Kong

Legal Advisors to the Company	<i>As to Hong Kong and U.S. Laws:</i> Clifford Chance 27/F, Jardine House One Connaught Place Central Hong Kong

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

As to PRC Law:

JunHe LLP

20/F, China Resources Building
8 Jianguomenbei Avenue
Dongcheng District
Beijing
PRC

As to International Sanctions:

**Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho
Kyodo Jigyo)**

30/F, Shiroyama Trust Tower
4-3-1 Toranomon
Minato-ku
Tokyo
Japan

**Legal Advisors to the Sole Sponsor
and the [REDACTED]**

As to Hong Kong and U.S. Laws:

Norton Rose Fulbright Hong Kong

38/F, Jardine House
1 Connaught Place
Central
Hong Kong

As to PRC Law:

Zhong Lun Law Firm

22–24/F & 27–31/F, South Tower of CP Center
20 Jin He East Avenue
Chaoyang District
Beijing
PRC

Industry Consultant

China Insights Industry Consultancy Limited

10/F, Block B, Jing'an International Center
88 Puji Road
Jing'an District
Shanghai
PRC

Compliance Advisor

Maxa Capital Limited

Unit 2602, 26/F
Golden Center
188 Des Voeux Road Central
Sheung Wan
Hong Kong

[REDACTED]

CORPORATE INFORMATION

Registered Office	Room 303, Zone D Innovation Research Institute Main Building Beihang University Hefei Science City 999 Weiwu Road Xinzhan District Hefei, Anhui Province PRC
Head Office and Principal Place of Business in the PRC	Room 303, Zone D Innovation Research Institute Main Building Beihang University Hefei Science City 999 Weiwu Road Xinzhan District Hefei, Anhui Province PRC
Principal Place of Business in Hong Kong	31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Company’s Website	<u>www.i-tage.com</u> <i>(The information contained in the website does not form part of this Document)</i>
Joint Company Secretaries	Ms. Zhu Meng (朱萌) Room 202, Unit 4, Building 14 Anhuibeili Anyuan Intersection of Anli Road and Huizhong North Road Chaoyang District Beijing PRC Ms. Chan Yee Lam (陳綺藍) <i>(an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)</i> 31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Authorized Representatives	Mr. Zhao Bin (趙斌) Room 2110, Building 2 West Zone, No. 11 Ding, Xueyuan Road Haidian District Beijing PRC Ms. Chan Yee Lam (陳綺藍) <i>(an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)</i> 31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong

CORPORATE INFORMATION

Audit Committee

Ms. Chen Ying (陳穎) (*Chairperson*)
Dr. Xin Weidong (辛衛東)
Dr. Tong Shumeng (童書盟)

Remuneration Committee

Dr. Tong Shumeng (童書盟) (*Chairperson*)
Dr. Xin Weidong (辛衛東)
Ms. Chen Ying (陳穎)

Nomination Committee

Prof. Yu Guizhen (余貴珍) (*Chairperson*)
Dr. Xin Weidong (辛衛東)
Dr. Tong Shumeng (童書盟)

[REDACTED]

Principal Banks

Industrial and Commercial Bank of China Limited Hefei Technology Sub-branch

Building C4, Phase I, Chuanggu Technology Park
No. 800 Wangjiang West Road
Shushan District
Hefei, Anhui Province
PRC

Agricultural Bank of China Limited Hefei Bonded Zone Sub-branch

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Phase III
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Hefei, Anhui Province
PRC

Industrial Bank Co., Ltd. Hefei Branch

Building C2, Binhu Times Square
Intersection of Xizang Road and Yandun Road
Baohu District
Hefei, Anhui Province
PRC

Bank of Jiujiang Co., Ltd.

Hefei Linquan East Road Branch

Intersection of Linquan Road and Hexian Road
Yaohai District
Hefei, Anhui Province
PRC

INDUSTRY OVERVIEW

The information and statistics set out in this section and other sections of this document were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by China Insights Consultancy (the “CIC Report”). We engaged CIC to prepare the CIC Report, an independent industry report, in connection with the [REDACTED]. We believe that the sources of such information are appropriate and have taken reasonable care in extracting and reproducing such information. 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. Information and statistics from official government sources have not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the Sole [REDACTED], the Sole [REDACTED], any of the [REDACTED], the [REDACTED], and any of our or their respective directors, officers or representatives or any other person involved in the [REDACTED] and no representation is given as to their correctness or accuracy.

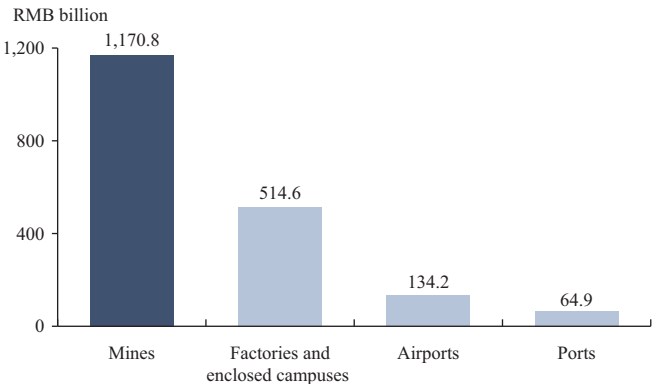
OVERVIEW OF AUTONOMOUS DRIVING INDUSTRY

Driving Automation is Evolving Towards L4 Autonomous Driving, with Specific Scenarios Representing the Breakthrough for Early Commercialization

Advances in AI, V2X communications and cloud computing are steadily improving the accuracy and reliability of vehicle perception, decision-making, and execution. These improvements are propelling driving automation from driver assistance towards L4 autonomous driving, with a focus on enhancing safety, efficiency, and cost-effectiveness, and are systematically reshaping transportation systems across industries.

L4 autonomous driving has now entered the practical validation phase and is accelerating toward commercialization in a range of specific scenarios. Unlike open roads, which present complex and constantly changing conditions, specific scenarios, such as mines, factories, enclosed campuses, airports and ports, typically feature fixed operating routes and low driving speeds. These characteristics substantially reduce the complexity and uncertainty of deploying autonomous driving, allowing the technology to focus on addressing real business pain points: achieving continuous, efficient, and safe unmanned vehicle operations in environments that face operating cost pressures or elevated personnel safety risks, thereby generating strong economic returns. As a result, these scenarios present urgent demand for L4 autonomous driving and offer a favorable environment for ongoing technology iteration and commercialization. By 2030, the total addressable market for autonomous driving vehicles in these scenarios, measured by revenue, is projected to reach RMB1,170.8 billion for mines, RMB514.6 billion for factories and enclosed campuses, RMB134.2 billion for airports, and RMB64.9 billion for ports.

Total Addressable Market of Global Autonomous Driving Vehicles¹ in Specific Scenarios, in terms of Revenue, 2030E



Sources: Industry publications, Expert interviews, CIC

Notes:

(1) Calculated based on the total value of replacing the entire addressable base of non-autonomous driving vehicles in the relevant scenario with autonomous driving vehicles by 2030.

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Mining Represents the Optimal Scenario for Large Scale Commercialization of L4 Autonomous Driving Technologies

Substantial Mining Output and Transportation Demand, Combined with Significant Pain Points in Traditional Operations

- ***Substantial mining transportation demand creates broad market opportunities for autonomous driving technologies.*** Mining is a fundamental component of modern industry, supplying raw materials to the energy, construction and emerging technology sectors. The large number of mines worldwide, together with the mining industry’s substantial output value, forms a sizeable addressable market for autonomous driving deployment. At the same time, mining operations are typically conducted at significant scale. A single large-scale mine often requires hundreds to thousands of transportation vehicles, and as mining depths increase and haulage distances lengthen over time, the demand for transportation equipment per mine is expected to grow further.
- ***Traditional operations face mounting pressure from high safety risks, high labor costs, and low operating efficiency.*** On safety: open-pit mining takes place in complex environments marked by heavy dust, high noise, and hazards such as collapses and landslides, placing significant strain on safety management. On labor and costs: mining is labor-intensive and struggles to attract workers; structural labor shortages and rising fixed costs, particularly labor costs, have become increasingly acute. On production and operating efficiency: mining production data are fragmented and information sharing is inadequate, leading to delayed dispatching decisions and frequent problems such as empty vehicle runs, equipment idling, and queuing delays, all of which constrain overall operating efficiency.

Autonomous Driving Technologies Are Key to Resolving the Pain Points of Traditional Operations and Enabling the Intelligent Transformation of Mines

- ***Reducing safety risks and alleviating structural labor shortages.*** Autonomous driving technologies enable unmanned vehicle operation, removing workers from extreme weather, hazardous road conditions, and the risks of driver fatigue, reducing the accident rate in mining operations to below 0.01% per million kilometers traveled. At the same time, these technologies address the structural labor shortage in mining, and typically lowering driver-related labor costs by 70–80% and energy costs by 10–20%.
- ***Improving operating efficiency of mining transportation.*** Mining transportation is the core component of mining operations, spanning the entire process from extraction and loading to hauling and unloading; its operating efficiency directly determines a mine’s overall production pace and economic performance. Constrained by human capabilities and safety regulations, traditional mining transportation typically operates under an approximate eight-hour daily limit per driver. This requires multiple shifts to sustain operations, resulting in hours of downtime each day during shift changes, as well as additional non-productive travel time as trucks reposition to shift-handover points. Autonomous driving technologies enable mining transportation vehicles to operate more than 22 hours per day, substantially improving transportation efficiency.
- ***Providing data support for vehicle full-lifecycle management and intelligent mine development.*** Autonomous mining trucks are equipped with multidimensional perception systems that continuously capture and generate substantial volumes of high-value information on vehicle operating status and the surrounding environment. This information underpins full-lifecycle vehicle management and analytical models, enabling real-time condition monitoring, fault warning, and maintenance strategy optimization, thereby reducing operation and maintenance costs. It also forms the operational foundation for building the digital management system of intelligent mines, supporting the visualization of mine management and strengthening intelligent decision-making and operating efficiency.

ANALYSIS OF THE MINING AUTONOMOUS DRIVING TRANSPORTATION SOLUTION INDUSTRY IN CHINA AND GLOBALLY

Definition of Mining Autonomous Driving Transportation Solutions

Mining autonomous driving transportation solutions are specialized solutions built upon the core foundation of L4 autonomous driving technologies, leveraging AI, the Internet of Things, and cloud

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computing to achieve deep integration between the vehicle-road-cloud architecture and open-pit mining operational systems. The solutions are dedicated to enabling unmanned operation of key processes throughout the mining workflow, including loading, transportation, and dumping, making it one of the most impactful applications in the intelligent transformation of mines. A complete mining autonomous driving transportation solution typically forms a full ecosystem of technology products and services, comprising autonomous mining trucks, road coordination infrastructure, and platform and dispatching system.

- ***Autonomous mining trucks.*** Autonomous mining trucks are mining trucks equipped with autonomous driving and collaborative systems made up of dedicated hardware and software. With these intelligent on-board systems, the trucks can autonomously perform perception, planning, decision-making, control, and communication, serving as the core carriers of unmanned mining transportation operations. Autonomous mining trucks are classified into wide-body mining trucks and rigid mining trucks. Wide-body mining trucks typically have a payload capacity below 100 tons, offering a balance between load capacity and scenario versatility with relatively lower acquisition costs — delivering outstanding cost-performance. Rigid mining trucks feature a rigid frame with fixed beam-column connections and a box-section structure welded from steel plates and cast steel components, providing high resistance to torsion and impact. With payloads usually exceeding 100 tons, they are suited to large open-pit mines where ore weight is extreme and operating conditions are harsh.
- ***Road coordination infrastructure.*** Road coordination infrastructure refers to a collection of facilities deployed roadside or within operational areas, such as communication units, perception devices, and high-precision positioning reference stations, that provide key support including beyond-line-of-sight perception, high-precision positioning, and local cooperative decision-making for autonomous mining trucks.
- ***Platform and dispatching system.*** Platform and dispatching system refers to an intelligent dispatching and management platform capable of coordinating multiple vehicles and pieces of equipment. By applying advanced algorithms to real-time dispatch information, the platform achieves optimal allocation and synchronization of global resources. It serves as the key infrastructure supporting scaled operational services such as remote maintenance of vehicles, continuous efficiency optimization, and full-lifecycle management.

Business Models of Mining Autonomous Driving Transportation Solutions

The mining autonomous driving transportation solution industry primarily adopts three business models, shaped by customer needs and the technical characteristics of different vehicle types:

- ***Sales of autonomous mining trucks and ancillary systems.*** This model covers the sale of complete autonomous mining trucks equipped with factory-installed intelligent on-board systems, together with ancillary systems such as road coordination infrastructure, and platform and dispatching system. Currently, providers can cooperate with OEMs to sell complete autonomous wide-body mining trucks with factory-installed intelligent on-board systems, as wide-body mining trucks are developed on mature commercial vehicle chassis and their supply chain is relatively standardized. By contrast, rigid mining trucks have complex and highly customized chassis structures and control interfaces, and customers tend to procure the base vehicle chassis and other intelligent systems separately.
- ***Sales of autonomous transportation systems.*** This model covers the sale of intelligent on-board systems, road coordination infrastructure, and platform and dispatching system. For wide-body mining trucks, providers may supply autonomous transportation systems for integration and assembly during the vehicle design and production stage, or for retrofitting existing vehicles and mining operational systems. For rigid mining trucks, taking into account technical feasibility and economics, providers mainly sell autonomous transportation systems to customers for the intelligent retrofitting of existing manned rigid mining trucks and mining operational systems. As relevant technologies mature and the industry ecosystem develops, the business model of supplying factory-installed autonomous transportation systems is expected to gradually gain traction in the rigid mining truck segment.
- ***Provision of operational maintenance and transportation services.*** After-sales maintenance and necessary OTA updates for autonomous transportation systems and autonomous mining

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trucks are provided to ensure the operational safety and transportation efficiency of mining operations. In addition, providers offer transportation services by deploying fleets of self-owned autonomous mining trucks, with service fees charged on a volume basis.

Value Chain of Mining Autonomous Driving Transportation Solution Industry

The value chain of the mining autonomous driving transportation solution industry can be divided into three segments. The upstream segment consists primarily of core component providers that supply key infrastructure and resources such as cameras, LiDAR, millimeter-wave radar, chips, and cloud services. The midstream segment consists of mining autonomous driving transportation solution providers, which deliver autonomous mining trucks, road coordination infrastructure, and platform and dispatching system through various business models. The downstream segment consists of customers, including sizeable state-owned and private mining companies, which adopt mining autonomous driving transportation solutions through procurement, cooperation, or leasing arrangements to address the safety and efficiency challenges inherent in traditional mining operations.

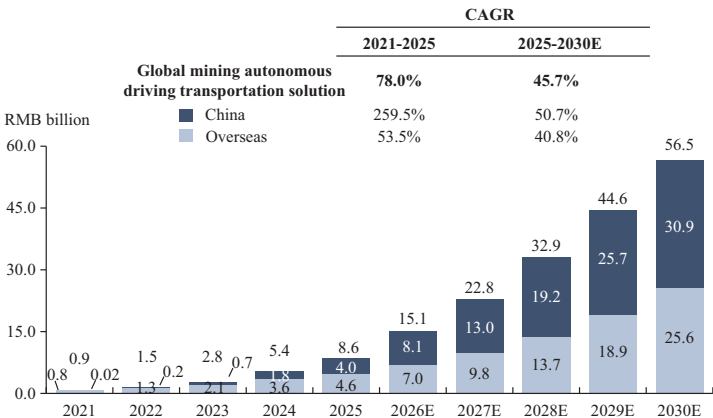
Market Size of Mining Autonomous Driving Transportation Solutions in China and Globally

Market Size of Global Mining Autonomous Driving Transportation Solutions

The global mining autonomous driving transportation solution industry has progressed from proof-of-concept to large-scale commercial deployment. Mining companies’ demand for more intelligent, cost-efficient, and safer mining operations has become one of the core growth drivers. As a result, the global market expanded from RMB0.9 billion in 2021 to RMB8.6 billion in 2025, representing a CAGR of 78.0%, and is expected to reach RMB56.5 billion by 2030, at a CAGR of 45.7%.

- **China.** Driven by the continued rollout of intelligent mining policies, leading domestic energy and mining companies are accelerating the deployment of mining autonomous driving transportation solutions. At the same time, mining operations face pressing needs to improve transportation efficiency and reduce safety risks. These factors have collectively established China as an integral part of the global market. China’s market reached RMB4.0 billion in 2025, accounting for over 46.0% of the global market, and is expected to increase to RMB30.9 billion by 2030 at a CAGR of 50.7%.
- **Overseas.** Central Asia and Africa — major participating regions in the Belt and Road Initiative — together with Australia and South America — key providers of critical mineral resources — represent strategic markets for mining autonomous driving transportation solutions and are expected to continue driving global market expansion. The overseas market reached RMB4.6 billion in 2025 and is expected to increase to RMB25.6 billion by 2030, representing a CAGR of 40.8%.

Global Market Size of Mining Autonomous Driving Transportation Solutions, in terms of Revenue, by Region, 2021–2030E



Sources: Industry publications, Expert interviews, CIC

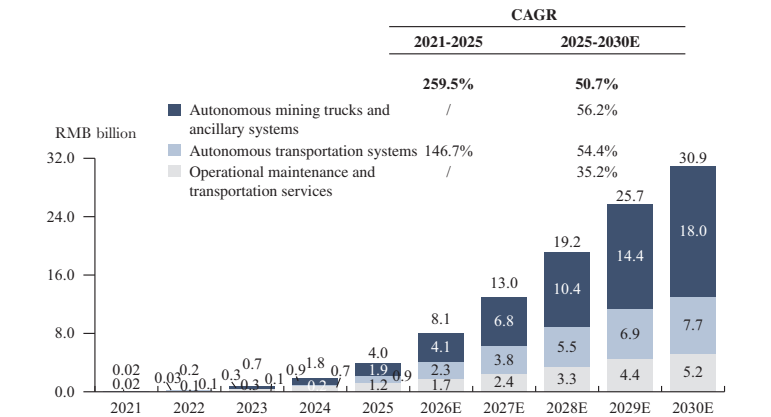
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Market Size of Mining Autonomous Driving Transportation Solutions in China

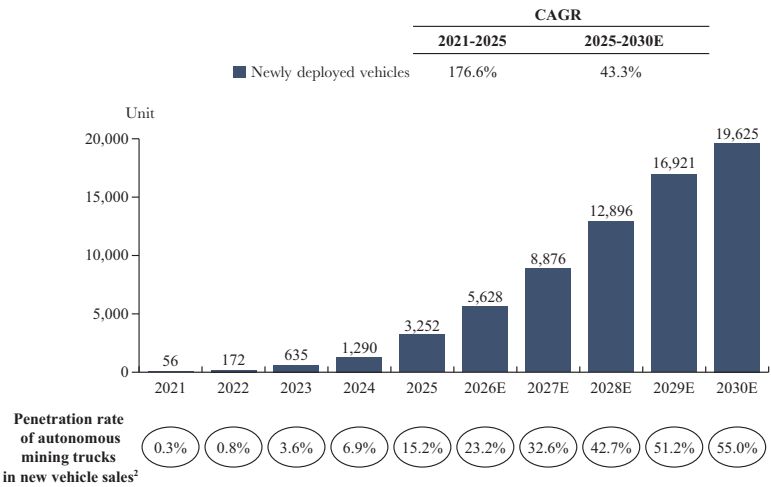
The mining autonomous driving transportation solution industry in China has developed differentiated business models. Compared with the provision of transportation services, the sale of autonomous mining trucks and autonomous transportation systems offers the advantages of asset-light operations and easier rapid replication and rollout. In particular, the integrated sale of autonomous mining trucks together with ancillary systems provides customers with a more comprehensive after-sales service framework, fundamentally avoiding ambiguity in after-sales responsibility allocation that can arise when vehicles and transportation systems are sold separately. This integrated model has become the mainstream business model. In revenue terms, the market size of autonomous mining truck and ancillary system sales, autonomous transportation system sales, and the provision of operational maintenance and transportation services in China reached RMB1.9 billion, RMB0.9 billion, and RMB1.2 billion, respectively, in 2025, accounting for 48.6%, 22.2%, and 29.2% of the total market in China.

From 2021 to 2025, the volume of newly deployed autonomous mining trucks in China increased from 56 units to 3,252 units, representing a CAGR of 176.6%. By 2030, this volume is expected to reach 19,625 units. Wide-body mining trucks, in particular, have become the mainstream model for the large-scale deployment of autonomous mining trucks as the related technologies are relatively mature and can be reused across different scenarios. Their newly deployed volume reached 3,218 units in 2025. As of the end of 2025, autonomous rigid mining trucks remain at the pilot stage. As related technologies advance and the production capacity of large open-pit mines expands, autonomous rigid mining trucks are expected to enter a new stage of development over the long term.

China’s Market Size of Mining Autonomous Driving Transportation Solutions, in terms of Revenue, by Business Model, 2021–2030E



Volume of Newly Deployed Autonomous Mining Trucks¹ in China, 2021–2030E



Sources: Industry publications, Expert interviews, CIC

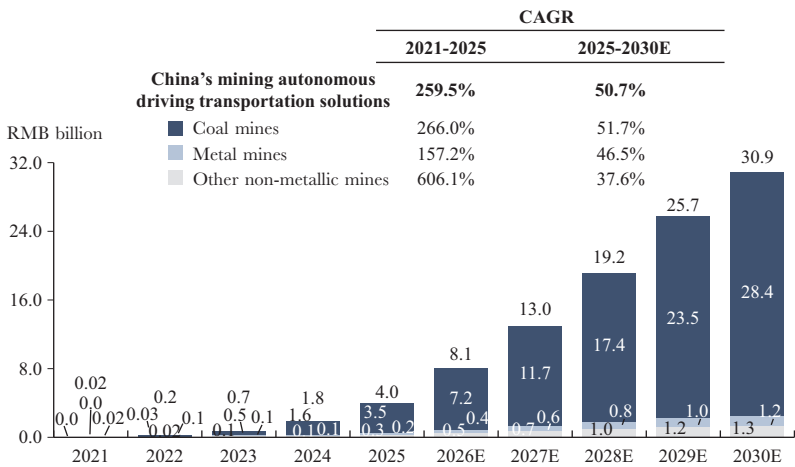
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Notes:

- (1) The volume of newly deployed vehicles refers to the sales volume of autonomous mining trucks and autonomous transportation systems and the volume of autonomous mining trucks deployed into the market through an operational model within the year.

Mining autonomous driving transportation solutions can be applied across coal mines, metal mines, and other non-metallic mines. Penetration rates vary significantly by mineral type. Coal mining, in particular, typically features relatively structured environments and operates at large scale. Combined with the policy focus on the intelligent transformation of the coal sector, coal mines have become the core application scenario with the fastest penetration of mining autonomous driving transportation solutions. The market for autonomous transportation solutions for coal mines in China reached RMB3.5 billion in 2025, representing 89.0% of the total market in China, and is expected to increase to RMB28.4 billion by 2030, at a CAGR of 51.7%.

China’s Market Size of Mining Autonomous Driving Transportation Solutions, in terms of Revenue, by Mineral Types, 2021–2030E



Sources: Industry publications, Expert interviews, CIC

Growth Drivers and Development Trends of Mining Autonomous Driving Transportation Solution Industry in China and Globally

- **Pain points in traditional mining operations are driving demand for large-scale adoption.** High safety risks, persistent efficiency bottlenecks, and structural labor shortages are collectively accelerating the deployment of mining autonomous driving transportation solutions. Under traditional manual operations, challenges such as collision risks, maintenance blind spots, and poor loading-haulage coordination are difficult to manage effectively. The conventional transportation model also suffers from high empty-haul rates and fragmented information flows, while rising labor and fuel costs intensify and cost pressures. In addition, harsh mining conditions and an aging driver workforce make recruitment and retention increasingly difficult, and the dispersed deployment of labor further reduces workforce efficiency. Mining autonomous driving transportation solutions address these core pain points systematically through driverless operation and intelligent collaboration, controlling safety risks at the source, enhancing transportation efficiency, and optimizing workforce structure.
- **Policy incentives and guidance.** Policies and regulations are promoting the rollout of mining autonomous driving transportation solutions through target setting, financial support and standards development.
 - **Promoting the adoption of mining autonomous driving transportation solutions.** At the national level, the “Guiding Opinions on Further Advancing Intelligent Mine Development and Promoting Mine Safety Development” (《關於深入推進礦山智能化建設促進礦山安全發展的指導意見》) jointly issued by the National Mine Safety

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Administration and six other government departments, explicitly sets out that by 2026, the proportion of intelligent production capacity of coal mines nationwide shall be no less than 60%, and the substitution rate of intelligent equipment or robots for hazardous and labor-intensive positions shall be no less than 30% for coal mines and 20% for non-coal mines. At the local level, Xinjiang and Inner Mongolia have introduced dedicated support policies that encourage the application of autonomous mining trucks through measures such as enterprise income tax reductions, subsidies funded through safety production expense allocations and preferential access to central government budgetary investment programs.

- ***Ensuring project quality through tendering and acceptance mechanisms.*** Policies safeguard project quality and regulate the pace of rollout through mandatory requirements and implicit norms embedded in tendering and acceptance mechanisms. For example, Xinjiang has established graded intelligent mine acceptance standards based on mine size, designated autonomous transportation as a mandatory item, and set clear requirements on equipment adaptability and remote control. Inner Mongolia has incorporated autonomous mining trucks into the core acceptance indicators for the intelligent transformation of open-pit coal mines, introduced additional incentives for collaborative operations, and implemented dynamic verification mechanisms. It also uses tendering mechanisms to facilitate the retrofit of existing mining trucks and the coordination of multiple mining operations. Against this backdrop, other regions are actively drawing on these leading practices and formulating targeted policies tailored to local operating conditions.
- ***Mining autonomous driving transportation solutions are moving from pilot projects to scaled deployment.*** The industry has now broadly acquired the key conditions required for scaled commercial rollout. Technological upgrades have enabled safety assurance systems to provide reliable protection, addressing the core safety concerns surrounding large-scale deployment. Advances in perception fusion technologies have effectively overcome the adaptation constraints posed by harsh environments such as extreme cold and heavy dust, thereby breaking through the scenario boundaries of the pilot stage. Efficient operational feedback mechanisms can also rapidly enable adaptation to new vehicle models and deployment across different mineral types, materially improving solution replicability and reducing the difficulty of scaled rollout.
- ***Chinese solution providers are becoming increasingly competitive in the global market.*** As global demand for mine automation continues to grow, the overseas market for mining autonomous driving transportation solutions offers broad growth potential. Chinese mining autonomous driving transportation solution providers are expected to continue expanding into overseas markets and further strengthen their global influence, supported by their flexible cooperation models, fast responsiveness, and strong cost-effectiveness.
- ***Application scenarios for mining autonomous driving transportation solutions continue to expand.*** Advances in autonomous driving technology for mines are driving the extension of autonomous transportation solutions beyond coal mines to metal mines, non-metallic mines, and other mineral categories. In addition, core technologies such as platoon operations, intelligent dispatch, perception fusion, and full-lifecycle vehicle management have already been validated in mine-site scenarios. Their technical maturity provides a solid foundation for the future extension of autonomous transportation solutions from in-mine to off-mine scenarios.
- ***The accelerated penetration of AI is driving solution performance upgrades.*** As autonomous transportation represents an important application scenario for AI, the accelerated adoption of AI technologies such as deep learning and multi-modal data fusion is driving ongoing performance improvement. At the perception and decision-making level, end-to-end models can improve response speed and generalization under complex road conditions. In full lifecycle vehicle management, AI-based analysis of vehicle operating data can provide early warning of equipment failures and health assessments of critical components, thereby reducing accident rates and maintenance costs.

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- *The new-energy transition of autonomous mining trucks is developing along diversified pathways.* Rising requirements for environmental performance and operating costs in mining transportation are driving autonomous mining trucks towards new-energy upgrades and diversified development paths. Battery-electric mining trucks, for example, offer the environmental advantage of zero emissions and, by eliminating complex mechanical structures, can also reduce energy and maintenance costs. Methanol range-extended mining trucks, by contrast, use a range extender to convert methanol into electrical energy for on-demand replenishment, and offer the advantages of long endurance and strong adaptability to extreme cold.

Competitive Landscape of Mining Autonomous Driving Transportation Solution Industry in China

Rankings of Mining Autonomous Driving Transportation Solution Providers in China

In 2025, the market size of mining autonomous driving transportation solution industry in China reached RMB4.0 billion. The industry is still in the early stage of scaled ramp-up. Project delivery, acceptance and revenue recognition are phased in nature, and the pace of revenue realization by providers is typically highly correlated with project progress. Therefore, the competitive landscape has not yet solidified. The Company’s revenue reached RMB526.9 million in 2025, ranking third among all mining autonomous driving transportation solution providers in China, with a market share of 13.3%.

Rankings of Mining Autonomous Driving Transportation Solution Providers in China by Revenue, 2025

Ranking	Providers	Revenue ⁽¹⁾ (RMB million)	Market Share ⁽²⁾ (%)
1	Company A ⁽³⁾	~1,510.0	38.1
2	Company B ⁽⁴⁾	833.6	21.0
3	The Company	526.9	13.3
4	Company C ⁽⁵⁾	~520.0	13.2
5	Company D ⁽⁶⁾	~170.0	4.2
	Total	~3,560.5	89.8

Sources: Public filings of listed companies, Expert interviews, Industry publications, CIC

Notes:

- (1) Refers to the revenue from the sales of mining autonomous driving transportation solutions;
- (2) Market share is calculated by dividing a supplier’s revenue by the market size of mining autonomous driving transportation solution industry in China.
- (3) Company A is a non-listed company founded in 2018 and headquartered in Fujian, China. It is mainly engaged in mining autonomous driving transportation solutions.
- (4) Company B is a company listed on the Hong Kong Stock Exchange founded in 2017 and headquartered in Hunan Province, China. It is mainly engaged in autonomous mining and logistics trucks, V2X technologies and intelligent perception solutions.
- (5) Company C is a non-listed company founded in 2015 and headquartered in Shanghai, China. It is mainly engaged in mining autonomous driving transportation solutions.
- (6) Company D is a non-listed company founded in 2014 and headquartered in Hubei, China. It is mainly engaged in mining autonomous driving transportation solutions.

Comparison of Key Operating Metrics of Major Providers

In addition to its leading revenue performance, as of December 31, 2025, the Company also maintained an industry-leading position across multiple operating metrics that reflect project quality, technological depth and future growth potential, demonstrating strong differentiated competitiveness and development resilience. In terms of projects served by the Company, the cumulative number reached 31, ranking second among all mining autonomous driving transportation solution providers in China. Particularly, 14 projects had passed intelligent acceptance, ranking first among all mining autonomous driving transportation solution providers in China. Its largest single-mine fleet reached 102 vehicles, making it one of the few providers with the capability to deploy fleets of more than 100 vehicles under extreme operating conditions in open-pit mines at a single mine. In terms of the vehicle types covered, the Company is one of the few players in the industry with scaled delivery capabilities for both autonomous rigid mining trucks and wide-body mining trucks. In addition, leveraging its leading

INDUSTRY OVERVIEW

technological capabilities, the Company was an early mover in overseas markets and has successfully secured the overseas project order with the largest contract value and the largest volume of vehicles in the industry.

Providers	Number of Projects Served	Numbers of Projects that Passed Intelligent Acceptance	Largest Single-Mine fleet	Cumulative Volume of Autonomous Rigid Mining Trucks ¹	Overseas Commercial Orders Secured
The Company	31	14	102	114	Yes
Company A	~25–30	~13	~500	²	No
Company B	~25	~10	~100	²	No
Company C	~35	~11	~300	~20	Yes
Company D	~30	~7	~40	~200	No

Sources: Public filings of listed companies, Expert interviews, Industry publications, CIC

Notes:

- (1) Cumulative volume of autonomous rigid mining trucks refers to the cumulative number of autonomous rigid mining trucks retrofitted by the company from its inception to December 31, 2025;
- (2) The company does not engage in business related to autonomous rigid mining trucks and therefore has no corresponding shipment volume.

Entry Barriers and Key Success Factors of Mining Autonomous Driving Transportation Solution Industry in China

- **Full-stack technology R&D capabilities.** The stable and efficient operation of mining autonomous driving transportation depends on the coordinated integration of multiple technologies. Multi-network communications improve communication reliability under the complex and shifting network coverage conditions typical of mining areas, ensuring the continuous and stable operation of autonomous mining trucks. Perception fusion technologies coordinate various sensors — including radars and cameras — to effectively filter out environmental noise in mining areas, achieving robust environmental perception and providing a reliable foundation for decision-making. Large model capabilities are integrated into key processes such as perception and understanding, complex-scenario decision-making, and dispatch optimization. As real-world operational experience continues to accumulate, it drives the continuous iteration and upgrading of algorithms, rules, and system capabilities, creating a self-reinforcing cycle that steadily improves system safety, stability and scaled deployment efficiency.
- **Deep engineering understanding of mining scenarios and scaled deployment capabilities.** Mining production systems have distinctive operating processes and scenario characteristics, and the adaptability and deployment efficiency of autonomous transportation solutions directly affect mining operational efficiency. Leading providers possess a deeper engineering-level understanding of mining production systems, enabling their solutions to precisely match mining operational needs. They also bring efficient and well-established scaled deployment experience, allowing them to bring solutions into operation rapidly and build differentiated competitiveness.
- **Comprehensive product matrices and highly reliable products.** Different mineral categories and operating environments generate significantly different demand profiles, while harsh site conditions impose extremely high requirements on product compatibility and long-term reliability. Leading providers have built comprehensive product matrices spanning multiple energy solutions and vehicle models, enabling them to precisely address differentiated needs. Their products have also undergone rigorous validation — including long-term operation and extreme-condition durability testing — allowing them to deliver stable all-weather, full-process unmanned operations.

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- ***Well-established value chain coordination capabilities.*** The coordination between providers and their upstream industry partners directly affects the delivery speed and competitiveness of mining autonomous driving transportation solutions. Leading providers build mature supply chain systems and establish deep cooperative relationships with OEMs to jointly advance technology R&D and production implementation, thereby ensuring delivery efficiency and forming strong resource-synergy advantages.
- ***Market-validated brand strength and high-quality customer base.*** Mining autonomous driving transportation projects are capital-intensive and involve long-cycle cooperation; as a result, customers are more inclined to select experienced and reputable partners. Leading providers have accumulated a stable base of high-quality customers, enabling them to secure continued support through large orders, enhance brand influence through customer endorsement, build deep customer trust through long-term cooperation, and drive iterative technology optimization.
- ***Strong capital operations and funding reserves.*** As a capital-intensive industry, the mining autonomous driving transportation solution industry involves numerous cost items — including technology development, infrastructure deployment, product testing, operations and maintenance, and commercialization expansion. Leading providers are able to continue investing substantial capital, supported by their strong capital operations and funding reserves, thereby safeguarding technology leadership and project quality.

SOURCE OF INFORMATION

In connection with the [REDACTED], we engaged CIC, an independent market research consultant, to conduct an analysis of, and to prepare a report about mining autonomous driving transportation solution industry in China and globally. The CIC Report has been prepared by CIC independent of the influence of our Group and other interested parties. We have agreed to pay CIC a total fee of RMB580,000 for the preparation and use of the CIC Report, and we believe that such fees are consistent with the market rate. CIC is a consulting firm founded in Hong Kong and provides professional industry consulting services across multiple industries. CIC’s services include industry consultancy services, commercial due diligence and strategic consulting.

CIC conducted both primary and secondary research using a variety of resources. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources. The market projections in the commissioned report are based on the following key assumptions: (i) given enduringly stable political system in China, effective social governance and robust economic foundation, it is anticipated that the overall social, economic and political environments in China will remain stable during the forecast period; (ii) according to the National Bureau of Statistics of China, key economic indicators such as gross domestic product (“GDP”), industrial added value, and urbanization rate have shown an upward trend in China over the past decade. Therefore, we believe that the economic and industry development in China is likely to maintain a steady growth trajectory during the forecast period, accompanied by continuing urbanization; (iii) related key industry drivers such pain points in traditional mining operations are driving the demand for large-scale adoptions, policy incentives and guidance are likely to propel continued growth in mining autonomous driving transportation industry in China and globally throughout the forecast period; and (iv) there will be no extreme force majeure event or unforeseen industry regulation that may significantly or fundamentally affect the relevant market and industry.

Unless otherwise specified, all data and forecasts contained in this section are derived from the consultancy report of CIC. Our Directors confirm that after taking reasonable care, there is no material adverse change in the overall market information since the date of the CIC Report that would materially qualify, contradict or have an impact on such information.

REGULATORY OVERVIEW

Our business has been and will continue to be subject to relevant PRC laws and regulations. PRC government authorities promulgate and enforce relevant PRC laws and regulations, including national and regional laws and regulations. This section sets forth a summary of the key regulatory and legal requirements currently relevant to the Company’s business. Given the ongoing evolution of relevant PRC laws and regulations, it is difficult for us to predict the impact of such changes on our business and the additional compliance costs.

LAWS AND REGULATIONS RELATING TO OVERSEAS LISTING

Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises

On February 17, 2023, with the approval of the State Council, the China Securities Regulatory Commission (the “CSRC”) issued the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises* (《境內企業境外發行證券和上市管理試行辦法》) (the “**Trial Administrative Measures**”) and five supporting guidelines, which took effect on March 31, 2023. The Trial Administrative Measures comprehensively reformed the regulatory system for overseas direct or indirect offerings and listings of securities by domestic PRC enterprises into a filing-based system.

Under the Trial Administrative Measures, (i) a domestic PRC enterprise that directly or indirectly offers securities outside the PRC, or lists its securities for trading overseas, shall file with the CSRC and submit relevant materials; if a domestic enterprise fails to complete the filing procedures or its filing materials contain false records, misleading statements or material omissions, the domestic enterprise may be subject to administrative penalties such as a corrective order, warning, fine, etc., and its controlling shareholders, de facto controllers, directly responsible persons in charge and other directly responsible persons who directed or committed such illegal acts or concealed relevant matters leading to the aforementioned circumstances may also be subject to warnings, fines and other administrative penalties; (ii) the direct overseas listing of shares by a domestic enterprise refers to the issuance of shares and listing overseas by a joint stock company established in the PRC; and (iii) a domestic joint stock company shall file a report with the CSRC within three working days after submitting its overseas listing application. A domestic PRC enterprise that fails to complete the filing in accordance with the Trial Administrative Measures will be ordered by the CSRC to make rectification and given a warning, and be fined not less than RMB1.00 million and not more than RMB10.00 million.

In addition, the overseas offering and listing of a domestic company shall comply with relevant laws, administrative regulations and relevant provisions on PRC foreign investment, state-owned assets management, industry regulation and overseas investment. The overseas offering and listing activities shall not disrupt the domestic market order, harm national interests and public interests, or harm the legitimate rights and interests of domestic investors. A domestic company that intends to offer and list securities on an overseas market shall (i) comply with applicable laws, administrative regulations and relevant state provisions, including the *Company Law of PRC* (《中華人民共和國公司法》) and the *Accounting Law of PRC* (《中華人民共和國會計法》), formulate its articles of association, improve its internal control system, and standardize its corporate governance, financial and accounting practices; (ii) comply with national confidentiality laws and relevant provisions, and take necessary measures to fulfill confidentiality obligations. Disclosure of state secrets and the working secrets of state organs is strictly prohibited. Where the overseas offering and listing of a domestic enterprise involves providing personal information or important data to overseas parties, it shall comply with applicable laws, administrative regulations and relevant state provisions. Furthermore, the Trial Administrative Measures prescribe that an overseas offering and listing shall be prohibited under any of the following circumstances (including): (i) where PRC laws, administrative regulations or relevant state provisions explicitly prohibit listing for financing; (ii) where it is determined by the competent authority of the State Council according to law that the overseas offering and listing may jeopardize national security; (iii) where the domestic enterprise making the overseas offering and listing, or its controlling shareholders or de facto controllers, have been convicted of criminal offenses involving corruption, bribery, embezzlement, misappropriation of property, or undermining the socialist market economic order within the last three

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years; (iv) where the domestic enterprise making the overseas offering and listing is suspected of criminal offenses or material violations of laws and regulations and is under lawful investigation, with no final conclusion reached; or (v) where there is a significant ownership dispute over the equity held by the controlling shareholders or other shareholders controlled by the controlling shareholders or de facto controllers.

Furthermore, after completing its overseas offering and listing, if an issuer experiences any of the following material events, it shall report the details to the CSRC within three working days from the date of occurrence and announcement of such event: (i) change of control; (ii) being subject to investigation, penalties or other measures by overseas securities regulatory authorities or relevant competent authorities; (iii) change of listing status or listing board; (iv) voluntary termination of listing or mandatory termination of listing. Where, after its overseas offering and listing, there is a material change in the issuer’s principal business operations such that it no longer falls within the scope of filing requirements, the issuer shall, within three working days from the date of such change, submit a special report and a legal opinion issued by a domestic PRC law firm to the CSRC, explaining the relevant circumstances.

To strengthen the confidentiality and archive management of overseas offerings and listings by domestic enterprises, the CSRC, the Ministry of Finance of the PRC (the “MOF”), the National Administration of State Secrets Protection and the National Archives Administration revised the relevant provisions. On February 24, 2023, the updated provisions of the *Provisions on Strengthening the Administration of Confidentiality and Archives Management in Connection with Overseas Securities Offerings and Listings* (《關於加強在境外發行證券與上市相關保密和檔案管理工作的規定》) (CSRC Announcement [2009] No. 29) were superseded by the *Provisions on Strengthening the Administration of Confidentiality and Archives Management in Connection with Overseas Securities Offerings and Listings by Domestic Enterprises* (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (CSRC Announcement [2023] No. 44) (the “**Confidentiality Provisions**”). The Confidentiality Provisions now cover domestic joint stock companies directly listed overseas and domestic operating entities of overseas-listed entities through an indirect listing. The Confidentiality Provisions outline procedural requirements, clarify enterprises’ confidentiality obligations and accounting archive management, and align with the Trial Administrative Measures. Under the Confidentiality Provisions, if a domestic enterprise provides or publicly discloses, or causes its overseas listed entity to provide or publicly disclose, to relevant securities companies, securities service institutions, overseas regulatory authorities or other entities or individuals, documents and materials involving state secrets or working secrets of state organs, it shall, according to law, obtain approval from the examining and approving authority and file with the confidentiality administrative department at the same level. Where a domestic enterprise provides accounting archives or copies of accounting archives to entities or individuals such as securities companies, securities service institutions, or overseas regulatory authorities, it shall follow the relevant procedures as required by applicable state provisions.

REGULATIONS RELATING TO THE FULL CIRCULATION OF H SHARES

“Full Circulation” refers to the listing and trading on the Stock Exchange of domestic non-listed shares of domestic H share companies (including unlisted domestic shares held by domestic shareholders prior to the overseas listing, unlisted domestic shares issued domestically after the overseas listing, and non-listed shares held by foreign shareholders). On November 14, 2019, the CSRC issued the *Business Guidance on the Application for “Full Circulation” of Domestic Unlisted Shares of H share Companies* (《H股公司境內未上市股份申請「全流通」業務指引》) (the “**Full Circulation Business Guidance**”), which was amended on August 10, 2023. The Full Circulation Business Guidance permits eligible H share companies and pre-IPO H share companies to submit applications to the CSRC for Full Circulation.

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Under the Full Circulation Business Guidance, subject to compliance with relevant laws and regulations and policy requirements regarding state-owned assets management, foreign investment and industry regulation, shareholders holding domestic unlisted shares may autonomously negotiate to determine the number and proportion of shares to be applied for circulation, and appoint the H share company to file with the CSRC. Domestic joint stock companies that are not yet listed may simultaneously file with the CSRC for Full Circulation when conducting their initial overseas offering and listing. Additionally, under the Trial Administrative Measures, shareholders holding unlisted shares in the PRC who apply to convert their domestic unlisted shares into overseas listed shares for listing and trading on an overseas trading venue shall comply with the relevant provisions of the CSRC and appoint the domestic enterprise to file with the CSRC.

On December 31, 2019, the China Securities Depository and Clearing Corporation Limited and the Shenzhen Stock Exchange jointly issued the *Implementation Rules for the “Full Circulation” of H Shares* (《H股「全流通」業務實施細則》) (the “**Implementation Rules**”). The Implementation Rules apply to matters such as cross-border registration conversion, custody, maintenance of holding records, trading order placement and instruction transmission, clearing, clearing participant management, and nominee holder services involved in the “Full Circulation” of H Shares.

The Shenzhen Branch of China Securities Depository and Clearing Corporation Limited also issued in September 2024 and subsequently amended with effect from June 30, 2025, the *Business Guide for the “Full Circulation” of H Shares of the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited* (《中國證券登記結算有限責任公司深圳分公司H股「全流通」業務指南》) (the “**Business Guide**”), which sets forth provisions regarding corresponding custody, depository, agent services, settlement arrangements, risk management measures and other related matters.

Under the Implementation Rules and the Business Guide for the “Full Circulation” of H Shares, shareholders applying to participate in the “Full Circulation” of H Shares (“**Participating Shareholders**”) must complete cross-border registration conversion for converting the relevant domestic non-listed shares into H Shares prior to trading such shares. That is, CSDC, as the nominee holder, deposits the relevant securities held by the Participating Shareholders in China Securities Depository and Clearing (Hong Kong) Company Limited (“**China Clearing HK**”), and CSDC Hong Kong in turn deposits the relevant securities in its own name with HKSCC and exercises the rights of the securities issuer through HKSCC, while HKSCC Nominees Limited, as the ultimate nominee shareholder, appears on the register of members of the H share listed company. According to the Business Guide for the “Full Circulation” of H Shares, an H share listed company will be authorized by Participating Shareholders to appoint only domestic securities companies (“**Domestic Securities Companies**”) to participate in the conversion of H Share transactions. The specific procedures are as follows:

Participating Shareholders place trading instructions for converting H Shares through a Domestic Securities Company, and the Domestic Securities Company forwards the instructions via Shenzhen Securities Communication Co., Ltd. to a Hong Kong securities company designated by the Domestic Securities Company; and the Hong Kong securities company executes corresponding securities transactions on the Hong Kong market based on the above trading instructions and the rules of the Stock Exchange.

Under the Business Guide for the “Full Circulation” of H Shares, upon completion of the transactions, settlements are carried out separately between the Hong Kong securities company and CSDC Hong Kong, between CSDC Hong Kong and CSDC, between CSDC and the Domestic Securities Company, and between the Domestic Securities Company and the Participating Shareholders.

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REGULATIONS AND INDUSTRY DEVELOPMENT POLICIES RELATING TO THE AUTONOMOUS DRIVING AND INTELLIGENT CONNECTED VEHICLE INDUSTRY

On December 27, 2017, the Ministry of Industry and Information Technology of the PRC, the Ministry of Transport of the PRC (the “MOT”) and the Standardization Administration of China jointly issued the PRC intelligent connected vehicle standard system — the *Guidelines for the Construction of the National Internet of Vehicles Industry Standard System (Intelligent Connected Vehicles)* (MIIT Lianke [2017] No. 332) (《國家車聯網產業標準體系建設指南(智能網聯汽車)》(工信部聯科[2017]332號)), which were amended on July 18, 2023, to systematically plan and deploy the PRC intelligent connected vehicle standard system, establish the Sub-Technical Committee on Intelligent Connected Vehicles under the National Technical Committee for Automotive Standardization, and coordinate the construction of the intelligent connected vehicle standard system. To date, the first phase of the construction of the intelligent connected vehicle standard system has been successfully completed. Furthermore, based on the method of constructing the technical logical structure and product physical structure of intelligent connected vehicles, and considering different functional requirements, product and technology types, and information flow among various subsystems, the construction guidelines define the framework of the intelligent connected vehicle standard system, which is divided into three parts: “basic standards”, “general specification standards”, and “product and technology application standards”. The basics mainly include three types of basic standards for intelligent connected vehicles: terminology and definitions, classification and grading, and symbols and coding. The general specifications propose overall requirements and specifications at the vehicle level, mainly including functional safety and intended functional safety, cybersecurity and data security, human-machine interaction, mapping and positioning, electromagnetic compatibility, and evaluation systems and tools. Product and technology applications mainly cover the functions, performance and testing methods of core technologies and applications for intelligent connected vehicles, such as information perception and fusion, advanced driver assistance, autonomous driving, connectivity functions and applications, and resource management and applications.

On December 25, 2018, the MIIT issued the *Action Plan for the Development of the Internet of Vehicles (Intelligent Connected Vehicles) Industry* (《車聯網(智能網聯汽車)產業發展行動計劃》), which provides for accelerating the joint development and transformation of achievements in perception devices, such as automotive vision systems, laser/millimeter wave radar, multi-domain controllers and inertial navigation, accelerating the development of key components such as intelligent on-board terminals and automotive-grade chips, and promoting the industrial application of new generation artificial intelligence, high-precision positioning and dynamic maps in intelligent connected vehicles.

As one of the basic general standards prioritized for formulation under the standard system construction guidelines, the *Taxonomy of Driving Automation for Vehicles* (《汽車駕駛自動化分級》) was promulgated by the State Administration for Market Regulation and the Standardization Administration of China on August 20, 2021, and became effective on March 1, 2022. Drawing reference to the corresponding standards of the Society of Automotive Engineers (SAE), it stipulates that autonomous driving standards can be classified as: Level 0 (emergency assistance), Level 1 (partial driving assistance), Level 2 (combined driving assistance), Level 3 (conditional autonomous driving), Level 4 (highly autonomous driving) and Level 5 (fully autonomous driving). Specifically, Level 0 requires that the driving automation system have the ability to continuously detect and respond to some objects and events, and that control of the system be immediately relinquished when the driver requests to deactivate the driving automation system. Level 1 requires that the driving automation system continuously controls either lateral or longitudinal vehicle movement on the basis of Level 0 within the dynamic driving task, and that the driving automation system have the ability to detect and respond to some objects and events corresponding to such lateral or longitudinal vehicle movement control. Level 2 further requires that the driving automation system satisfy the ability to correspond to both lateral and longitudinal vehicle movement control. Level 3 primarily requires that, once activated, the driving automation system be capable of performing the entire dynamic driving task within its operational

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design conditions. Level 4 primarily requires that the driving automation system automatically execute minimal risk strategies when relevant events occur and the user does not respond to an intervention request. Furthermore, Level 5 requires that the driving automation system have no design operating range limitations (other than commercial and regulatory restrictions) and be capable of fully autonomous driving.

On February 25, 2025, the MIIT and the State Administration for Market Regulation issued the *Notice on Further Strengthening the Administration of Market Access, Recalls and Over-the-Air Upgrades for Intelligent Connected Vehicle Products* (《關於進一步加強智能網聯汽車產品准入、召回及軟件在綫升級管理的通知》), stipulating that the above-mentioned authorities will impose stricter market access and recall requirements for combined driving assistance systems, strengthen coordinated supervision of automotive software over-the-air (OTA) updates, and require enterprises producing intelligent connected vehicles equipped with such systems to submit compliance applications to the MIIT, with the operational effectiveness limited to the specified regulatory framework.

REGULATIONS RELATING TO ROAD TESTING OF INTELLIGENT CONNECTED VEHICLES

On July 27, 2021, the MIIT, the Ministry of Public Security of the PRC (the “MPS”) and the MOT jointly issued the *Provisions on the Administration of Road Testing and Demonstration Application of Intelligent Connected Vehicles (Trial)* (《智能網聯汽車道路測試與示範應用管理規範(試行)》), effective from September 1, 2021. An entity intending to conduct road testing of autonomous vehicles shall, based on the certificates required by the *Provisions on the Registration of Motor Vehicles* (《機動車登記規定》) (including materials such as the self-declaration of the road testing entity’s intelligent connected vehicle road test safety confirmed by the relevant competent authority) and other credentials, apply to the traffic management authority of the public security organ for a temporary license plate for the test motor vehicle. To obtain the above certificates and temporary license plates, the *Provisions on the Administration of Road Testing and Demonstration Application of Intelligent Connected Vehicles (Trial)* (《智能網聯汽車道路測試與示範應用管理規範(試行)》) prescribe relevant conditions for road testing entities, road testing vehicles and road testing drivers.

If a road testing entity intends to conduct road testing of the same or similar functions outside the administrative region of the issuing authority, it may resubmit the original relevant materials to the relevant competent authority of the provincial or municipal government where the road testing will be conducted, and apply separately for a license plate. If the relevant provincial or municipal government permits road testing using temporary license plates issued by other provinces or municipalities within its administrative region, the corresponding tests may be conducted after the testing entity submits the relevant materials.

On July 30, 2021, the MIIT issued the *Opinions of the Ministry of Industry and Information Technology on Strengthening the Administration of Market Access for Intelligent Connected Vehicle Manufacturers and Products* (《工業和信息化部關於加強智能網聯汽車生產企業及產品准入管理的意見》), requiring enterprises to strengthen data security management capabilities and cybersecurity protection capabilities, and to enhance enterprise management capabilities to ensure product manufacturing consistency. In addition, enterprises should strengthen product management: (i) enterprises shall strictly fulfill their notification obligations. If an enterprise produces automotive products with driving assistance and autonomous driving functions, it shall clearly inform the vehicle functions and performance limitations, driver responsibilities, instructions indicated by human-machine interaction devices, and the methods and conditions for function activation and deactivation; (ii) enterprises shall strengthen the safety management of products with combined driving assistance functions; (iii) enterprises shall strengthen the safety management of products with autonomous driving functions; (iv) enterprises shall ensure reliable spatio-temporal information services.

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REGULATIONS AND POLICIES RELATING TO PROMOTING THE SAFE DEVELOPMENT AND THE INTELLIGENT CONSTRUCTION OF MINES

For the purpose of ensuring safety in mine production, preventing accidents, protecting the personal safety of mine workers, and promoting the development of the mining industry, the Mine Safety Law of the People’s Republic of China (《中華人民共和國礦山安全法》) (the “**PRC Mine Safety Law**”) was promulgated by the SCNPC in November 1992 and amended on August 27, 2009. The PRC Mine Safety Law stipulates that mining enterprises must possess facilities that ensure production safety, establish and improve safety management systems, take effective measures to improve working conditions for staff and workers, and strengthen safety control in mines. Furthermore, China encourages research on mine safety science and technology, promotes advanced technologies, improves safety facilities, and raises the overall level of work safety in mines.

On August 12, 2022, the Ministry of Science and Technology issued the Notice on Supporting the Construction of Demonstration and Application Scenarios for New-Generation Artificial Intelligence, which aims to meet the demand for high-quality and safe development of domestic mines. Centering on underground and open-pit mines, the notice promotes the adoption of independent and controllable new-generation information technologies, including artificial intelligence, 5G communication, and foundational software. The policy supports building routinely operated intelligent mining working faces featuring digital networking, unmanned operation, intelligent patrol, and remote intervention for underground mines. It also advances pilot applications such as driverless mine vehicles and coordinated autonomous operations of loading and transporting equipment in open-pit mines, so as to reduce reliance on on-site manpower through intelligent transformation and comprehensively enhance the intrinsic safety level of the domestic mining industry.

On August 9, 2023, in order to strengthen the top-level design of intelligent mine construction, the National Mine Safety Administration formulated the Intelligent Mine Standardization Framework (《礦山智能化標準體系框架》). The framework covers the entire life cycle and all business areas of both coal and non-coal mines, and defines specific R&D priorities for intelligent mine components.

On April 24, 2024, to further advance the intelligent construction and safe development of mines, the National Mine Safety Administration, the Ministry of Emergency Management, the National Development and Reform Commission, the MIIT, the Ministry of Science and Technology, the Ministry of Finance, and the Ministry of Education jointly issued the Notice on Issuing the Guiding Opinions on Further Advancing the Intelligent Construction of Mines and Promoting the Safe Development of Mines (《國家礦山安監局、應急管理部、國家發展改革委、工業和信息化部、科技部、財政部、教育部關於印發〈關於深入推進礦山智能化建設促進礦山安全發展的指導意見的通知〉》). The notice states that by 2030, a comprehensive intelligent mining technology, equipment, and management system will be established to realize the deep integration and shared application of mining data. Low-staffed and unmanned mining operations will be promoted, major safety risks will be effectively prevented and controlled, and the essential safety level of mines will be significantly improved.

According to the Guiding Opinions, key technologies shall be tackled, such as transparent geology, accurate underground positioning and navigation, ore and rock identification, precise attitude control of mining equipment, intelligent penetration and blasting, unmanned shovel loading, unmanned driving under complex conditions, collaborative control of intelligent equipment clusters, accurate disaster perception and early warning, and industrial software. The integration and application of new technologies — including 5G, the industrial Internet, big data, cloud computing, artificial intelligence, and digital twins — with traditional mining shall be promoted. The research, development, and application of core components, sensors, key control units, and operating systems for intelligent mine equipment shall be accelerated, alongside the iterative updating of mining robots. High-end mining sensors and specialized instruments, such as distributed optical monitoring, high-precision microseismic monitoring, and three-dimensional laser scanning, shall be developed. Furthermore, the R&D and application of core equipment shall be strengthened, including intelligent quick-digging outfits, hard

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rock cutting and digging equipment, intelligent drilling equipment, fully-mechanized coal mining outfits with 10-million-ton intelligent faces, intelligent mining equipment for thin and ultra-thin coal seams, intelligent shovel loading and transportation equipment, intelligent tailings filling equipment, unmanned intelligent drilling and blasting equipment, large-scale intelligent mining and stripping equipment for open-pit mines, heavy-duty operation robots, and new unmanned mining vehicles.

On May 21, 2024, the National Energy Administration promulgated the Notice on Further Accelerating Intelligent Coal Mine Construction to Promote High-Quality Development of the Coal Industry (《國家能源局關於進一步加快煤礦智能化建設促進煤炭高質量發展的通知》). To implement the decisions of the CPC Central Committee and the State Council on developing new quality productive forces and integrating digital intelligence technologies into the coal industry, the notice outlines measures to accelerate intelligent coal mine construction and promote high-quality development. For open-pit coal mines, the notice emphasizes enhancing intelligent multi-process coordination capabilities, focuses on advancing autonomous excavation and loading, unmanned driving of mining trucks, and robotic collaboration in loading-transportation-dumping workflows, and encourages the implementation of truck platooning for unmanned haulage.

LAWS AND REGULATIONS RELATING TO FOREIGN INVESTMENT

The *Foreign Investment Law of the PRC* (《中華人民共和國外商投資法》) (the “**Foreign Investment Law**”), promulgated on March 15, 2019, and effective from January 1, 2020, and the *Implementing Regulations for the Foreign Investment Law of the PRC* (《中華人民共和國外商投資法實施條例》) promulgated in December 2019, have become effective and constitute the primary legislation and regulations governing foreign investment in China, superseding the three previous laws regulating foreign investment in China, namely the *Law of the PRC on Sino-Foreign Equity Joint Ventures* (《中華人民共和國中外合資經營企業法》), the *Law of the PRC on Sino-Foreign Contractual Joint Ventures* (《中華人民共和國中外合作經營企業法》) and the *Law of the PRC on Wholly Foreign-owned Enterprises* (《中華人民共和國外資企業法》), together with their implementing rules and subsidiary provisions.

Under the Foreign Investment Law, “foreign investment” refers to investment activities conducted by foreign natural persons, enterprises or other organizations directly or indirectly within the PRC, including the following circumstances: (i) a foreign investor establishes a foreign-invested enterprise within the PRC, either alone or together with other investors; (ii) a foreign investor acquires shares, equity, property shares or other similar rights and interests in a domestic PRC enterprise; (iii) a foreign investor invests in a new construction project within the PRC, either alone or together with other investors; and (iv) a foreign investor invests through other methods as prescribed by laws, administrative regulations or the State Council.

Under the Foreign Investment Law, China implements a reform of its foreign investment management system, adopting a pre-establishment national treatment plus negative list management system. The negative list will be released, amended or announced by the State Council as approved from time to time. For fields where investment is prohibited under the negative list, foreign investors must not invest; for fields where investment is restricted under the negative list, foreign investors must comply with the restrictive access special management measures specified in the negative list. Fields other than those listed as prohibited or restricted for investment under the negative list are managed under the principle of consistent treatment for domestic and foreign investment. Foreign-invested enterprises established before the implementation of the Foreign Investment Law may maintain their original enterprise form for a period of five years from January 1, 2020. The issuer focuses on autonomous mining truck technologies, product R&D, overall engineering design and implementation of autonomous mines, and based on a full-stack technology chain covering perception, planning & control, coordination, cloud control, and big-data full lifecycle operation and maintenance, has built the “KuangGu” unmanned transportation one-stop solution comprising three parts: on-board system, ground

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system, and cloud control platform. Therefore, the actual business scope of the issuer and its domestic PRC enterprises does not involve fields prohibited or restricted for foreign investment under the negative list, which does not affect this offering and listing.

On December 30, 2019, the Ministry of Commerce of the PRC and the State Administration for Market Regulation (the “SAMR”) jointly issued the *Measures for Reporting Foreign Investment Information* (《外商投資信息報告辦法》), effective from January 1, 2020. Under the *Measures for Reporting Foreign Investment Information*, where a foreign investor conducts investment activities directly or indirectly within the PRC, the foreign investor or the foreign-invested enterprise shall report investment information to the competent commerce authority.

On December 19, 2020, the NDRC and the MOFCOM promulgated the *Provisions on Security Review for Foreign Investment* (《外商投資安全審查辦法》), effective from January 18, 2021. The state establishes a mechanism for the security review of foreign investment, responsible for organizing, coordinating and guiding the security review of foreign investment. The office of the working mechanism is established at the NDRC, with the NDRC and MOFCOM leading and undertaking the daily work of the security review of foreign investment. The *Provisions on Security Review for Foreign Investment* define foreign investment as direct or indirect investment in China by foreign investors, including (i) investing in new construction projects or establishing enterprises within China, either alone or together with other investors; (ii) obtaining equity or assets of domestic enterprises through mergers and acquisitions; and (iii) investing within China through other methods. Investments that relate to national security in major areas such as major equipment manufacturing, important information technologies and internet products and services, key technologies, and other important areas, and result in obtaining de facto control of the invested enterprise, must be reported to the office of the working mechanism before implementing such investment.

LAWS AND REGULATIONS RELATING TO IMPORT AND EXPORT ADMINISTRATION

Foreign Trade

Under the *Foreign Trade Law of the PRC* (《中華人民共和國對外貿易法》) (the “**Foreign Trade Law**”), promulgated by the Standing Committee of the National People’s Congress (the “SCNPC”) on May 12, 1994, and most recently amended on December 27, 2025, effective from March 1, 2026, operators are not required to complete registration for foreign trade operators. The PRC government permits the free import and export of goods and technologies, except where otherwise provided by laws and administrative regulations.

Customs Law

Under the *Customs Law of the PRC* (《中華人民共和國海關法》), promulgated by the SCNPC on January 22, 1987, most recently amended and effective from April 29, 2021, the customs authority of the PRC is the state supervisory and administrative body overseeing entry and exit across the border. The customs authority supervises and administers means of transport, goods, baggage articles, postal items and other articles entering or exiting the territory, collects customs duties and other taxes and fees, combats smuggling, and compiles customs statistics and handles other customs matters in accordance with relevant laws and administrative regulations.

Under the *Provisions on the Administration of Customs Declaration Entity Filing of the PRC* (《中華人民共和國海關報關單位備案管理規定》), promulgated by the General Administration of Customs (GAC) on November 19, 2021, effective from January 1, 2022, a customs declaration entity refers to an importer, exporter or customs broker that has filed with the customs authority. An importer, exporter or customs broker applying for filing must obtain market entity qualification.

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LAWS AND REGULATIONS RELATING TO PRODUCT QUALITY AND TORT LIABILITY

Product Quality

Under the *Product Quality Law of the PRC* (《中華人民共和國產品質量法》) (promulgated by the SCNPC on February 22, 1993, and amended and effective on July 8, 2000, August 27, 2009, and December 29, 2018), the state product quality supervision and administration authority under the State Council is responsible for nationwide product quality supervision. Producers and sellers shall establish internal product quality management systems and strictly implement position-specific quality standards. Relevant authorities under the State Council are responsible for product quality supervision within their respective scopes of duties. Local market supervision and administration authorities at the county level and above are responsible for product quality supervision within their respective administrative regions. Relevant authorities under local people’s governments at the county level and above are responsible for product quality supervision within their respective scopes of duties.

Tort Liability

Under the *Civil Code of the PRC* (《中華人民共和國民法典》) (the “**Civil Code**”), promulgated by the National People’s Congress on May 28, 2020, effective from January 1, 2021, if a defect is discovered in a product after it has been put into circulation, the producer or seller shall promptly take remedial measures such as ceasing sales, issuing warnings, and conducting recalls. If the defect in the product causes harm, or if the producer or seller fails to take timely remedial measures, the injured party may seek compensation from the producer of the product or from the seller of the product. If the defect in the product is caused by the seller’s fault, the producer is entitled to seek reimbursement from the seller after paying compensation. Anyone who knowingly produces or sells a defective product, or fails to take timely remedial measures, causing death or serious health injury to another person, shall, in addition to being liable for compensation for losses, be subject to punitive damages as requested by the injured party.

LAWS AND REGULATIONS RELATING TO CYBERSECURITY, PERSONAL INFORMATION PROTECTION AND DATA SECURITY

Regulations Relating To Cybersecurity

The PRC government has enacted laws and regulations concerning internet information security and the protection of personal information from misuse or unauthorized disclosure. From the perspective of national security, the *Decision on Maintaining Internet Security* (《關於維護互聯網安全的決定》) formulated by the SCNPC on December 28, 2000, and amended on August 27, 2009, stipulates that anyone committing any of the following acts, if constituting a crime, shall be subject to criminal liability: (i) intruding into computer information systems of state affairs, national defense construction, or advanced science and technologies; (ii) using the internet to spread rumors, defame, or disseminate other harmful information, inciting subversion of state power or the overthrow of the socialist system, or inciting secession or undermining national unity; (iii) stealing or disclosing state secrets, intelligence or military secrets via the internet; (iv) using the internet to make false representations about goods or services; or (v) using the internet to infringe upon the intellectual property rights of others. The Ministry of Public Security of the PRC (the “**MPS**”) promulgated the *Regulations on Security Protection Administration of International Networking of Computer Information Networks* (《計算機信息網絡國際聯網安全保護管理辦法》) on December 16, 1997, which was amended by the State Council on January 8, 2011. These regulations prohibit, among other things, using the internet in ways that cause the disclosure of state secrets or the dissemination of content that undermines social stability. If an internet information service provider violates these regulations, the competent authority may revoke its operating permit and shut down its website.

On November 7, 2016, the SCNPC promulgated the *Cybersecurity Law of the PRC* (《中華人民共和國網絡安全法》) (the “**Cybersecurity Law**”), which was amended on October 28, 2025, and took effect on January 1, 2026. The Cybersecurity Law requires network operators, including internet

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information service providers, to take technical measures and other necessary measures in accordance with applicable laws and regulations and mandatory requirements of national standards to ensure the security and stability of network operation, effectively respond to cybersecurity incidents, prevent cybercrime and illegal activities, and maintain the integrity, confidentiality and availability of network data. The Cybersecurity Law emphasizes that no individual or organization may endanger cybersecurity or use the network to engage in illegal activities that harm national security, economic order and social order, or infringe upon the reputation, privacy, intellectual property and other legitimate rights and interests of others. The Cybersecurity Law also reiterates certain basic principles and requirements for the protection of personal information previously stipulated in other existing laws and regulations, including those mentioned above. In the event of violation of any provision or requirement of the Cybersecurity Law, internet service providers may be subject to warnings, confiscation of illegal gains, fines, revocation of business permits or licenses, closure of websites, and even criminal liability.

On December 28, 2021, the Cyberspace Administration of China (the “CAC”) issued the revised *Cybersecurity Review Measures* (《網絡安全審查辦法》) (the “**Revised CAC Measures**”), effective from February 15, 2022, replacing the *Cybersecurity Review Measures* (《網絡安全審查辦法》) promulgated on April 13, 2020. The Revised CAC Measures stipulate that cybersecurity review is required when an operator of critical information infrastructure purchases network products and services, or when a network platform operator engages in data processing activities that affect or may affect national security. According to Article 7 of the Revised CAC Measures, a network platform operator that possesses personal information of more than 1.00 million users and seeks to list abroad must apply to the Cybersecurity Review Office for a cybersecurity review.

Pursuant to the Revised CAC Measures, the application for cybersecurity review is not applicable to us, based on the following grounds: (i) According to Article 10 of the *Regulations on the Security Protection of Critical Information Infrastructure* (《關鍵信息基礎設施安全保護條例》), the critical information infrastructure security protection authority shall promptly notify the operator of the identification result. As of the Latest Practicable Date, we have not received any notice from the relevant government authorities regarding being designated as critical information infrastructure. Moreover, the network products and services we purchase and use are general network products and services available in the market, without any material risk of supply chain interruption. Therefore, we should not be considered an operator of critical information infrastructure. (ii) We have not received any material inquiry or notice from the CAC or other PRC government authorities, nor have we received any notification concerning cybersecurity review, nor have we been subject to any material administrative penalty or other sanction from any competent regulatory authority concerning cybersecurity, data and personal information protection. (iii) Our business does not involve cross-border transfer of personal information and important data. (iv) We have established a basic cybersecurity and data protection system in accordance with the *Data Security Law of the PRC* (《中華人民共和國數據安全法》) and other applicable laws and regulations. (v) During the Track Record Period and up to the Latest Practicable Date, there have been no material cybersecurity or data protection incidents involving the theft, leakage, destruction or loss of data or personal information. (vi) According to our consultation with the China Cybersecurity Review Certification and Market Regulation Big Data Center (the agency entrusted by the Cybersecurity Review Office to carry out the specific work of cybersecurity review), Hong Kong is not included in the meaning of “abroad” in this context, and listing in Hong Kong does not fall within the scope of “listing abroad”, so there is no need to apply for cybersecurity review. (vii) The amount of personal information we process is very limited and has not reached the threshold of 1.00 million.

Regulations Relating to Personal Information Protection and Data Security

The SCNPC promulgated the *Personal Information Protection Law of the PRC* (《中華人民共和國個人信息保護法》) (the “**Personal Information Protection Law**”) on August 20, 2021, effective from November 1, 2021. The Personal Information Protection Law stipulates, among other things, the circumstances under which personal information handlers may process personal information, such as: (i)

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obtaining the individual’s consent; (ii) necessary for the conclusion and performance of a contract to which the individual is a party, or for the implementation of human resources management in accordance with legally formulated labor rules and regulations or legally concluded collective contracts; (iii) necessary for the performance of statutory duties or obligations; (iv) necessary for responding to public health emergencies or protecting the life, health and property safety of natural persons in emergency situations; (v) processing public information within a reasonable scope as provided in the law; (vi) processing personal information within a reasonable scope for news reporting, public opinion supervision and other activities in the public interest; or (vii) other circumstances provided by laws or administrative regulations.

The SCNPC promulgated the *Data Security Law of the PRC* (《中華人民共和國數據安全法》) (the “**Data Security Law**”) on June 10, 2021, effective from September 1, 2021, establishing a system for classified and graded data protection based on the importance of data in economic and social development, and the degree of harm to national security, public interests, or the legitimate rights and interests of individuals or organizations if data is tampered with, destroyed, leaked, or illegally obtained or used. “Important data” designated by competent government authorities shall be subject to enhanced protection, and the state shall implement export controls on data that are controlled items relating to the maintenance of national security and interests and the performance of international obligations. In addition, the Data Security Law stipulates that handlers of important data shall have a designated data security officer and management body to fulfill data security protection responsibilities, and such handlers shall conduct regular risk assessments of their data processing activities and submit assessment reports to the relevant competent authorities. Violation of the Data Security Law may subject the relevant entity or individual to corrective orders, warnings, fines, suspension of business, revocation of relevant business permits or licenses, and even criminal liability.

Furthermore, the Cybersecurity Law stipulates that: (i) network operators collecting and using personal information shall follow the principles of legality, legitimacy and necessity, publicly disclose their collection and use rules, clearly state the purposes, methods and scope of collection and use of information, and obtain the consent of the individuals being collected; (ii) network operators shall not collect personal information unrelated to the services they provide, shall not collect or use personal information in violation of laws, administrative regulations and the agreements of the parties, and shall process the personal information they retain in accordance with laws, administrative regulations and agreements with users; (iii) network operators shall not disclose, tamper with or destroy the personal information they collect, and shall not provide personal information to others without the consent of the individuals being collected, except where processed in a way that cannot identify a specific individual and cannot be restored. In addition, under the Cybersecurity Law, personal information and important data collected and generated by operators of critical information infrastructure within the PRC shall be stored within the PRC.

On September 24, 2024, the State Council promulgated the *Regulations on the Administration of Network Data Security* (《網絡數據安全管理條例》) (the “**Network Data Security Regulations**”), effective from January 1, 2025. The Network Data Security Regulations unify at the level of administrative regulations the existing legislation on cybersecurity and data protection, covering a broad range of areas including but not limited to personal information processing, important data security, provisions on cybersecurity products and services, incident reporting obligations, cross-border data transfer, and the responsibilities of internet platform providers. The Network Data Security Regulations define important data as data that, if tampered with, destroyed, leaked, or illegally obtained or used, may directly endanger national security, economic operation, social stability, public health and safety, in specific fields, specific groups, specific regions, or reaching a certain degree of precision and scale. Handlers of important data shall conduct a risk assessment before providing, entrusting the processing of, or jointly processing important data, except where such actions are necessary for the performance of

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statutory duties or obligations. The Network Data Security Regulations also stipulate that where network data handlers engage in network data processing activities that affect or may affect national security, they shall undergo a national security review in accordance with relevant state provisions.

On August 16, 2021, the CAC, the MIIT and other government authorities promulgated the *Several Provisions on the Administration of Automotive Data Security (Trial)* (《汽車數據安全管理若干規定(試行)》) (the “**Automotive Data Security Provisions**”), effective from October 1, 2021. Under the Automotive Data Security Provisions, automotive data includes personal information data and important data involved in the process of automotive design, production, sales, use, operation and maintenance. “Important data” means data that, if tampered with, destroyed, leaked, or illegally obtained or used, may endanger national security, public interests, or the legitimate rights and interests of individuals or organizations. Automotive data handlers, defined as organizations that engage in automotive data processing activities, including automobile manufacturers, parts and software suppliers, distributors, maintenance service providers, and mobility service enterprises, must conduct automotive data processing activities, including collecting, storing, using, processing, transmitting, providing, and publicly disclosing automotive data, in accordance with the *Automotive Data Security Provisions*. Automotive data handlers shall conduct risk assessments of their important data processing activities and report to the relevant government authorities. Important data shall be lawfully stored within the PRC, and if an automotive data handler truly needs to provide such data outside the PRC due to business requirements, it shall pass a security assessment organized by the CAC in conjunction with relevant State Council authorities, and shall not provide data beyond the purposes, methods, scope, data types and scale specified in the security assessment for outbound transfer.

Additionally, the CAC promulgated the *Measures for the Security Assessment of Outbound Data Transfer* (《數據出境安全評估辦法》) on July 7, 2022, effective from September 1, 2022. These Measures provide that any data handler that transfers data to overseas parties shall apply to the national cyberspace authority via the provincial-level cyberspace authority for a security assessment of outbound data transfer under any of the following circumstances: (i) the data handler provides important data to overseas parties; (ii) an operator of critical information infrastructure or a data handler that processes the personal information of more than 1.00 million individuals provides personal information to overseas parties; (iii) a data handler that has cumulatively provided personal information of 100,000 individuals or sensitive personal information of 10,000 individuals since January 1 of the preceding year provides personal information to overseas parties; and (iv) other circumstances requiring the declaration of a security assessment for outbound data transfer as stipulated by the CAC. On March 22, 2024, the CAC issued the *Provisions on Promoting and Regulating Cross-border Data Flows* (《促進和規範數據跨境流動規定》), which took effect on March 22, 2024. According to the provisions, data processors providing data outbound shall apply for outbound data transfer security assessment with CAC in any of the following circumstances: (i) where a critical information infrastructure operator provides personal information or important data abroad; (ii) where any data processor other than a critical information infrastructure operator provides important data abroad or, as of January 1 of the current year, provides personal information (excluding sensitive personal information) of not less than 1 million people or sensitive personal information of not less than 10,000 people in aggregate to overseas parties. In case of any discrepancy between these provisions and the relevant provisions such as the *Measures for the Security Assessment of Outbound Data Transfer*, *Provisions on Promoting and Regulating Cross-border Data Flows* shall prevail. As of the Latest Practicable Date, our business does not involve cross-border transfer of personal information and important data. Therefore, the Measures for the *Security Assessment of Outbound Data Transfer* and *Provisions on Promoting and Regulating Cross-border Data Flows* are not applicable to our company. If it becomes necessary to transfer personal information or important data overseas due to business needs in the future, we will fulfill our obligations regarding cross-border transfer procedures in advance.

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The cloud platform serves as a data processing center for customers to process various types of data, including basic vehicle information, and location and trajectory data. The cloud platform is partially deployed on customers’ own servers. We process data solely for the purposes of operation, maintenance and point cloud data annotation, and all customer data processing activities are conducted within the scope of customer authorization. We do not process or store any customer data without customer authorization. At present, any data processed by us under customer authorization does not involve any important data or personal information. If we process personal data or any important data in China during future overseas expansion, we will comply with PRC cybersecurity and data protection laws to the extent applicable.

As of the Latest Practicable Date, we have not been subject to any material administrative penalties, mandatory rectification or other sanctions from any competent regulatory authority regarding cybersecurity and data protection, nor have there been any material cybersecurity or data protection incidents related to data leaks or violations of data protection laws and regulations, or any investigations or other legal proceedings against us in this regard. Based on the foregoing facts, and as confirmed by our PRC legal counsel regarding the Data Security Law, our Directors believe that, as of the Latest Practicable Date, we complied in all material respects with the Cybersecurity Law, the Data Security Law and the Personal Information Protection Law.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademarks

Under the *Trademark Law of the PRC* (《中華人民共和國商標法》) (promulgated by the SCNPC on August 23, 1982, amended on February 22, 1993, October 27, 2001, August 30, 2013, and April 23, 2019, with implementation on November 1, 2019) and the *Implementing Regulations of the Trademark Law of the PRC* (《中華人民共和國商標法實施條例》) (promulgated by the State Council on August 3, 2002, amended on April 29, 2014, effective from May 1, 2014), the Trademark Office of the State Administration for Industry and Commerce is responsible for the registration and administration of trademarks nationwide. The validity period of a registered trademark is ten years from the date of approval of registration. If continued use is necessary after the expiration of the validity period of a registered trademark, the trademark registrant shall undergo renewal procedures within the twelve months before the expiration; if the registrant fails to do so within this period, a grace period of six months may be granted. Each renewal registration has a validity period of ten years. A trademark registration applicant who, within six months from the date of first filing a trademark registration application for the same goods with the same trademark in a foreign country, files a trademark registration application in China may claim priority in accordance with the agreement signed between the foreign country and China, or the international treaty to which both parties are party, or the principle of mutual recognition of priority rights. If a trademark has been used for the first time on goods displayed at an international exhibition sponsored or recognized by the Chinese government, the trademark registration applicant may claim priority within six months from the date of display of such goods. A trademark registrant may license others to use its registered trademark by entering into a trademark license contract. The licensor shall supervise the quality of the goods of the licensee using its registered trademark, and the licensee shall guarantee the quality of the goods on which the registered trademark is used. Where a license to use another’s registered trademark is granted, the name of the licensee and the place of origin of the goods must be indicated on the goods on which the registered trademark is used. Where a trademark registrant licenses others to use its registered trademark, the licensor shall record the trademark license with the Trademark Office, which shall publish the license. A trademark license that has not been recorded shall not be asserted against a bona fide third party.

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Patents

Under the *Patent Law of the PRC* (《中華人民共和國專利法》) (promulgated by the SCNPC on March 12, 1984, amended on September 4, 1992, August 25, 2000, December 27, 2008, and October 17, 2020, effective from June 1, 2021) and the *Implementing Regulations of the Patent Law of the PRC* (《中華人民共和國專利法實施細則》) (promulgated by the State Council on June 15, 2001, amended on December 28, 2002, January 9, 2010, and December 11, 2023, effective from January 20, 2024), the patent administrative authority of the State Council is responsible for administering patent work nationwide, uniformly receiving and examining patent applications, and granting patent rights in accordance with the law. The *Patent Law of the PRC* and its implementing regulations provide for three types of patents: “inventions”, “utility models” and “designs”. Inventions and utility models for which patent rights are granted shall possess novelty, inventiveness and practical applicability. Designs for which patent rights are granted shall not be existing designs, and no entity or individual shall have filed with the patent administrative authority of the State Council an application for the same design before the filing date and recorded in patent documents published after the filing date. The term of an invention patent right is twenty years, the term of a utility model patent right is ten years, and the term of a design patent right is fifteen years, all calculated from the filing date.

Copyright and Software Registration

Under the *Copyright Law of the PRC* (《中華人民共和國著作權法》) (promulgated by the SCNPC on September 7, 1990, amended on October 27, 2001, February 26, 2010, and November 11, 2020, effective from June 1, 2021), Chinese citizens, legal entities or unincorporated organizations enjoy copyright in their works under this law, whether or not such works are published. The term “works” includes written works; oral works; musical, dramatic, folk art and acrobatic art works; fine art and architectural works; photographic works; audiovisual works; graphic works such as engineering design drawings, product design drawings, maps, schematic diagrams, and model works; computer software; and other intellectual achievements that meet the characteristics of works.

The *Implementing Regulations of the Copyright Law of the PRC* (《中華人民共和國著作權法實施條例》), promulgated by the State Council on August 2, 2002, implemented on September 15, 2002, and most recently amended on January 30, 2013, provide that copyright owners enjoy various moral and property rights, including the rights of publication, attribution, reproduction, and dissemination via information networks.

The *Regulations on the Protection of Computer Software* (《計算機軟件保護條例》), promulgated by the State Council on June 4, 1991, and amended in 2001, 2011 and 2013, aim to protect the rights and interests of computer software copyright owners, regulate the interests arising from the development, dissemination and use of computer software, encourage the development and application of computer software, and promote the development of the software industry and the informatization of the national economy. Under the *Regulations on the Protection of Computer Software*, Chinese citizens, legal entities or unincorporated organizations enjoy copyright in the software they develop, whether or not it is published. Software copyright owners may register with a software registration institution recognized by the copyright administrative authority of the State Council. The registration certificate issued by the software registration institution is a preliminary proof of the registration matters.

The Measures for the *Registration of Computer Software Copyright* (《計算機軟件著作權登記辦法》), promulgated by the National Copyright Administration on February 20, 2002, are subsumed and amended by the *Regulations on the Protection of Computer Software* (《計算機軟件保護條例》) as revised by the State Council on January 30, 2013, effective from March 1, 2013. The National Copyright Administration is responsible for the administration of software copyright registration nationwide and designates the China Copyright Protection Center as the software registration institution.

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Domain Names

Under the *Measures for the Administration of Internet Domain Names* (《互聯網域名管理辦法》), promulgated by the MIIT on August 24, 2017, effective from November 1, 2017, the MIIT is responsible for the supervision and administration of domain name services nationwide. Domain name registration is handled by domain name service institutions established in accordance with relevant regulations. Upon successful registration, the applicant becomes the domain name holder.

Trade Secrets

Under the *Anti-Unfair Competition Law of the PRC* (《中華人民共和國反不正當競爭法》), promulgated by the SCNPC in September 1993, amended on November 4, 2017, April 23, 2019, and June 27, 2025, effective from October 15, 2025, a “trade secret” refers to technical information, operational information and other commercial information that is not known to the public, has commercial value, and for which the rights holder has taken measures to maintain confidentiality.

Under the *Anti-Unfair Competition Law of the PRC* (《中華人民共和國反不正當競爭法》), business operators shall not engage in the following acts of infringement of another’s trade secrets: (i) obtaining a rights holder’s trade secrets by means of theft, bribery, fraud, coercion, electronic intrusion or other improper means; (ii) disclosing, using or allowing others to use the rights holder’s trade secrets obtained by the means referred to above; (iii) disclosing, using or allowing others to use the trade secrets in their possession in violation of confidentiality obligations or the rights holder’s requirements regarding the protection of trade secrets; or (iv) instigating, enticing or assisting others to violate confidentiality obligations or the rights holder’s requirements regarding the protection of trade secrets, thereby disclosing, using or allowing others to use the rights holder’s trade secrets. A third party who knowingly or should have known of the illegal acts set forth above, but still obtains, uses or discloses another’s trade secrets, shall be deemed to have infringed those trade secrets. An injured party whose trade secrets have been infringed may request administrative rectification measures, and the regulatory inspection authority shall order the cessation of the illegal acts and impose fines on the infringing party.

LAW AND REGULATIONS RELATING TO LEASES

Under the *Urban Real Estate Administration Law of the PRC* (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on July 5, 1994, most recently amended on August 26, 2019, effective from January 1, 2020, for a lease of a house, the lessor and the lessee shall enter into a written lease contract specifying terms such as the lease term, lease purpose, lease price, repair responsibilities, and other rights and obligations of both parties, and shall register with the real estate administration authority. Under the *Measures for the Administration of the Lease of Commercial Housing* (《商品房屋租賃管理辦法》), promulgated by the Ministry of Housing and Urban-Rural Development of the PRC on December 1, 2010, effective from February 1, 2011, failure to carry out the above registration will result in an order from the construction (real estate) competent authority to make rectification within a specified period, and if the failure to rectify persists, the lessor and lessee may be subject to fines. Under the Civil Code, a lessee may sublease the leased property to a third party with the consent of the lessor. Where the lessee subleases, the lease contract between the lessee and the lessor remains valid. If the lessee subleases without the consent of the lessor, the lessor may terminate the contract. Furthermore, a change in ownership of the leased property during the lease term does not affect the validity of the lease contract.

LAW AND REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

The *Environmental Protection Law of the PRC* (《中華人民共和國環境保護法》) (most recently amended on April 24, 2014, effective from January 1, 2015) sets out the powers and responsibilities of various environmental protection regulatory authorities. Environmental protection authorities are authorized to issue national standards for environmental quality and emissions, and to supervise the

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PRC’s environmental protection plans. At the same time, local environmental protection authorities may develop local standards that are more stringent than the national standards, in which case the relevant enterprises must comply with both the national and local standards.

The *Regulations on the Administration of Environmental Protection for Construction Projects* (《建設項目環境保護管理條例》) (the “**Environmental Protection Regulations for Construction Projects**”), promulgated by the State Council on November 29, 1998, amended on July 16, 2017, and other relevant environmental protection laws and regulations, require that before commencing any construction project, the developer shall prepare or complete an environmental impact report, an environmental impact reporting form or an environmental impact registration form, and submit it to the relevant environmental protection authority for approval or for filing. The developer may entrust a technical institution to conduct the environmental impact assessment of the construction project and prepare the environmental impact report and environmental impact reporting form. If the developer possesses the technical capability for environmental impact assessment, it may carry out the above activities on its own.

Under the *Environmental Impact Assessment Law of the PRC* (《中華人民共和國環境影響評價法》), promulgated by the SCNPC on October 28, 2002, amended on July 2, 2016, and December 29, 2018, if a construction project is likely to have an impact on the environment, the developer shall prepare an environmental impact report, an environmental impact reporting form or complete an environmental impact registration form depending on the degree of environmental impact of the construction project.

Under the *Environmental Protection Regulations for Construction Projects*, upon completion of a construction project for which an environmental impact report or environmental impact reporting form has been prepared, the developer shall, in accordance with the standards and procedures established by the environmental protection authority of the State Council, conduct acceptance checks of the environmental protection facilities, prepare an acceptance report, and publicly disclose the acceptance report in accordance with the law, except where state regulations require confidentiality. If the auxiliary environmental protection facilities of a construction project for which an environmental impact report or environmental impact reporting form has been prepared have not passed the acceptance check or have not been accepted, the construction project shall not be put into operation or use.

The former Ministry of Environmental Protection (now the Ministry of Ecology and Environment) promulgated and implemented the *Interim Measures for the Acceptance of Environmental Protection for Completed Construction Projects* (《建設項目竣工環境保護驗收暫行辦法》) on November 20, 2017. These Measures prescribe the procedures and standards for developers to conduct independent environmental protection acceptance for completed construction projects.

LAWS AND REGULATIONS RELATING TO WORK SAFETY

Under relevant construction safety laws and regulations, including the *Work Safety Law of the PRC* (《中華人民共和國安全生產法》) (the “**Work Safety Law**”), promulgated by the SCNPC on June 29, 2002, most recently amended and effective from September 1, 2021, production and business operation entities must formulate work safety goals and measures, systematically improve workers’ working environment and conditions, establish a work safety guarantee system, and implement a work safety post responsibility system. In addition, production and business operation entities must arrange work safety training and provide employees with personal protective equipment that meets national or industry standards.

Under the *Work Safety Law* and the *Measures for the Supervision and Administration of the “Three Simultaneities” of Safety Facilities for Construction Projects* (《建設項目安全設施「三同時」監督管理辦法》) (effective from May 1, 2015), promulgated by the State Administration of Work Safety (subsequently reorganized as the Ministry of Emergency Management) on April 2, 2010, most recently amended on April 2, 2015, the production and business operation entity is the responsible entity for the

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construction of safety facilities for a construction project. The safety facilities for a construction project must be designed, constructed and put into production and use simultaneously with the main project. The investment in safety facilities shall be included in the budget of the construction project.

LAWS AND REGULATIONS RELATING TO FIRE PROTECTION

Fire Protection Design Review and Final Acceptance

Under the *Interim Provisions on the Administration of Fire Protection Design Review and Acceptance of Construction Projects* (《建設工程消防設計審查驗收管理暫行規定》), promulgated by the Ministry of Housing and Urban-Rural Development on April 1, 2020, effective from June 1, 2020, and most recently amended on August 21, 2023, the fire protection design review system applies to special construction projects with a total floor area exceeding 2,500 square meters such as theaters, reading rooms of public libraries, commercial indoor fitness and leisure venues, outpatient buildings of hospitals, teaching buildings, libraries and canteens of universities, manufacturing workshops of labor-intensive enterprises, and temples and churches. For the completion of a special construction project, the developer shall apply to the competent authority for fire protection design review and completion acceptance for fire protection completion acceptance; if the project has not undergone or has not passed the fire protection design review, it shall not be used. For the categorized management of other construction projects, a filing and spot-check system shall be implemented. Any other construction project that fails the lawfully conducted random inspection shall cease use.

Under the *Fire Protection Law of the PRC* (《中華人民共和國消防法》), promulgated by the SCNPC on April 29, 1998, most recently amended on April 29, 2021, for construction projects that are legally required to undergo fire protection acceptance, if they have not undergone fire protection acceptance or have failed the fire protection acceptance, they are prohibited from being put into use; for other construction projects that fail the lawfully conducted spot-check, they shall cease use. Any violation of this law, such as: constructing a construction project that is legally required to undergo fire protection design review without such review or after failing the review; putting into use a construction project that is legally required to undergo fire protection acceptance without such acceptance or after failing the acceptance; or failing to cease use of any other construction project that fails the lawfully conducted spot-check, shall be subject to an order to cease construction or use, or to cease production or business operations, and a fine of not less than RMB30,000 and not more than RMB300,000, by the competent housing and urban-rural development authority or the fire rescue authority according to their respective powers and duties.

LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE

Under the *Regulations of the PRC on Foreign Exchange Administration* (《中華人民共和國外匯管理條例》) as amended in 2008 and various regulations promulgated by the State Administration of Foreign Exchange (SAFE) and other relevant PRC government authorities, the RMB is freely convertible under current account items, such as receipts and payments for trade, interest and dividends. For capital account items such as direct equity investments, loans and repatriation of investments, except where expressly exempted by laws and regulations, prior approval from SAFE or its provincial branch is still required to convert RMB into foreign currency and to remit the foreign currency to areas outside the PRC.

According to the *Notice of the State Administration of Foreign Exchange on Issues Concerning Foreign Exchange Administration for Overseas Listing* (Huifa [2014] No. 54) (《國家外匯管理局關於境外上市外匯管理有關問題的通知》)(匯發[2014]54號)) promulgated on December 26, 2014, a joint stock company registered in the PRC (a “domestic company”) that has been permitted by the CSRC to issue shares overseas and to have them listed and traded on an overseas stock exchange shall, within 15 working days from the closing date of the overseas offering and listing, complete the overseas listing registration at the local SAFE office where it is registered, and based on the overseas listing business registration certificate, open a “domestic company’s specialized foreign exchange account for overseas

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listing” with a domestic bank to handle the exchange and transfer of funds for relevant transactions. The proceeds raised by the domestic company from its overseas listing may be either repatriated to the PRC or retained overseas, and the use of the proceeds shall be consistent with the relevant content disclosed in the offering document or corporate bond offering document, shareholders’ circular, board resolution or shareholders’ general meeting resolution or other publicly disclosed documents.

At the same time, if, after the domestic company’s overseas listing, its domestic shareholders intend to increase or decrease their holdings of shares in the overseas listed company in accordance with relevant provisions, they shall, within 20 working days before the intended increase or decrease, complete the overseas shareholding registration at the local SAFE office where the domestic shareholder is located, and based on the overseas shareholding business registration certificate, open a “domestic shareholder’s specialized account for overseas shareholding” with a domestic bank to handle the exchange and transfer of funds for relevant transactions. Proceeds under the capital account received by domestic shareholders from reducing or transferring their shares in the domestic company’s overseas listing or from the domestic company’s delisting from the overseas securities market may be retained overseas or repatriated into the domestic shareholder’s specialized account for overseas shareholding. If repatriated to the PRC, the domestic shareholder may, based on the overseas shareholding business registration certificate, handle the relevant domestic transfer or settlement of funds with a bank.

LAWS AND REGULATIONS RELATING TO LABOR PROTECTION, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Under the *Labor Law of the PRC* (《中華人民共和國勞動法》), promulgated by the SCNPC on July 5, 1994, most recently amended and effective from December 29, 2018, the *Labor Contract Law of the PRC* (《中華人民共和國勞動合同法》), promulgated by the SCNPC on June 29, 2007, amended on December 28, 2012, effective from July 1, 2013, and the *Implementing Regulations of the Labor Contract Law of the PRC* (《中華人民共和國勞動合同法實施條例》), promulgated and effective on September 18, 2008, by the State Council, an employer shall enter into a written labor contract with its employees. The wages paid by an employer to its employees shall not be lower than the local minimum wage standard. An employer shall establish an occupational safety and health system, strictly comply with national standards, and provide relevant education to its employees. Employees must work in a safe and healthy environment.

Under the *Social Insurance Law of the PRC* (《中華人民共和國社會保險法》), the *Regulations on Work-related Injury Insurance* (《工傷保險條例》), the *Regulations on Unemployment Insurance* (《失業保險條例》), the *Interim Regulations on the Collection and Payment of Social Insurance Premiums* (《社會保險費徵繳暫行條例》) and other laws, regulations and rules, an employer must contribute on behalf of its employees to certain social insurance premiums (including basic pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance and maternity insurance). The relevant premiums shall be paid to the local administrative authorities. If social insurance premiums are not paid in full and on time, the social insurance premium collection authority shall order the employer to pay or make up the contributions within a specified period, and shall impose a daily late fee of 0.05% from the date the payment became overdue; if the employer still fails to pay after the specified period, the relevant administrative authority shall impose a fine of not less than one time and not more than three times the outstanding amount. Under the *Regulations on the Administration of Housing Provident Funds* (《住房公積金管理條例》), promulgated and implemented by the State Council on April 3, 1999, and amended on March 24, 2002, and March 24, 2019, the funds contributed by employees and deposited by their employers belong to the employees. Entities shall register for housing provident fund contributions with the housing provident fund management center, and after verification by the housing provident fund management center, open a special housing provident fund account with a authorized bank. If an entity fails to register for housing provident fund contributions or fails to open housing provident fund accounts for its employees, the housing provident fund management center shall order the entity to do so within a specified period; if the entity still fails to comply after the specified period, it shall be fined

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between RMB10,000 and RMB50,000. If an entity fails to make housing provident fund contributions or makes insufficient contributions after the specified period, the housing provident fund management center shall order the entity to make the contributions within a specified period; if the entity still fails to make the contributions after the specified period, the management center may apply to a people’s court for compulsory enforcement.

The Interpretation (II) of the Supreme People’s Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), issued by the Supreme People’s Court on July 31, 2025, effective from September 1, 2025, clarifies the judicial applicability of major PRC labor laws in labor disputes and places great emphasis on compliance with social insurance contributions. This interpretation explicitly stipulates that any agreement or employee undertaking waiving statutory social insurance is void, and if the employer fails to make contributions, the employee has the right to terminate the labor contract and claim economic compensation. Employers who subsequently rectify the outstanding contributions may seek reimbursement from the employee for any overpaid compensation. The interpretation further elaborates on the employer’s responsibilities for wages, work injury benefits and other statutory obligations in subcontracting, subsidiary or related entity scenarios; the identification of employment relationships for local and foreign workers; requirements for written labor contracts and penalties for non-compliance; rules for contract renewal and conversion into open-ended contracts; enforceability of non-compete clauses; remedies for unlawful dismissal; pre-departure occupational health checks for employees in hazardous positions; and the application of limitation periods for litigating labor disputes.

LAWS AND REGULATIONS RELATING TO INTERNATIONAL SANCTIONS AND U.S. OUTBOUND INVESTMENT RULE

The following is a summary of the sanctions regimes imposed by the jurisdictions below. This summary does not intend to set out the laws and regulations relating to the U.S. and UN sanctions in their entirety.

United States

The United States deploys a wide range of restrictive measures including sanctions and export controls against various targeted countries, groups and individuals. U.S. sanctions include both “primary” and “secondary” sanctions, as well as non-blocking “list-based” sanctions. OFAC administers and enforces the majority of U.S. sanctions programs.

U.S. primary sanctions generally apply to U.S. persons, including any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States. The U.S. has also enacted secondary sanctions targeting non-U.S. persons engaged in prohibited transactions (e.g., significant transactions with parties blocked under U.S. sanctions). The detailed rules of such secondary sanctions differ by sanctions programs. Non-U.S. persons found to be engaging in the prohibited transactions may be denied access to the U.S. economic system, including being designated as SDNs themselves.

On the other hand, the U.S. have also implemented stringent export control regulations, which are primarily administered by BIS. The EAR applies to exports of commodities, software and technical data from the U.S. to foreign countries, and to re-exports from one foreign country to another. In addition, the EAR applies to shipments from one foreign country to another of foreign-made products that incorporate more than a de minimis amount of U.S.-controlled parts, components, or materials, as well as foreign-made products that are direct products of certain controlled U.S. software or technologies.

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United Nations

The UN can take action to maintain or restore international peace and security under Chapter VII of the UN Charter. It does this by way of resolutions passed by the UN Security Council. UN Security Council sanctions have taken a number of different forms and have measures have ranged from comprehensive economic and trade sanctions to more targeted measures such as arms embargoes, travel bans, and financial or commodity restrictions.

U.S. Outbound Investment Rule

On October 28, 2024, the Treasury released the Outbound Investment Rule, implementing Executive Order 14105, prohibiting or requiring the notification of certain outbound foreign investments by U.S. persons into certain “countries of concern,” currently defined to include only China (including Hong Kong and Macao). Effective January 2, 2025 and subject to certain exceptions, the Outbound Investment Rule prohibits U.S. persons from, or requires notification to the U.S. government of, any (i) “covered transaction” involving (ii) a covered foreign person (iii) who is engaged in any “covered activity” involving the semiconductors and microelectronics, quantum information technologies and artificial intelligence sectors. A “covered transaction” includes equity investment. The Outbound Investment Rule allows limited exceptions to the prohibition or notification requirement, including for U.S. investments in publicly traded securities, so long as such investments do not the U.S. person rights beyond “standard minority shareholder protections” with respect to the “covered foreign person.”

On December 18, 2025, the U.S. Congress enacted the Comprehensive Outbound Investment National Security Act of 2025 (the “**COINS Act**”), which codifies and expands the Outbound Investment Rule and provides independent statutory authority for the program for at least seven years. The Treasury was given 450 days to amend the Outbound Investment Rule to conform with the provisions set forth therein, and the existing Outbound Investment Rule remains in effect until then.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Our history can be traced back to 2016, when our Company was founded by Prof. Yu Guizhen (余貴珍). For details of his biography, see “Directors and Senior Management.” In December 2025, our Company was converted into a joint stock company with limited liability in accordance with the laws of the PRC.

OUR KEY MILESTONES

The following table summarizes the key milestones in our business development:

Year	Milestone
2017	Our Company became the first company to deploy autonomous driving technology in mining areas in China.
2018	Our Company successfully retrofitted the first autonomous wide-body mining truck and the first autonomous rigid mining truck in China.
2019	Our Company secured the first commercial order for mining autonomous driving transportation solutions in the mining areas in China.
2020	Our Company jointly undertook the construction of the “Key Laboratory of Special Vehicle Unmanned Transportation Technology of MIIT” (特種車輛無人運輸技術工業和信息化部重點實驗室).
2022	Our Company deployed a fleet of autonomous rigid mining trucks at an open-pit mine, marking one of China’s first L4 mining autonomous transportation projects with multiple rigid mining trucks.
2023	Our Company unveiled the 100-ton hybrid new energy autonomous wide-body mining truck, model TG136HA, at the World Manufacturing Convention 2023.
2025	Our Company secured the largest overseas commercial order in China by contract value and solution delivery volume as of December 31, 2025.

OUR SUBSIDIARIES

See below the information on our subsidiaries:

Name	Place of Establishment	Date of Establishment	Shareholding	Principal Business Activities
Inner Mongolia Tage	PRC	December 25, 2018	100%	Business development and project support in Inner Mongolia
Anhui Tage	PRC	December 16, 2021	100%	Business development and project support in Anhui
Xinjiang Tage	PRC	December 16, 2021	100%	Business development and project support in Xinjiang

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

<u>Name</u>	<u>Place of Establishment</u>	<u>Date of Establishment</u>	<u>Shareholding</u>	<u>Principal Business Activities</u>
Hefei Tage	PRC	April 13, 2023	100%	Business development and project support in Hefei
Tage (Beijing) IT	PRC	April 20, 2023	100%	Research and development in Beijing
Chizhou Tage	PRC	April 2, 2025	100%	Provision of autonomous transportation solutions and related services in Chizhou
Tongliao Tage	PRC	July 19, 2022	51% ⁽¹⁾	Business development and project support in Tongliao

Note:

- (1) The remaining 49.00% equity interest in Tongliao Tage iDriver Technology Co., Ltd. is held by Beijing Gongpinhui Technology Co., Ltd. (北京工品匯科技有限公司) (“**Beijing Gongpinhui**”), an Independent Third Party.

CORPORATE DEVELOPMENT

The following sets forth the corporate history and major shareholding changes of our Company.

(1) Establishment of Our Company and Early Capital Increases

In October 2016, the Company was established as a limited liability company under the laws of the PRC with an initial registered capital of RMB800,000. Upon its establishment, the shareholding structure of our Company was as follows:

<u>Shareholders</u>	<u>Registered capital subscribed for</u> (RMB)	<u>Percentage of shareholding</u> (%)
Prof. Yu	560,000	70.00
Mr. Xu Hui (許暉) (“ Mr. Xu ”)	128,000	16.00
Mr. Zeng Fanrong (曾繁榮) ^{Note}	80,000	10.00
Mr. Zhou	32,000	4.00
Total	800,000	100.00

Note: Pursuant to the entrusted shareholding agreement dated October 12, 2016 (the “**Entrusted Shareholding Agreement**”), Mr. Nanshan Zeng (“**Mr. Zeng**”) entrusted his brother, Mr. Zeng Fanrong, to hold his equity interest in the Company on his behalf for administration convenience. The Entrusted Shareholding Agreement was terminated in May 2025, and Mr. Zeng Fanrong transferred the entrusted equity interest of the Company back to Mr. Zeng for nil consideration. As advised by our PRC Legal Advisor, the aforesaid shareholding entrustment do not violate any mandatory or prohibitive provisions of the current applicable PRC laws and regulations.

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In October 2016, Prof. Yu, Mr. Xu, Mr. Zeng Fanrong (for and on behalf of Mr. Zeng), Mr. Zhou and Ms. Zhang Xiaoli (張小莉) subscribed for an increased registered capital of RMB1,463,500, RMB328,000, RMB119,500, RMB82,000 and RMB57,000, respectively, at a cost of RMB1 per share.

In November 2016, Mr. Xu subscribed for an increased registered capital of RMB150,000 at a consideration of RMB2,500,000. In August 2017, Tianjin Xishan, which was controlled by Mr. Xu as its general partner, subscribed for an increased registered capital of RMB61,200 at a consideration of RMB1,000,000. The consideration was determined by the relevant Shareholders taking into consideration of then valuation and financial performance of the Company.

Upon completion of the aforementioned capital increases, our registered capital was increased to RMB3,061,200, among which the interests held by Prof. Yu, Mr. Xu, Tianjin Xishan, Mr. Zeng Fanrong, Mr. Zhou and Ms. Zhang Xiaoli represents 66.10%, 14.80%, 7.00%, 6.52%, 3.72% and 1.86% of the registered capital of the Company, respectively.

(2) Major Shareholding Change

Shareholding Change of Our Share Incentive Platform

On March 5, 2018, as agreed among all the then Shareholders of the Company and for the purpose of incentivising our employees, Prof. Yu, Mr. Xu, Tianjin Xishan, Mr. Zeng Fanrong, Mr. Zhou and Ms. Zhang Xiaoli transferred RMB603,730, RMB27,211, RMB12,866, RMB11,985, RMB6,848 and RMB3,416 of the registered capital in our Company, respectively, to Ningbo TAGE, our share incentive platform, at nil consideration.

On March 4, 2019, Prof. Yu transferred RMB131,387 in the registered capital in our Company to Ningbo TAGE at nil consideration.

On September 29, 2021, Ningbo TAGE subscribed for an increased registered capital of RMB1,594,004 in our Company at a consideration of RMB5,658,714.2.

Capitalization of Capital Reserve

On September 4, 2019, the registered capital of our Company increased from RMB3,977,111 to RMB30,000,000 by way of capitalization of the capital reserve of our Company.

AIC Arrangements

The 2019 AIC Agreement

In 2019, certain of the then Shareholders of the Company, namely Prof. Yu, Mr. Xu, Mr. Zeng Fanrong (on behalf of Mr. Zeng), Mr. Zhou and Ms. Zhang Xiaoli entered into an acting in concert agreement (the “**2019 AIC Agreement**”), pursuant to which, during the period when the parties to the 2019 AIC Agreement directly or indirectly held equity interest of the Company, all the parties agree to act in concert when exercising all the Shareholders’ rights in the Company, including but not limited to voting, proposing motions, nominating directors and convening shareholders’ meetings, and in the event of any disagreement among the parties to the 2019 AIC Agreement, Prof. Yu’s view shall prevail.

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In October 2020, Ms. Zhang Xiaoli transferred all her equity interests in the Company to Panorama Technology, a Series A+2 Shareholder of the Company, and ceased to be a Shareholder. Accordingly, the 2019 AIC Agreement is no longer binding on Ms. Zhang Xiaoli pursuant to its terms.

The 2025 AIC Agreement

In May 2025, the Entrusted Shareholding Agreement was terminated, and Mr. Zeng Fanrong transferred the entrusted equity interest of the Company back to Mr. Zeng. In light of the above, on June 16, 2025, Prof. Yu, Mr. Xu, Mr. Zeng and Mr. Zhou entered into an updated acting in concert agreement (the “**2025 AIC Agreement**”), pursuant to which the parties to the 2025 AIC agreement agree to continue to act in concert, and the arrangement under the 2025 AIC Agreement remains the same with the 2019 AIC Agreement.

On March 12, 2026, considering that (i) Mr. Xu’s and Mr. Zeng’s shareholding in the Company had been substantially diluted to 1.90% and 1.28%, respectively, after several rounds of pre-[REDACTED] financing, and their interests cannot substantially increase the control of Prof. Yu in the Company, and (ii) in light of the upcoming [REDACTED], Mr. Xu and Mr. Zeng, as professional financial investors, have no intention to continue the acting in concert arrangement with the management of the Company, Mr. Xu and Mr. Zeng entered into a termination agreement with Prof. Yu and Mr. Zhou (the “**2026 AIC Agreement**”), pursuant to which Mr. Xu and Mr. Zeng cease the acting in concert arrangement with Prof. Yu and Mr. Zhou, while Prof. Yu and Mr. Zhou remain parties acting in concert according to the 2025 AIC Agreement.

The BUE AIC Agreement

On March 16, 2026, Prof. Yu voluntarily donated 949,513 Shares of our Company to BUE Foundation at nil consideration. BUE Foundation is a non-public fundraising foundation established on May 17, 2005 under the laws of the PRC, approved and registered with the Ministry of Civil Affairs of the PRC (中華人民共和國民政部), with the Ministry of Industry and Information Technology of the PRC as its supervising authority. It was initiated with the donation from Beihang University and is established for charitable purposes including supporting education, scientific research and related public welfare undertakings of Beihang University. Prof. Yu’s donation is for supporting the above purpose of BUE Foundation. According to the Articles of Association of BUE Foundation, its decision-making body is the council with five to 25 members, who are nominated by the supervising authority, the council and principal donors.

On March 16, 2026, BUE Foundation entered into an acting in concert agreement with Prof. Yu (the “**BUE AIC Agreement**”), pursuant to which BUE Foundation agreed to act in concert with Prof. Yu with respect to the 949,513 Shares directly held by BUE Foundation, representing 1.46% of the total Shares as of the Latest Practicable Date, and in the event of any disagreement among the parties acting in concert, Prof. Yu’s view shall prevail.

Pre-[REDACTED] Investments

During the period from October 2017 to April 2026, we underwent several rounds of Pre-[REDACTED] Investments through capital subscription by the Pre-[REDACTED] Investors or equity transfers among our existing Shareholders and the Pre-[REDACTED] Investors. See “—Pre-[REDACTED] Investments” below for details.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

(3) Conversion into a Joint Stock Company

Pursuant to the Shareholders’ resolutions of our Company dated December 24, 2025, our Company was converted from a limited liability company into a joint stock company with limited liability on December 31, 2025. Upon completion of the conversion, the registered capital of our Company was RMB60,503,788 divided into 60,503,788 Shares with a nominal value of RMB1.00 each, which were subscribed by all the then Shareholders in proportion to their respective interests in our Company before the conversion.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period, we did not make any acquisitions, disposals or mergers that we consider to be material to us.

PRE-[REDACTED] INVESTMENTS

Overview

From 2017 to 2026, our Group has completed several rounds of Pre-[REDACTED] Investments. Details of the Pre-[REDACTED] Investments by our Pre-[REDACTED] Investors through subscription of new shares and/or acquisition of existing shares of our Group are summarized below.

Name of Pre-[REDACTED] Investor	Round	Date of settlement	Registered capital or Shares subscribed for/acquired	Consideration (RMB)	Cost per share ⁽¹⁾ (RMB)	Discount to the [REDACTED] ⁽²⁾
Boton Chentao	Series Pre-A	October 16, 2017	183,672	7,500,000	5.41	[REDACTED]%
Jinsha River III	Series Pre-A	March 29, 2019	130,677	3,680,000	3.73 ⁽³⁾⁽⁴⁾	[REDACTED]%
	Series A	March 29, 2019	261,353	18,400,000	9.33	[REDACTED]%
Zhongxin Botong	Series Pre-A	March 29, 2019	11,363	320,000	3.73 ⁽³⁾⁽⁴⁾	[REDACTED]%
	Series A	March 29, 2019	22,726	1,600,000	9.33	[REDACTED]%
Pufeng Yunhua	Series A+1	November 12, 2019	1,028,439	11,344,683	11.03	[REDACTED]%
	Series A+1	November 12, 2019	558,638	4,655,317	8.33 ⁽³⁾⁽⁵⁾	[REDACTED]%
Puhe Investment	Series A+1	November 19, 2019	954,520	10,529,284	11.03	[REDACTED]%
	Series A+1	November 19, 2019	518,486	4,320,716	8.33 ⁽³⁾⁽⁵⁾	[REDACTED]%
Xinda Puchuang	Series A+1	November 19, 2019	9,641	106,356	11.03	[REDACTED]%
	Series A+1	November 19, 2019	5,237	43,644	8.33 ⁽³⁾⁽⁵⁾	[REDACTED]%
Nuohao Jinxin	Series A+1	November 13, 2019	642,774	7,090,427	11.03	[REDACTED]%
	Series A+1	November 13, 2019	349,149	2,909,573	8.33 ⁽³⁾⁽⁵⁾	[REDACTED]%
Boton Investment	Series A+2	January 21, 2020	1,385,460	15,674,800	11.31 ⁽⁶⁾	[REDACTED]%
	Series B	February 25, 2021	2,610,830	48,000,000	18.38	[REDACTED]%
	Series C	January 6, 2023	388,752	20,000,000	51.45	[REDACTED]%
Panorama Technology	Series A+2	October 30, 2020	1,060,654	12,000,000	11.31 ⁽⁷⁾	[REDACTED]%
Qianhai Investment	Series B	February 9, 2021	1,522,984	28,000,000	18.38	[REDACTED]%
Zhongyuan Qianhai	Series B	February 10, 2021	870,277	16,000,000	18.38	[REDACTED]%

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Name of Pre-[REDACTED] Investor	Round	Date of settlement	Registered capital or Shares subscribed for/acquired	Consideration (RMB)	Cost per share ⁽¹⁾ (RMB)	Discount to the [REDACTED] ⁽²⁾
Huaize Zhongzhao	Series B	February 9, 2021	326,354	6,000,000	18.38	[REDACTED]%
Shanghai Zhige	Series B	March 18, 2021	1,631,769	30,000,000	18.38	[REDACTED]%
Lanyan Maozhu	Series B	February 4, 2021	543,923	10,000,000	18.38	[REDACTED]%
Yingke Digital Innovation	Series B+1	September 13, 2021	2,229,376	70,000,000	31.40	[REDACTED]%
Zhongtaida	Series B+1	November 10, 2021	541,420	17,000,000	31.40	[REDACTED]%
Zhiyi Xingnan	Series B+1	November 24, 2021	636,965	20,000,000	31.40	[REDACTED]%
Lanyan Runzhu	Series B+1	December 10, 2021	318,482	10,000,000	31.40	[REDACTED]%
Jiuchuang Investment	Series B+1	January 18, 2022	636,965	20,000,000	31.40	[REDACTED]%
Shangshi Growth	Series B+2	February 18, 2022	137,242	5,500,000	40.08	[REDACTED]%
Shangshi Growth II	Series B+2	March 18, 2022	548,968	22,000,000	40.08	[REDACTED]%
Jinsha Emerging	Series C	November 2, 2022	1,166,255	60,000,000	51.45	[REDACTED]%
Hefei Industrial	Series C+	March 16, 2023	2,607,370	150,000,000	57.53	[REDACTED]%
Huangshan New Era	Series C+	March 20, 2023	347,649	20,000,000	57.53	[REDACTED]%
BUAA Holdings	Series C+	July 31, 2023	260,563	14,990,000	57.53 ⁽³⁾⁽⁸⁾	[REDACTED]%
Lucion Wanneng	Series C+	June 8, 2023	521,474	30,000,000	57.53	[REDACTED]%
Tsingstone Jingchen	Series C+	June 12, 2023	538,856	31,000,000	57.53	[REDACTED]%
Hefei Xinyuan	Series C+	October 25, 2023	521,474	30,000,000	57.53	[REDACTED]%
Beijing CHN Energy	Series C+	July 26, 2023	2,602,060	84,999,900	32.67 ⁽³⁾⁽⁹⁾	[REDACTED]%
	Series C+	January 10, 2025	1,820,754	104,746,600	57.53	[REDACTED]%
	Series C+	January 6, 2025	3,608,437	10,400,000	2.88 ⁽³⁾⁽¹⁰⁾	[REDACTED]%
IDriver Yunchuan	Series C+	December 12, 2025	1,738,248	100,000,000	57.53	[REDACTED]%
Shengshi Yuheng	Series C+	November 3, 2025	2,719,615	41,500,000	15.26 ⁽³⁾⁽¹¹⁾	[REDACTED]%
	Series C+	September 29, 2025	869,124	50,000,000	57.53	[REDACTED]%
Xinneng Sci-Tech	Series D	February 9, 2026	916,800	54,550,000	59.50	[REDACTED]%
	Series D	January 29, 2026	1,659,653	19,450,000	11.72 ⁽³⁾⁽¹²⁾	[REDACTED]%
	Series D	January 28, 2026	393,443	6,000,000	15.25 ⁽³⁾⁽¹³⁾	[REDACTED]%
Shengchi Engineering	Series D	February 4, 2026	1,056,106	58,050,000	54.97 ⁽³⁾⁽¹⁴⁾	[REDACTED]%
Tsingstone Hengding	Series D	February 10, 2026	347,649	20,000,000	57.53 ⁽³⁾⁽¹⁵⁾	[REDACTED]%
Tsingstone Jinghua	Series D	February 10, 2026	34,765	2,000,000	57.53 ⁽³⁾⁽¹⁵⁾	[REDACTED]%
Tonly	Series D	March 12, 2026	378,271	10,000,000	26.44 ⁽³⁾⁽¹⁶⁾	[REDACTED]%
	Series D	March 10, 2026	336,132	20,000,000	59.50	[REDACTED]%
Wuxi Emerging Industry	Series D	March 20, 2026	336,132	20,000,000	59.50	[REDACTED]%
Wantong Tech	Series D	March 23, 2026	840,330	50,000,000	59.50	[REDACTED]%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Name of Pre-[REDACTED] Investor	Round	Date of settlement	Registered capital or Shares subscribed for/acquired	Consideration (RMB)	Cost per share ⁽¹⁾ (RMB)	Discount to the [REDACTED] ⁽²⁾
Wuxi Dingqi	Series D	March 27, 2026	336,132	20,000,000	59.50	[REDACTED]%
Puxin Yixin	Series D	April 21, 2026	192,085	5,000,000	26.03 ⁽³⁾⁽¹⁷⁾	[REDACTED]%
	Series D	April 21, 2026	692,934	41,229,871.23	59.50	[REDACTED]%
Century Golden	Series D	March 24, 2026	1,465,642	40,000,008	27.29 ⁽³⁾⁽¹⁸⁾	[REDACTED]%

Notes:

- (1) The cost per Share is calculated by dividing the total consideration paid by the relevant Pre-[REDACTED] Investor by the current number of Shares held by it following the capitalization of capital reserve and the conversion into a joint stock company. The differences in cost per Share among the various rounds of Pre-[REDACTED] Investments were primarily due to the different timing of the relevant investments, the then valuation of our Company, and the development stage and operating status of our Group at the relevant time.
- (2) The discount to the [REDACTED] is calculated based on the assumption that (i) the [REDACTED] is HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] and HK\$[REDACTED]; and (ii) all Shares are on a one-to-one basis.
- (3) Refer to the Shares acquired from then existing Shareholder(s) as detailed in the notes below. The cost per share is generally lower compared to the subscription price of new Shares by the Pre-[REDACTED] Investors in the same round of the Pre-[REDACTED] investment, and was agreed between the relevant parties after arm's length negotiation.
- (4) Jinsha River III and Zhongxin Botong acquired such Shares from Mr. Xu.
- (5) Each of Pufeng Yunhua, Puhe Investment, Xinda Puchuang and Nuohao Jinxin acquired such Shares from Beijing Huiquan Investment Management Co., Ltd. (北京匯泉投資管理有限公司) (“**Huiquan Investment**”), Ningbo Baixi Changqing Investment Partnership (Limited Partnership) (寧波柏溪常青投資合夥企業(有限合夥)) (“**Baixi Changqing**”) and Tianjin Xishan respectively. Baixi Changqing ceased to be a Shareholder of our Company since then.
- (6) Boton Investment acquired such Shares from Ningbo Yichen New Energy Vehicle Industry Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (寧波易辰新能源汽車產業創業投資合夥企業(有限合夥)), which ceased to be our Shareholder since then.
- (7) Panorama Technology acquired such Shares from Tianjin Xishan, Ms. Zhang Xiaoli, Huiquan Investment and Mr. Zhou respectively. Huiquan Investment and Ms. Zhang Xiaoli ceased to be our Shareholder since then.
- (8) BUAA Holdings acquired such Shares from Beihang University for nil consideration. Beihang University subscribed for such registered capital of the Company in July 2023 for a consideration of RMB14,990,000 and the cost per share was RMB57.53. Beihang University is the sole shareholder of BUAA Holdings and Beihang University ceased to be our Shareholder since then.
- (9) Beijing CHN Energy acquired such Shares from Shanghai Zhige, Inner Mongolia Zhonghuan Xieli Mining Co., Ltd. (內蒙古中環協力礦業有限公司) (“**Zhonghuan Xieli**”), Tianjin Xishan, Mr. Xu, Mr. Zeng Fanrong and Nuohao Jinxin respectively.
- (10) Beijing CHN Energy acquired such Shares from Prof. Yu, Ningbo Tage, Mr. Zhou, Mr. Xu and Mr. Zeng Fanrong, respectively.
- (11) Shengshi Yuheng acquired such Shares from Hunan Zhongqi Dongjian Private Equity Investment Partnership (Limited Partnership) (湖南中啟洞鑒私募股權投資合夥企業(有限合夥)) (“**Zhongqi Dongjian**”). Zhongqi Dongjian ceased to be our Shareholder since then.
- (12) Xinneng Sci-Tech acquired such Shares from Ningbo Tage.
- (13) Xinneng Sci-Tech acquired such Shares from Puhe Investment, Jinsha River III, and Zhongxin Botong.

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- (14) Shengchi Engineering acquired such Shares from Zhonghuan Xieli. Zhonghuan Xieli ceased to be a Shareholder of our Company since then.
- (15) Each of Tsingstone Hengding and Tsingstone Jinghua acquired such Shares from Tsingstone Jingchen.
- (16) Tonly acquired such Shares from Nuohao Jinxin.
- (17) Puxin Yixin subscribed such Shares based on purchase option transferred by SVB Venture Capital Investment Management (Shanghai) Co., Ltd. (盛維創業投資管理(上海)有限公司).
- (18) Century Golden acquired such Shares from Suzhou Qingrui Huaying Venture Capital Partnership Enterprise (Limited Partnership) (蘇州清睿華贏創業投資合夥企業(有限合夥)) (“**Qingrui Huaying**”) and Boton Chentao, Qingrui Huaying ceased to be our Shareholder since then.

The table below sets forth the other principal terms of the Pre-[REDACTED] Investments:

Use of proceeds from the Pre-[REDACTED] Investments	We utilized the proceeds from the Pre-[REDACTED] Investments for the principal business of our Group, including but not limited to research and development activities, the growth and expansion of our Company’s business and general working capital purposes. As of the Latest Practicable Date, approximately 93% of the net proceeds from the Pre-[REDACTED] Investments had been utilized.
Strategic benefits the Pre-[REDACTED] Investments brought to our Company	At the time of the Pre-[REDACTED] Investments, our Directors were of the view that our Group could benefit from the additional funds provided by the Pre-[REDACTED] Investors’ investments in our Group, insights for industry, advice on business expansion and strategic direction, upstream and downstream resources that the Pre-[REDACTED] Investors bring to the Company, and the knowledge and experience of the Pre-[REDACTED] Investors. Their investments also demonstrated their confidence in our Group’s operations and served as an endorsement of our Group’s performance, strengths and prospects.
Basis of determining the consideration paid	The consideration for the Pre-[REDACTED] Investments was determined based on arm’s length negotiations between the Company and the Pre-[REDACTED] Investors after taking into consideration various factors including but not limited to, the timing of the investments, the market value, and the prospects of our business.
Lock-up period	Pursuant to the applicable PRC law, all current Shareholders (including the Pre-[REDACTED] Investors) are subject to the relevant PRC statutory transfer restriction for a period of one year from the [REDACTED].

Special Rights of the Pre-[REDACTED] Investors

Pursuant to the existing Shareholders’ agreement and capital increase agreements, certain Pre-[REDACTED] Investors had been granted certain special rights, including, among others, redemption rights, anti-dilution rights, right of first refusal and information rights.

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Pursuant to a supplemental agreement dated December 12, 2025 entered into among our Company and its then Shareholders, the redemption rights against our Company shall be irrevocably terminated and ab initio invalid with effect from the day preceding the date on which the accounting firm engaged by our Company issues the audit report of our Company for our restructuring into a joint stock limited company (i.e. December 18, 2025).

Pursuant to a supplemental agreement dated December 23, 2025 entered into among our Company and its then Shareholders, the redemption rights against Prof. Yu shall be automatically terminated one day prior to our Company’s submission of first [REDACTED] to the Stock Exchange, provided that the redemption rights against Prof. Yu so terminated shall resume to be exercisable automatically upon the earliest of the occurrence of the following events: (i) the [REDACTED] is rejected by the Stock Exchange, the SFC or the CSRC; (ii) the [REDACTED] is terminated or withdrawn unilaterally by us; or (iii) the [REDACTED] does not take place within 18 months, or within a longer period agreed by the Pre-[REDACTED] Investors, since the Company’s submission of the first [REDACTED].

All the other special rights of the Pre-[REDACTED] Investors shall be terminated immediately on the day before [REDACTED].

Sole Sponsor’s Confirmation

On the basis that (i) the consideration for the last Pre-[REDACTED] Investment was irrevocably settled more than 28 clear days before the date of our first submission of the [REDACTED] to the Stock Exchange for the purpose of the [REDACTED], and (ii) the special rights granted to the Pre-[REDACTED] Investors will be terminated upon filing of a [REDACTED] and/or shall be terminated upon [REDACTED], the Sole Sponsor has confirmed that the investment by the Pre-[REDACTED] Investors is in compliance with Chapter 4.2 of the Guide for New Listing Applicants issued by the Stock Exchange.

Information about Our Pre-[REDACTED] Investors

Set out below is a description of our Pre-[REDACTED] Investors, which primarily consist of private equity funds and strategic investment corporations. To the best of our Company’s knowledge, save as otherwise disclosed in this subsection, all the Pre-[REDACTED] Investors and their ultimate beneficial owners are Independent Third Parties.

CHN Energy Fund Management (being the general partner of Beijing CHN Energy and Xinneng Sci-Tech)

Each of Beijing CHN Energy Green and Low Carbon Development Investment Fund (Limited Partnership) (北京國能綠色低碳發展投資基金(有限合夥)) (“**Beijing CHN Energy**”) and Jiangsu Xinneng Sci-Tech Investment Partnership (Limited Partnership) (江蘇新能科創投資合夥企業(有限合夥)) (“**Xinneng Sci-Tech**”) is a limited partnership established under the laws of the PRC and is managed by its general partner CHN Energy (Beijing) Private Equity Fund Management Co., Ltd. (國能(北京)私募基金管理有限公司) (“**CHN Energy Fund Management**”).

Beijing CHN Energy is held by (i) CHN Energy Fund Management as to 0.02%; and (ii) four limited partners as to 99.98%, among which China Shenhua Energy Co., Ltd. (中國神華能源股份有限公司) (“**China Shenhua**”), a company listed on the Shanghai Stock Exchange (stock code: 601088.SH) and the Stock Exchange (stock code: 01088.HK), and CHN Energy Group Capital Holdings Co., Ltd. (國家能源集團資本控股有限公司) (“**CHN Energy Holdings**”) each holds 33.33% and none of the other limited partners holds more than 30% interest therein. Each of CHN Energy Fund Management, China Shenhua, and CHN Energy Holdings is a company incorporated in the PRC and is ultimately controlled by The State Council.

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Xinneng Sci-Tech is held by (i) CHN Energy Fund Management as to 0.10%; and (ii) four limited partners, namely, Wuxi Dingqi Science and Technology Innovation Investment Partnership (Limited Partnership) (無錫鼎祺科創投資合夥企業(有限合夥)), a company ultimately controlled by the Finance Bureau of Binhu District Wuxi City (無錫市濱湖區財政局)), Beijing CHN Energy, Wuxi Industry Development Group Co., Ltd. (無錫產業發展集團有限公司, a company ultimately controlled by the SASAC of Wuxi Municipal People’s Government (無錫市人民政府國有資產監督管理委員會)), and one other limited partner, as to 30.00%, 34.90%, 34.90% and 0.10%, respectively.

Immediately following the completion of the [REDACTED], assuming that the [REDACTED] is not exercised, CHN Energy Fund Management will be able to control [REDACTED]% of the voting rights in our Company. Therefore, each of CHN Energy Fund Management, Beijing CHN Energy and Xinneng Sci-Tech will be regarded as a connected person of our Company and will not be counted towards the public float of the Company.

Boton Technology (being the ultimate beneficial owner of Boton Investment and Boton Chentao)

Wuxi Boton Investment Co., Ltd. (無錫寶通投資有限公司) (“**Boton Investment**”) is a company incorporated under the laws of the PRC and is wholly owned by Wuxi Boton Technology Co., Ltd. (無錫寶通科技股份有限公司) (“**Boton Technology**”), a company listed on the Shenzhen Stock Exchange (stock code: 300031.SZ) and the actual controller is Bao Zhifang (包志方), an Independent Third Party. None of Boton Technology’s shareholders holds more than 30% interest therein.

Ningbo Meishan Bonded Port Area Boton Chentao Venture Capital Partnership (Limited Partnership) (寧波梅山保稅港區寶通辰輻創業投資合夥企業(有限合夥)) (“**Boton Chentao**”) is a limited partnership established under the laws of the PRC and is held by (i) Cherish Capital Co., Ltd. (上海辰輻資產管理有限公司) (“**Cherish Capital**”) as general partner as to 1.00%; and (ii) five limited partners as to 99.00%, among which Wuxi Bainiantong Investment Co., Ltd. (無錫百年通投資有限公司) (“**Wuxi Bainiantong**”) holds 87.50% and none of the other four limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Cherish Capital is held by Xu Haiying (徐海英), its ultimate beneficial owner, as to 51.20% and Lin Xinzheng (林新正) as to 48.80%. Wuxi Bainiantong is a company incorporated in the PRC and is held by Boton Technology as to 51.00% and by Marsman Network Co., Ltd. (火星人網絡有限公司), a company incorporated in Hong Kong, as to 49.00%. Each of them is an Independent Third Party.

Shengshi Yuheng

Hangzhou Shengshi Yuheng Equity Investment Partnership (Limited Partnership) (杭州盛世玉衡股權投資合夥企業(有限合夥)) (“**Shengshi Yuheng**”) is a limited partnership established in the PRC. It is held by (i) Beijing Shengshi Hongming Investment Fund Management Co., Ltd. (北京盛世宏明投資基金管理有限公司) (“**Beijing Shengshi Hongming**”) as general partner as to 0.20%; and (ii) Xintai Life Insurance Co., Ltd. (信泰人壽保險股份有限公司) (“**Xintai Life**”) as sole limited partner as to 99.80%. Each of them is an Independent Third Party.

Beijing Shengshi Hongming is held by Shanghai Shengshi Hongming Investment Group Co., Ltd. (上海盛世鴻明投資集團有限公司) (“**Shanghai Shengshi Hongming**”) and Hainan Qihong Investment Co., Ltd. (海南祈鴻投資有限公司) (“**Hainan Qihong**”), as to 74.72% and 25.28%, respectively. Jiang Mingming (姜明明) is the largest shareholder of both Shanghai Shengshi Hongming and Hainan Qihong, respectively holding 57.44% and 93.67% equity interest therein, and none of their other shareholders holds more than 30% interest therein, respectively. Each of them is an Independent Third Party.

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Xintai Life’s largest shareholder is Wuchan Zhongda Group Co., Ltd. (物產中大集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600704.SH). None of Xintai Life’s shareholders holds more than 30% interest therein.

Hefei SASAC (being the ultimate beneficial owner of Hefei Industrial and Hefei Xinyuan)

Hefei Industrial Investment Promotion Phase II Venture Capital Fund Partnership (Limited Partnership) (合肥市產業投促二期創業投資基金合夥企業(有限合夥)) (“**Hefei Industrial**”) is a limited partnership established under the laws of the PRC and is held by (i) Hefei Industrial Investment Capital Venture Investment Management Co., Ltd. (合肥產投資本創業投資管理有限公司), its general partner, which is ultimately controlled by SASAC of Hefei Municipal People’s Government (合肥市人民政府國有資產監督管理委員會), as to 0.20%; and (ii) nine limited partners as to 99.80%, among which Hefei Industrial Investment Holding (Group) Co., Ltd. (合肥市產業投資控股(集團)有限公司), which is ultimately controlled by SASAC of Hefei Municipal People’s Government, holds 39.80% and none of the other limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Hefei Xinyuan Growth Equity Investment Partnership Enterprise (Limited Partnership) (合肥鑫元成長股權投資合夥企業(有限合夥)) (“**Hefei Xinyuan**”) is a limited partnership established under the laws of the PRC and is held by Hefei Xinzhan Guoxin Capital Private Equity Fund Management Co., Ltd. (合肥市新站國鑫資本私募基金管理有限公司) as general partner as to 1.00% and by Hefei Xinzhan Science and Technology Industry Development Group Co., Ltd. (合肥新站科技產業發展集團有限公司) as sole limited partner as to 99.00%. Both of them are ultimately wholly owned by Anhui Hefei Xinzhan High-Tech Industrial Development Zone Finance Bureau (SASAC Office) (安徽合肥新站高新技術產業開發區財政局(國有資產監督管理委員會辦公室)) and are Independent Third Parties.

Hengqin Zijin (being the general partner of Jinsha River III and Zhongxin Botong)

Suzhou Jinsha River United III Equity Investment Partnership (Limited Partnership) (蘇州金沙江聯合三期股權投資合夥企業(有限合夥)) (“**Jinsha River III**”) is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Jinsha River III is Hengqin Zijin Daohe Investment Management Partnership Enterprise (Limited Partnership) (橫琴紫金道合投資管理合夥企業(有限合夥)) (“**Hengqin Zijin**”), holding 1.00% partnership interest in Jinsha River III. The general partner of Hengqin Zijin is Suzhou GSL Venture Capital Management Co., Ltd. (蘇州金沙湖創業投資管理有限公司) (“**Suzhou GSL**”), a company ultimately controlled by Mr. Pan Xiaofeng (潘曉峰). The largest limited partner of Jinsha River III is Hengqin Jinsha River United III Investment Management Partnership (Limited Partnership) (橫琴金沙江聯合三期投資管理合夥企業(有限合夥)), “**Hengqin GSR III**”), holding 36.90% partnership interest in Jinsha River III. None of the other nine limited partners of Jinsha River III holds more than 30% partnership interests in Jinsha River III. Hengqin GSR III is held by Suzhou GSL as general partner as to 0.02% and other 19 limited partners, none of which holds more than 30% interest therein. Each of them is an Independent Third Party.

Suzhou Zhongxin Botong Jinshi Venture Capital Partnership (Limited Partnership) (蘇州中新博通金世創業投資合夥企業(有限合夥)) (“**Zhongxin Botong**”) is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Zhongxin Botong is Hengqin Zijin. The largest limited partner of Zhongxin Botong is Bosch (Shanghai) Venture Capital Co., Ltd. (博世(上海)創業投資有限公司), holding 56.37% partnership interest in Zhongxin Botong. None of the other two limited partners of Zhongxin Botong holds more than 30% partnership interests in Zhongxin Botong. Each of the general partner and limited partners of Zhongxin Botong is an Independent Third Party.

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Qianhai Huaize (being Qianhai Investment, Zhongyuan Qianhai, Huaize Zhongzhao)

Qianhai Equity Investment Fund (Limited Partnership) (前海股權投資基金(有限合夥)) (“**Qianhai Investment**”) is a limited partnership established in the PRC owned as to approximately (i) 1.05% by Qianhai Ark Asset Management Co., Ltd. (前海方舟資產管理有限公司) as its general partner, which was ultimately controlled by Jin Haitao (靳海濤) through Shenzhen Qianhai Huaize Ark Venture Capital Enterprise (Limited Partnership) (深圳前海淮澤方舟創業投資企業(有限合夥)) (“**Qianhai Huaize**”), an Independent Third Party, and (ii) 98.95% by the other 49 limited partners and none of them holds more than 30% interest therein. Each of the limited partners of Qianhai Investment is an Independent Third Party.

Zhongyuan Qianhai Equity Investment Fund (Limited Partnership) (中原前海股權投資基金(有限合夥)) (“**Zhongyuan Qianhai**”) is a limited partnership established in the PRC and was owned as to (i) approximately 1.51% by Qianhai Ark (Zhengzhou) Venture Capital Management Partnership (Limited Partnership) (前海方舟(鄭州)創業投資管理企業(有限合夥)) as its general partner, which was ultimately controlled by Jin Haitao through Qianhai Huaize, an Independent Third Party, and (ii) approximately 98.49% by the other 23 limited partners and none of them holds more than 30% interest therein. Each of the limited partners of Zhongyuan Qianhai is an Independent Third Party.

Shenzhen Huaize Zhongzhao Angel Venture Capital Partnership Enterprise (Limited Partnership) (深圳市淮澤中釗天使創業投資合夥企業(有限合夥)) (“**Huaize Zhongzhao**”) is a limited partnership established under the laws of the PRC and is held by (i) Shenzhen Huaize Zhongzhao Private Equity Venture Capital Fund Management Partnership (Limited Partnership) (深圳市淮澤中釗私募創業投資基金管理合夥企業(有限合夥)) (“**Huaize Zhongzhao Management**”) as general partner as to 2.65%; and (ii) five limited partners as to 97.35%, among which Shenzhen Angel Investment Guidance Fund Co., Ltd. (深圳市天使投資引導基金有限公司), being ultimately controlled by Shenzhen Municipal Finance Bureau (深圳市財政局), holds 40.00% and none of the other limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Huaize Zhongzhao Management is held by (i) Qianhai Huaize as general partner as to 55.00%; and (ii) Shenzhen Zhongzhao Private Equity Investment Fund Management Co., Ltd. (深圳市中釗私募股權投資基金管理有限責任公司) as sole limited partner as to 45.00%, which is controlled by Zheng Huanjian (鄭煥堅) as to 65.00% and none of its other shareholders holds more than 30% interest therein. Each of them is an Independent Third Party.

Yingke Digital Innovation

Chongqing Yingke Digital Innovation Private Equity Investment Fund Partnership (Limited Partnership) (重慶盈科數創私募股權投資基金合夥企業(有限合夥)) (“**Yingke Digital Innovation**”) is a limited partnership established under the laws of the PRC and is held by (i) Chongqing Yingke Equity Investment Fund Management Co., Ltd. (重慶盈科股權投資基金管理有限公司) (“**Yingke Investment**”) as general partner as to 1.00%; and (ii) nine limited partners as to 99.00%, among which Chongqing Yingtian Innovation Equity Investment Fund Partnership Enterprise (Limited Partnership) (重慶盈壇創新股權投資基金合夥企業(有限合夥)) (“**Yingtian Innovation**”) holds 54.00%, and none of the other limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

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Yingke Investment has three shareholders, Chongqing Yingzun Enterprise Management Consulting Partnership (Limited Partnership) (重慶盈樽企業管理諮詢合夥企業(有限合夥)) (“**Chongqing Yingzun**”), Li Ning (李寧) and Chongqing Yingtan Investment Management Co., Ltd. (重慶盈壇投資管理有限公司) (“**Yingtang Investment**”), holding 49.00%, 41.00% and 10.00%, respectively. Chongqing Yingzun is held by (i) Yu Guangda (于光大), our Company’s former supervisor, as general partner as to 3.17%; and (ii) six limited partners as to 96.83%, among whom Li Ning holds 71.98% and none of the other limited partners holds more than 30% interest therein. Yingtang Investment is held by Qing Qing (卿卿) and Qing Lanzi (卿藍紫) as to 60.00% and 40.00%, respectively. Each of them is an Independent Third Party.

Yingtang Innovation is held by (i) Yingke Investment as general partner as to 0.45%; and (ii) Yingtang Investment as sole limited partner as to 99.55%. Each of them is an Independent Third Party.

IDriver Yunchuang

Chizhou Taga IDriver Yunchuang Private Equity Investment Fund Partnership (Limited Partnership) (池州踏歌智行雲創私募股權投資基金合夥企業(有限合夥)) (“**IDriver Yunchuang**”) is a limited partnership established under the laws of the PRC and is held by (i) Anhui Yunsong Venture Capital Fund Management Co., Ltd. (安徽雲松創業投資基金管理有限公司) (“**Anhui Yunsong**”) as general partner as to 0.10%; and (ii) Anhui Jiangnan Emerging Industry Investment Co., Ltd. (安徽江南新興產業投資有限公司) and Chizhou Industrial Development Fund Co., Ltd. (池州市產業發展基金有限公司) as limited partners, each holding 49.95% interest therein and both are ultimately controlled by SASAC of Chizhou Municipal Government (池州市政府國有資產監督管理委員會). Anhui Yunsong is controlled as to 80% by Anhui Innoval Private Equity Funds Management Co., Ltd. (安徽創谷股權投資基金管理有限公司), which is ultimately controlled by SASAC of Anhui Provincial People’s Government (安徽省人民政府國有資產監督管理委員會). Each of them is an Independent Third Party.

Pufeng Yunhua

Beijing Pufeng Yunhua Emerging Industry Entrepreneurship Investment Center (Limited Partnership) (北京普豐雲華新興產業創業投資中心(有限合夥)) (“**Pufeng Yunhua**”) is a limited partnership established under the laws of the PRC for venture capital investments, investment management and asset management, and is held by (i) Beijing Hengkuan Pufeng International Venture Capital Management Co., Ltd. (北京衡寬普豐國際創業投資管理有限公司) (“**Hengkuan Pufeng**”) as general partner as to 2.09%; and (ii) twelve limited partners, none of which holds more than 30% interest therein. Each of them is an Independent Third Party.

Hengkuan Pufeng is held by (i) Beijing Zhifu Pufeng Investment Consulting Co., Ltd. (北京智富普豐投資顧問有限公司) (“**Zhifu Pufeng**”) as to 40.80%; (ii) Hengkuan (Shandong) Industrial Development Co., Ltd. (衡寬(山東)產業發展有限公司) (“**Hengkuan Shandong**”) as to 32.00%; and (iii) other three shareholders, none of which holds more than 30% interest therein. Zhifu Pufeng is held by Liu Bingzhong (劉秉中) and Fan Bin (範彬) as to 95.00% and 5.00%, respectively. Hengkuan Shandong is held by Hao Xianyun (郝仙雲) as to 36.00% and none of the other shareholders holds more than 30% interest therein. Each of them is an Independent Third Party.

Huang Tao (being actual controller of Wantong Tech and Century Golden)

Anhui Wantong Technology Co., Ltd. (安徽皖通科技股份有限公司) (“**Wantong Tech**”) is a joint stock company incorporated in the PRC with limited liability and listed on the Shenzhen Stock Exchange (stock code: 002331.SZ). None of Wantong Tech’s shareholders holds more than 30% interest therein.

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Century Golden Resources Investment Group Co., Ltd. (世紀金源投資集團有限公司) (“**Century Golden**”) is a company incorporated in the PRC and its shareholders are Huang Tao (黃濤) as to 60.00% and Huang Shiyang (黃世熒) as to 40.00%. Each of them is an Independent Third Party.

Ding Mingfeng (being the ultimate beneficial owner of Puhe Investment and Xinda Puchuang)

Zhenjiang Puhe Equity Investment Fund Partnership Enterprise (Limited Partnership) (鎮江市普合股權投資基金合夥企業(有限合夥)) (“**Puhe Investment**”) is a limited partnership established under the laws of the PRC and is held by (i) Vinno Capital Co., Ltd. (深圳市合創資本管理有限公司) (“**Vinno Capital**”) as general partner as to 2.49%; and (ii) eight limited partners as to 97.51%, none of which holds more than 30% interest therein. Vinno Capital is a company incorporated in the PRC controlled by Ding Mingfeng (丁明峰) as to 72.00% and none of its other three shareholders holds more than 30% interest therein. Each of them is an Independent Third Party.

Qingdao Xinda Puchuang Investment Center (Limited Partnership) (青島信達普創投資中心(有限合夥)) (“**Xinda Puchuang**”), formerly known as Shenzhen Vinno Xinda Investment Management Enterprise (Limited Partnership) (深圳市合創信達投資管理企業(有限合夥)), is a limited partnership established under the laws of the PRC. It is principally engaged in equity investment. It is held by its general partner, Ding Mingfeng as to 1.00%, and three limited partners, namely Qian Qiang (錢強), Tang Zujia (唐祖佳) and Yu Juan (禹涓), each as to 33.00%. Each of them is an Independent Third Party.

Jinsha Emerging

Zhangjiagang Jinsha Emerging Industry Investment Fund Partnership Enterprise (Limited Partnership) (張家港金沙新興產業投資基金合夥企業(有限合夥)) (“**Jinsha Emerging**”) is a limited partnership established under the laws of the PRC and is held by (i) Shanghai Jinsha Equity Investment Fund Management Co., Ltd. (上海錦沙創業投資管理有限公司) (“**Jinsha Investment**”) as general partner as to 0.10%; and (ii) four limited partners as to 99.90%, among which Ningbo Meishan Bonded Port Jincheng Shazhou Equity Investment Co., Ltd. (寧波梅山保稅港區錦程沙洲股權投資有限公司) (“**Jincheng Shazhou**”) holds 49.95% and none of the other limited partners holds more than 30% interest therein. Jinsha Investment is wholly controlled by Jincheng Shazhou, whose largest shareholder is Shen Bin (沈彬) as to 70.53% and none of its other shareholders holds more than 30% interest. Each of them is an Independent Third Party.

Panorama Technology

Hainan Panorama Technology Partnership Enterprise (Limited Partnership) (海南全景科技合夥企業(有限合夥)) (“**Panorama Technology**”) is a limited partnership established under the laws of the PRC and is held by Zhang Xuehua (張雪華) as general partner as to 1.00% and Xu Lei (徐磊) as sole limited partner as to 99.00% interest therein. Each of them is an Independent Third Party.

Shengchi Engineering

Inner Mongolia Shengchi Engineering Machinery Co., Ltd. (內蒙古昇馳工程機械有限公司) (“**Shengchi Engineering**”) is a company incorporated under the laws of the PRC and is held by Zhao Yanchun (趙燕春) as to 99.00% and Sun Mingli (孫明利) as to 1.00%. Each of them is an Independent Third Party.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Puxin Yixin

Anhui Puxin Yixin Innovation and Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (安徽浦信熠芯創新創業投資合夥企業(有限合夥)) (“**Puxin Yixin**”) is a limited partnership established under the laws of the PRC and is held by (i) Shanghai Puyao Xinye Capital Co., Ltd. (上海浦耀信曄投資管理有限公司) (“**Puyao Xinye**”) as general partner as to 1.63%; and (ii) five limited partners as to 98.37%, among which Shanghai International Trust Co., Ltd. (上海國際信託有限公司) (“**Shanghai International Trust**”) holds 38.37% and none of the other four limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Puyao Xinye is controlled by Shangxin Asset Management Co., Ltd. (上信資產管理有限公司) as to 64.00% and Shanghai International Trust as to 36.00%, each of which is ultimately controlled by Shanghai SASAC (上海市國有資產監督管理委員會). Shanghai International Trust is controlled by Shanghai Pudong Development Bank Co., Ltd. (上海浦東發展銀行股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600000.SH), as to 97.33% and none of its other two shareholders holds more than 30% interest therein. Each of them is an Independent Third Party.

Tonly

Shaanxi Tonly Heavy Industries Co., Ltd. (陝西同力重工股份有限公司) is a joint stock company incorporated in the PRC with limited liability and listed on the Beijing Stock Exchange (stock code: 920599.BJ). None of Tonly’s shareholders holds more than 30% interest therein.

Shanghai Zhige

Shanghai Zhige Enterprise Management Partnership Enterprise (Limited Partnership) (上海致歌企業管理合夥企業(有限合夥)) (“**Shanghai Zhige**”) is a limited partnership established under the laws of the PRC and is held by (i) Nanjing Zhixun Enterprise Management Consulting Partnership (Limited Partnership) (南京致勛企業管理諮詢合夥企業(有限合夥)) (“**Nanjing Zhixun**”) as general partner as to 0.33% and (ii) Nanjing Chuangyi Zhining Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (南京創熠致寧創業投資合夥企業(有限合夥)) (“**Chuangyi Zhining**”), the general partner of which is Nanjing Zhixun, as sole limited partner as to 99.67% interest therein. Each of them is an Independent Third Party.

Nanjing Zhixun is held by CMC (Shanghai) Equity Investment Management Co., Ltd. (華人文化(上海)股權投資管理有限公司) (“**CMC Investment**”) as general partner as to 90.00% and by Yi Ran (易然) as sole limited partner as to 10.00%. CMC Investment is a company incorporated in the PRC and its shareholders are Li Ruigang (黎瑞剛) as to 99.00% and Gu Jiong (顧炯) as to 1.00%. Each of them is an Independent Third Party.

Shangshi Growth (being Shangshi Growth and Shangshi Growth II)

Shangshi Growth Acceleration (Hainan) Venture Capital Fund Partnership Enterprise (Limited Partnership) (尚勢成長加速(海南)創業投資基金合夥企業(有限合夥)) (“**Shangshi Growth**”) and Shangshi Growth Acceleration (Hainan) Venture Capital Fund Partnership Enterprise (Limited Partnership) (尚勢成長加速(海南)創業投資二號基金合夥企業(有限合夥)) (“**Shangshi Growth II**”) are limited partnerships established under the laws of the PRC and each of them is held by Beijing Shangshi Investment Management Co., Ltd. (北京尚勢投資管理有限公司) (“**Shangshi Investment**”) as general partner as to 0.01% and 0.04%, respectively. Shangshi Investment is held by Cheng Yang (程楊) and Liu Fang (劉芳) as to 85.00% and 15.00%, respectively. Each of them is an Independent Third Party.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shangshi Growth has seven limited partners, among which Yitai Equity Investment Management Co., Ltd. (伊泰股權投資管理有限公司), which is ultimately controlled by Inner Mongolia Yitai Coal Co., Ltd. (內蒙古伊泰煤炭股份有限公司), a company listed on the B share market of Shanghai Stock Exchange (stock code: 900948.SH) and the Stock Exchange (stock code: 3948.HK) and subsequently delisted from the Stock Exchange in August 2023, holds 41.26%, and none of the other limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Shangshi Growth II has four limited partners, among which Shenzhen Qianhai Hongsheng Entrepreneurship Investment Service Co., Ltd. (深圳市前海弘盛創業投資服務有限公司) (“**Qianhai Hongsheng**”) holds 42.54% and none of the other three holds more than 30% interest therein. Qianhai Hongsheng is wholly owned by Sunwoda Electronic Co., Ltd. (欣旺達電子股份有限公司), a company incorporated in the PRC and is listed on the Shenzhen Stock Exchange (stock code: 300207.SZ). Each of them is an Independent Third Party.

Zhiyi Xingnan

Suzhou Zhiyi Xingnan Enterprise Management Partnership Enterprise (Limited Partnership) (蘇州知易行難企業管理合夥企業(有限合夥)) (“**Zhiyi Xingnan**”) is a limited partnership established under the laws of the PRC and is held by Hui Jianxin (惠建新) as general partner as to 75.00% and by Zhu Yanqin (朱燕琴) as sole limited partner as to 25.00%. Each of them is an Independent Third Party.

Jiuchuang Investment

Wuhu Jiuchuang Investment Fund Co., Ltd. (蕪湖市鳩創投資有限公司) (“**Jiuchuang Investment**”) is a company incorporated under the laws of the PRC. It is held by Anhui Jiukong State-owned Capital Investment Group Co., Ltd. (安徽鳩控國有資本投資集團有限公司) as to 51.00%, which is ultimately controlled by SASAC of Jiujiang District of Wuhu Municipal People’s Government (蕪湖市鳩江區人民政府國有資產監督管理委員會). None of Jiuchuang Investment’s other shareholders holds more than 30% interest therein. Each of them is an Independent Third Party.

Lanyan Maozhu

Gongqingcheng Lanyan Maozhu Investment Partnership Enterprise (Limited Partnership) (共青城藍焱茂竹投資合夥企業(有限合夥)) (“**Lanyan Maozhu**”) is a limited partnership established under the laws of the PRC and is held by Lanyan Private Equity Venture Capital Management (Shenzhen) Co., Ltd. (藍焱私募創業投資基金管理(深圳)有限公司) (“**Lanyan VC**”) as general partner as to 0.09% and by seven limited partners as to 99.91% and none of the limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Lanyan VC is held by Wang Mu (王牧) as to 60.00% and by Shenzhen Heyi Enterprise Management Partnership Enterprise (Limited Partnership) (深圳市合一企業管理合夥企業(有限合夥)) (“**Shenzhen Heyi**”) as to 40.00%. Shenzhen Heyi is held by Ma Nan (馬南) as general partner as to 84.00% and none of its two limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Zhongtaida

Shenzhen Zhongtaida Project No. 8 Development Enterprise (Limited Partnership) (深圳市中泰達項目八號發展企業(有限合夥)) (“**Zhongtaida**”) is a limited partnership established under the laws of the PRC and is held by (i) Wang Fuju (王福菊) as general partner as to 38.24%; (ii) two limited partners as to 61.76%, among which Deng Hongcheng (鄧鴻成) holds 32.35%, and the other limited partner does not hold more than 30% interest therein. Each of them is an Independent Third Party.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Tsingstone AMC (being the general partner of Tsingstone Jingchen, Tsingstone Hengding and Tsingstone Jinghua)

Suzhou Tsingstone Jingchen Venture Capital Partnership Enterprise (Limited Partnership) (蘇州清石璟辰創業投資合夥企業(有限合夥)) (“**Tsingstone Jingchen**”) is a limited partnership established under the laws of the PRC and is held by (i) Tsingstone Asset Management (Shanghai) Co., Ltd. (清石資產管理(上海)有限公司) (“**Tsingstone AMC**”), which is ultimately controlled by Wu Weiping (吳偉萍), as general partner as to 10.00%; and (ii) Suzhou Wuyun Shuixiang Venture Capital Center (Limited Partnership) (蘇州吳韻水鄉創業投資中心(有限合夥)), which is ultimately controlled by Wu Weiping, as limited partner as to 90.00%. Each of them is an Independent Third Party.

Suzhou Tsingstone Hengding Venture Capital Partnership Enterprise (Limited Partnership) (蘇州清石恒鼎創業投資合夥企業(有限合夥)) (“**Tsingstone Hengding**”) is a limited partnership established under the laws of the PRC and is held by (i) Tsingstone AMC as general partner as to 0.38%; and (ii) eleven limited partners as to 99.62%, among which Mo Lingen (莫林根) and Pan Ding (潘鼎) holds 37.91% and 30.33%, respectively, and none of the other limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Suzhou Tsingstone Jinghua Venture Capital Center (Limited Partnership) (蘇州清石璟華創業投資中心(有限合夥)) (“**Tsingstone Jinghua**”) is a limited partnership established under the laws of the PRC and is held by (i) Tsingstone AMC as general partner as to 10.00%; and (ii) three limited partners as to 90.00%, among which Fu Shen (傅申) holds 54.00%, and none of the other limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Lucion Wanneng

Anhui Lucion Wanneng Green Energy Equity Investment Fund Partnership Enterprise (Limited Partnership) (安徽魯信皖能綠色動能股權投資基金合夥企業(有限合夥)) (“**Lucion Wanneng**”) is a limited partnership established under the laws of the PRC. The general partner of Lucion Wanneng is Anhui Lucion Private Equity Investment Fund Management Co., Ltd. (安徽魯信私募股權投資基金管理有限公司), which is ultimately controlled by Lucion Venture Investment Group Co., Ltd. (魯信創業投資集團股份有限公司) (“**Lucion Investment**”), a company listed on the Shanghai Stock Exchange (stock code: 600783.SH), an Independent Third Party and ultimately controlled by Shandong Provincial Department of Finance (山東省財政廳). The largest limited partner of Lucion Wanneng is Lucion Investment, holding 39.40% partnership interests therein. None of the other seven limited partners of Lucion Wanneng holds more than 30% partnership interests in Lucion Wanneng. Each of the limited partners of Lucion Wanneng is an Independent Third Party.

Huangshan New Era

Huangshan New Era Cultural Tourism Industry Investment Fund Partnership (Limited Partnership) (黃山新時代文化旅游產業投資基金合夥企業(有限合夥)) (“**Huangshan New Era**”) is a limited partnership established under the laws of the PRC and is held by (i) Huangshan New Era Cultural Tourism Fund Management Co., Ltd. (黃山新時代文化旅游基金管理有限公司) as general partner as to 0.67%, which is ultimately controlled by Anhui Provincial People’s Government (安徽省人民政府); and (ii) Huangshan New Era Anhua Cultural Tourism Investment Partnership (limited partnership) (黃山新時代安華文化旅游投資合夥企業(有限合夥)), whose general partner is controlled by Huaan Securities Co., Ltd. (華安證券股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600909.SH), as sole limited partner as to 99.33% interest therein. Each of them is an Independent Third Party.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Tianjin Xishan

Tianjin Xishan Tage Technology Partnership (Limited Partnership) (天津溪山踏歌科技合夥企業(有限合夥)) (“**Tianjin Xishan**”) is a limited partnership established under the laws of the PRC and is held by (i) Mr. Xu as general partner as to 6.25%; and (ii) six limited partners holding 93.75%, among whom Yu Xiaolei (于小鏞) holds 31.25% and none of the other limited partners holds more than 30% interest therein. Each of them is an Independent Third Party.

Wuxi Emerging Industry

Wuxi Municipal Energy Emerging Industry Equity Investment Fund Partnership (Limited Partnership) (無錫市政能新興產業股權投資基金合夥企業(有限合夥)) (“**Wuxi Emerging Industry**”) is a limited partnership established under the laws of the PRC and is held by (i) Wuxi Guolian Capital Operation Co., Ltd. (無錫國聯資本運營私募基金管理有限公司) (“**Wuxi Guolian Capital**”) as general partner as to 0.17%; and (ii) three limited partners as to 99.83%, among which Wuxi Energy Group Co., Ltd. (無錫市能源集團有限公司) (“**Wuxi Energy**”) and Jiangsu Xizheng Real Estate Co., Ltd. (江蘇錫政置業有限公司) (“**Jiangsu Xizheng**”) hold 60.00% and 30.00%, respectively, and the other limited partner does not hold more than 30% interest therein. Each of them is an Independent Third Party.

Wuxi Guolian Capital is a wholly-owned subsidiary of Wuxi Guofa Capital Operation Co., Ltd. (無錫市國發資本運營有限公司), which is in turn ultimately controlled by SASAC of Wuxi Municipal People’s Government (無錫市人民政府國有資產監督管理委員會). Each of Wuxi Energy and Jiangsu Xizheng is a wholly-owned subsidiary of Wuxi Municipal Public Utilities Industry Group Co., Ltd. (無錫市市政公用產業集團有限公司), which is in turn wholly-owned by the Wuxi Municipal People’s Government (無錫市人民政府). Each of them is an Independent Third Party.

Wuxi Dingqi

Wuxi Dingqi Shanshui Investment Partnership Enterprise (Limited Partnership) (無錫鼎祺山水投資合夥企業(有限合夥)) (“**Wuxi Dingqi**”) is a limited partnership established under the laws of the PRC and is held by (i) Wuxi Yuanyue Private Fund Management Co., Ltd. (無錫源悅私募基金管理有限公司) (“**Wuxi Yuanyue**”) as general partner as to 0.33%; and (ii) two limited partners as to 99.67%, among which Wuxi Shanshui City Technology Entrepreneurship Service Co., Ltd. (無錫山水城科技創業服務有限公司) (“**Wuxi Shanshui City**”) and Wuxi Dingqi Science and Technology Innovation Investment Partnership Enterprise (Limited Partnership) (無錫鼎祺科創投資合夥企業(有限合夥)) (“**Wuxi Science and Technology Innovation**”) hold 54.82% and 44.85%, respectively, each of which is ultimately controlled by the Finance Bureau of Binhu District Wuxi City. Each of them is an Independent Third Party.

Wuxi Yuanyue is a wholly-owned subsidiary of Wuxi Binhu Kechuang Group Co., Ltd. (無錫濱湖科創集團有限公司), which is in turn ultimately controlled by Finance Bureau of Binhu District Wuxi City. Wuxi Shanshui City is a wholly-owned subsidiary of Wuxi Xiwang Nanquan Intelligent Manufacturing Technology Co., Ltd. (無錫溪望南泉智造科技有限公司), which is in turn ultimately controlled by Finance Bureau of Binhu District Wuxi City. Wuxi Science and Technology Innovation is held by (i) Wuxi Yuanyue as general partner as to 0.05%; and (ii) Wuxi Binhu Kechuang Group Co., Ltd. as sole limited partner as to 99.95% interest therein. Each of them is an Independent Third Party.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Lanyan Runzhu

Gongqingcheng Lanyan Runzhu Investment Center (Limited Partnership) (共青城藍焱潤竹投資中心(有限合夥)) (“**Lanyan Runzhu**”) is a limited partnership established under the laws of the PRC and is held by (i) Shenzhen Ruibo Qichen Consulting Management Co., Ltd. (深圳市睿博啟辰諮詢管理有限公司), being wholly owned by Lu Yipeng (盧奕鵬), as general partner as to 0.09%; and (ii) seven limited partners as to 99.91%, none of whom holds more than 30% interest therein. Each of them is an Independent Third Party.

BUAA Holding

BUAA Holdings Co., Ltd. (北京北航資產經營有限公司) (“**BUAA Holdings**”) is a company incorporated in the PRC and is wholly owned by Beihang University. Each of them is an Independent Third Party.

Nuohao Jinxin

Nuohao Jinxin (Beijing) Investment Group Co., Ltd. (諾浩金信(北京)投資集團有限公司) (“**Nuohao Jinxin**”) is a company incorporated under the laws of the PRC and is held by Meng Xiongwen (孟雄文), an Independent Third Party, as to 96.36%.

EMPLOYEE SHARES INCENTIVE SCHEME

We have established Ningbo Tage and Dalian Tage as the Company’s share incentive platforms, to further bolster the corporate governance structure, improve the incentive mechanism, encourage outstanding employees (the “**Scheme Participants**”) to be more proactive, and foster the sense of responsibility among the Scheme Participants to promote the stable, continuous and rapid growth of the Company. We adopted the Share Incentive Scheme on March 11, 2026, pursuant to which the Company will grant option(s) (“**Option(s)**”) to the Scheme Participants to acquire the partnership interest of Ningbo Tage and/or Dalian Tage. As of the Latest Practicable Date, Dalian Tage is a limited partner of Ningbo Tage, holding 59.77% interest therein. The Company has granted Options corresponding to 3,995,220 Share, being [REDACTED]% of the equity interest in the Company immediately upon completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and excluding Prof. Yu’s interests in Ningbo Tage, corresponding to 673,958 Shares). For details of the Share Incentive Scheme, see “Appendix VI — Statutory and General Information — Share Incentive Scheme.”

PUBLIC FLOAT

Pursuant to Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Hong Kong Listing Rules, assuming that the [REDACTED] is not exercised:

- (i) based on an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the low end of the indicative [REDACTED] range), the expected market capitalization of the Company upon [REDACTED] is HK\$[REDACTED], and the minimum prescribed public float percentage applicable to the Shares is [REDACTED]%;
- (ii) based on an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range), the expected market capitalization of the Company upon [REDACTED] is HK\$[REDACTED], and the minimum prescribed public float percentage applicable to the Shares is [REDACTED]%; and

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

- (iii) based on an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the high end of the indicative [REDACTED] range), the expected market capitalization of the Company upon [REDACTED] is HK\$[REDACTED], and the minimum prescribed public float percentage applicable to the Shares is [REDACTED]%.

Immediately following the conversion of the Domestic [REDACTED] Shares into H Shares and completion of the [REDACTED], assuming that (i) the [REDACTED] is not exercised and (ii) no [REDACTED] will be allocated under the [REDACTED] to any core connected person of our Company or person which is not regarded as a member of the public under Rule 8.24 of the Listing Rules, the [REDACTED] Shares held in aggregate by (i) certain of our Single Largest Group of Shareholders, namely Prof. Yu, Mr. Zhou, Ningbo Tage and BUE Foundation who are core connected persons of our Company, (ii) Beijing CHN Energy and Xinneng Sci-Tech, who are core connected persons of our Company, and (iii) Jiuchuang Investment and BUAA Holding which will hold Domestic [REDACTED] Shares, will not be counted towards the public float.

Based on the above, it is expected that immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), approximately [REDACTED]% of our Company’s total issued Shares will be held by the public upon completion of the [REDACTED], which is in compliance with Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules.

FREE FLOAT

[REDACTED]

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CAPITALIZATION OF OUR COMPANY

The following table sets out our shareholding structure (a) as of the date of this document and (b) immediately upon completion of the [REDACTED] and the Full Circulation Application (assuming that the [REDACTED] is not exercised):

Shareholders	As of the date of this document		Immediately following the completion of the [REDACTED] and the Full Circulation Application (assuming the [REDACTED] is not exercised)					
	Number of Domestic [REDACTED] Shares	Shareholding in the Domestic [REDACTED] Shares	Number of Domestic [REDACTED] Shares	Shareholding in the Domestic [REDACTED] Shares	Number of H Shares	Shareholding in the H Shares	Number of Total Shares	Shareholding in the total issued share capital
Single Largest Group of Shareholders								
Prof. Yu ^(N)	7,604,975	11.70%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Ningbo Tage ^(N)	4,669,178	7.18%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Mr. Zhou ^(N)	459,416	0.71%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
BUE Foundation ^(N)	949,513	1.46%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	13,683,082	21.04%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
CHN Energy Fund Management								
Beijing CHN Energy ^(N)	8,031,251	12.35%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Xinneng Sci-Tech ^(N)	2,969,896	4.57%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	11,001,147	16.92%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Boton Technology								
Boton Investment ^(P)	4,385,041	6.74%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Boton Chentao ^(P)	1,007,664	1.55%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	5,392,705	8.29%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shengshi Yuheng ^(P)	3,588,739	5.52%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hefei SASAC								
Hefei Industrial ^(P)	2,607,370	4.01%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hefei Xinyuan ^(P)	521,474	0.80%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	3,128,844	4.81%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hengqin Zijin								
Jinsha River III ^(P)	2,836,504	4.36%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Zhongxin Botong ^(P)	246,638	0.38%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	3,083,142	4.74%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Qianhai Huaize								
Qianhai Investment ^(P)	1,522,984	2.34%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Zhongyuan Qianhai ^(P)	870,277	1.34%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Huaize Zhongzhao ^(P)	326,354	0.50%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	2,719,615	4.18%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Yingke Digital Innovation ^(P)	2,229,376	3.43%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
IDriver Yunchuang ^(P)	1,738,248	2.67%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Pufeng Yunhua ^(P)	1,587,077	2.44%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Huang Tao								
Century Golden ^(P)	1,465,642	2.25%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Wantong Tech ^(P)	840,330	1.29%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	2,305,972	3.55%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Ding Mingfeng								
Puhe Investment ^(P)	1,210,711	1.86%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Xinda Puchuang ^(P)	14,878	0.02%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	1,225,589	1.88%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Jinsha Emerging ^(P)	1,166,255	1.79%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Panorama Technology ^(P)	1,060,654	1.63%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shengchi Engineering ^(P)	1,056,106	1.62%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Puxin Yixin ^(P)	885,019	1.36%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Mr. Xu ^(P)	832,910	1.28%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Mr. Nanshan Zeng ^(P)	796,642	1.23%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Tonly ^(P)	714,403	1.10%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shanghai Zhige ^(P)	713,395	1.10%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shangshi Growth								
Shangshi Growth ^(P)	137,242	0.21%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shangshi Growth II ^(P)	548,968	0.84%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Subtotal	686,210	1.06%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Zhiyi Xingnan ^(P)	636,965	0.98%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Jiuchuang Investment ^{(N)*}	636,965	0.98%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Lanyan Maozhu ^(P)	543,923	0.84%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Zhongtaida ^(P)	541,420	0.83%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Tsingstone AMC								
Tsingstone Hengding ^(P)	347,649	0.53%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Tsingstone Jingchen ^(P)	156,442	0.24%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Tsingstone Jinghua ^(P)	34,765	0.05%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholders	Immediately following the completion of the [REDACTED] and the Full Circulation Application (assuming the [REDACTED] is not exercised)							
	As of the date of this document							
	Number of Domestic [REDACTED] Shares	Shareholding in the Domestic [REDACTED] Shares	Number of Domestic [REDACTED] Shares	Shareholding in the Domestic [REDACTED] Shares	Number of H Shares	Shareholding in the H Shares	Number of Total Shares	Shareholding in the total issued share capital
<i>Subtotal</i>	538,856	0.83%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Lucion Waneng ^(P)	521,474	0.80%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Huangshan New Era ^(P)	347,649	0.53%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Tianjin Xishan ^(P)	347,138	0.53%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Wuxi Emerging Industry ^(P)	336,132	0.52%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Wuxi Dingqi ^(P)	336,132	0.52%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Lanyan Runzhu ^(P)	318,482	0.49%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
BUAA Holdings ^{(N)*}	260,563	0.40%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Nuohao Jinxin ^(P)	62,628	0.10%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Investors taking part in the [REDACTED] ^(P)	—	—	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Total	65,023,457	100.00%	[REDACTED]	100.00%	[REDACTED]	100.00%	[REDACTED]	100.00%

^(P) denotes that such Shares will be counted towards public float upon [REDACTED].

^(N) denotes that such Shares will not be counted towards public float upon [REDACTED].

* The Shares held by Jiuchuang Investment and BUAA Holdings do not count as public float as no Full Circulation Application was made for these Shares.

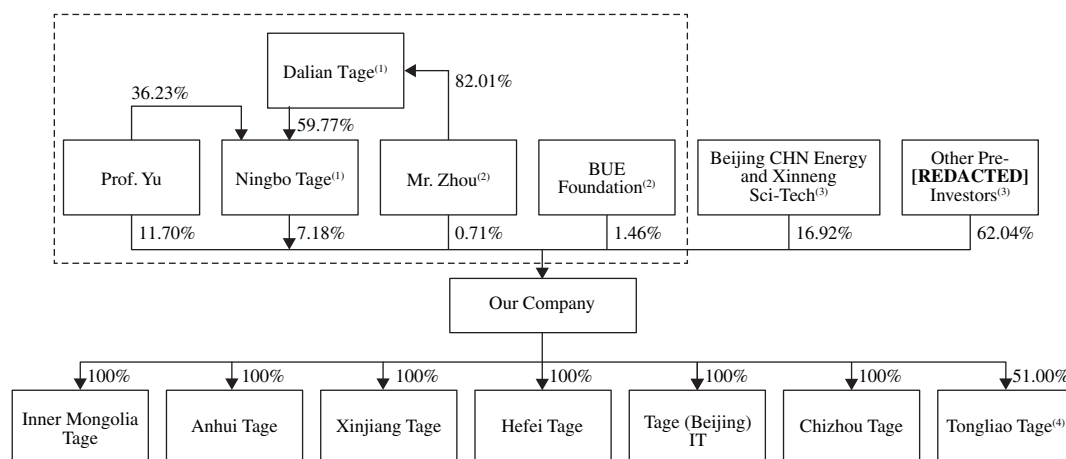
PRC REGULATORY REQUIREMENTS

Our PRC Legal Advisor has confirmed that we have legally and properly completed, settled, and obtained the requisite legal approvals and completed requisite governmental registrations with relevant governmental authorities in the PRC with respect to all the aforesaid capital increases and equity transfers.

CORPORATE STRUCTURE

(1) Corporate Structure Immediately Before Completion of the [REDACTED]

The chart below sets out the shareholding structure of our Company immediately before the completion of the [REDACTED]:



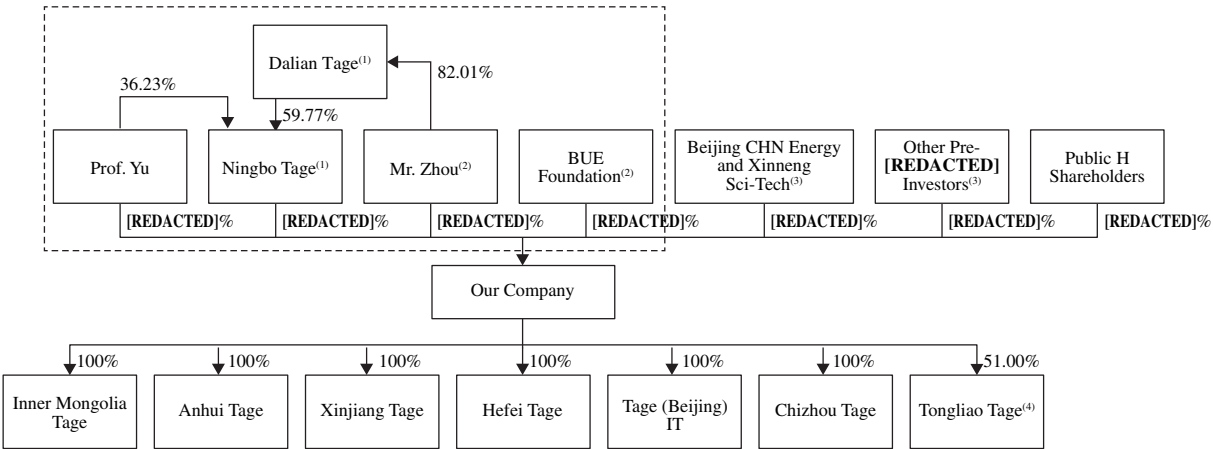
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

- (1) Ningbo Tage is a limited partnership established under the laws of the PRC and is held by (i) Prof. Yu as general partner, holding 36.23% interest therein; and (ii) three limited partners, among whom, (a) Dalian Tage (another share incentive platform of our Company) holds 59.77% interest therein; and (b) Mr. Song Maliang (宋馬良), our former employee and Prof. Yu’s cousin, holds 3.14% interest herein. The other limited partner is our former employee, an Independent Third Party.
- The general partner of Dalian Tage is Mr. Zhou. The limited partners of Dalian Tage are 44 employees and former employees of our Company, including Mr. Zhao Bin and Dr. Wang Jifu, our executive Directors, and Mr. Liu Zhao (劉釗), a former director of our Company, who respectively holds 0.61%, 1.40% and 0.93% interests in Dalian Tage. All the other 41 employees and former employees are Independent Third Parties.
- (2) Mr. Zhou and BUE Foundation act in concert with Prof. Yu pursuant to the 2026 AIC Agreement and BUE AIC Agreement, respectively. See “Relationship with our Single Largest Group of Shareholders.”
- (3) Each of Beijing CHN Energy and Xinneng Sci-tech holds 12.35% and 4.57% of the total Shares as at the Latest Practicable Date. For details of Beijing CHN Energy, Xinneng Sci-tech and the Other Pre-[REDACTED] Investors, see “ — Information about Our Pre-[REDACTED] Investors” of this section.
- (4) The remaining 49.00% equity interest in Tongliao Tage is held by Beijing Gongpinhui, which was owned by Duan Shujing (段淑靜) and Cui Haijuan (崔海娟) as to 80.00% and 20.00% respectively. Each of Beijing Gongpinhui, Duan Shujing and Cui Haijuan is an Independent Third Party.

(2) Corporate Structure Immediately Following Completion of the [REDACTED]

The chart below sets out the shareholding structure of our Company immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised):



Please refer to Notes (1) to (4) in the preceding structure chart.

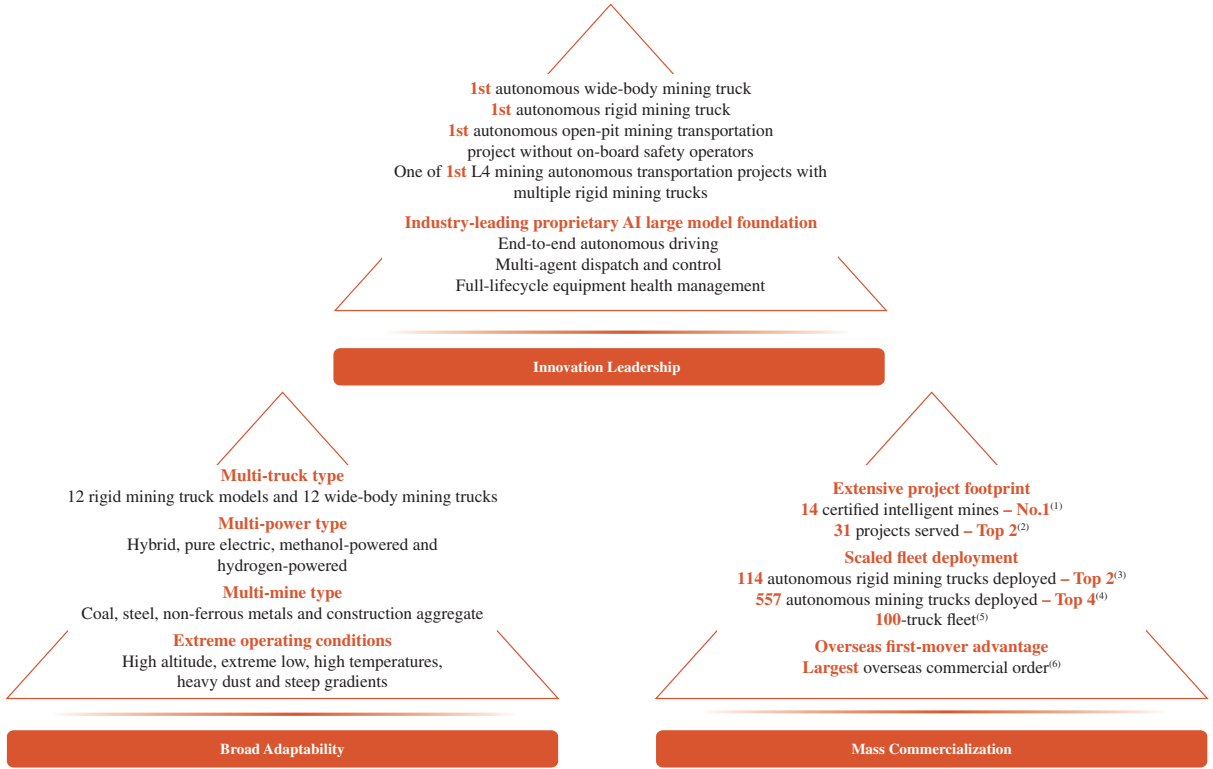
BUSINESS

OVERVIEW

Who We Are

We are a pioneer and leader in mining autonomous driving transportation, driving the industry’s high-quality growth. Our vehicle–ground–cloud mining autonomous driving transportation system, KuangGu, is powered by our proprietary three AI large model foundation specializing in end-to-end autonomous driving, multi-agent dispatch and control, and full-lifecycle equipment health management. We focus on delivering safe, sustainable, efficient and cost-effective mining autonomous driving transportation solutions to customers in closed-environment scenarios such as open-pit mines.

We are committed to the commercialization of autonomous driving application. Since our inception in 2016, we have been at the forefront of innovations in mining autonomous driving transportation. According to CIC, in 2018, we retrofitted China’s first autonomous wide-body mining truck and first autonomous rigid mining truck; in 2020, we deployed the first autonomous transportation open-pit mining project without on-board safety operators in China; in 2022, we deployed a fleet of autonomous rigid mining trucks at an open-pit mine, marking one of China’s first L4 mining autonomous transportation projects with multiple rigid mining trucks. In 2024, our self-designed 100-ton hybrid electric autonomous wide-body mining trucks (TG136HA) were successfully massively deployed in northwest, China. The below diagram sets forth our operating highlights:



Notes:

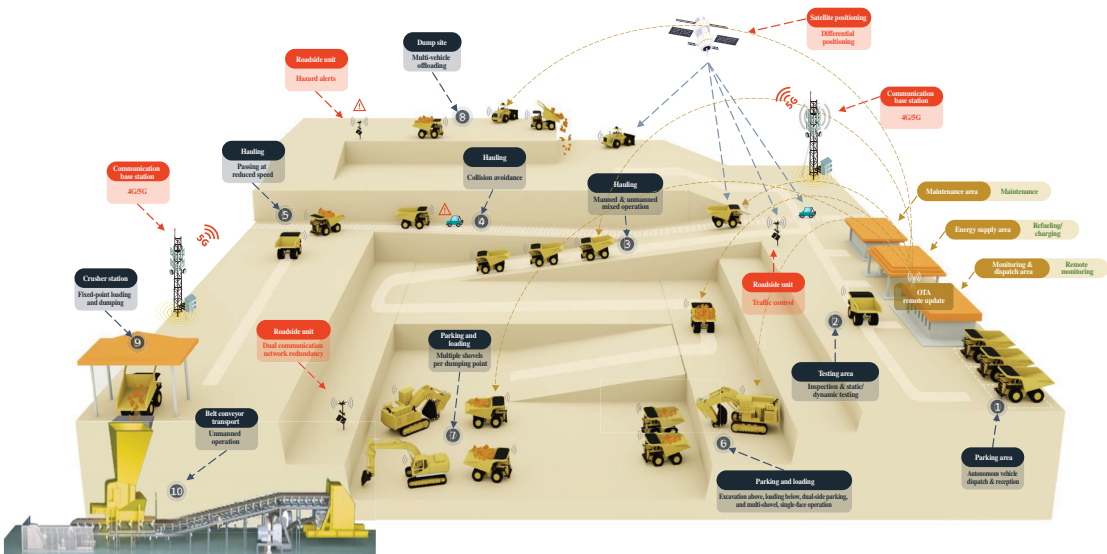
- (1) As of December 31, 2025, 14 intelligent mines deploying our solutions had obtained certification from relevant competent authorities, ranking first in China, according to CIC.
- (2) As of December 31, 2025, we served 31 projects, ranking second in China in terms of served project number, according to CIC.
- (3) As of December 31, 2025, we had delivered and serviced 114 autonomous rigid mining trucks, ranking second in China, according to CIC.
- (4) As of December 31, 2025, we had delivered and serviced 557 autonomous mining trucks, including both wide-body and rigid mining trucks, ranking among the top four in China, according to CIC.
- (5) As of December 31, 2025, we had achieved the deployment of over 100 autonomous mining trucks at a single mine.
- (6) As of December 31, 2025, we had secured the largest overseas commercial order in China by contract value and solution delivery volume, according to CIC, involving the delivery of solutions for over 40 third-party rigid mining trucks.

BUSINESS

We maintain robust long-term relationships with various large mine operators, including CHN Energy, Jiangxi Copper, Yiwu Guanghui, and Baotou Iron & Steel. Recognizing the innovation and effectiveness of our solutions, these major customers constantly make new orders and grant us new project mandates. As of December 31, 2025, we had served 31 intelligent open-pit mining projects in China, spanning Xinjiang, Inner Mongolia, Jiangxi, Guangdong and Heilongjiang. Certain major customers and shareholders offered strategic support to our long-term development, including from CHN Energy Fund Management. We actively engage with potential customers across international markets to advance our international expansion strategy, positioning ourselves as the partner of choice for the autonomous and intelligent transformation of open-pit mines worldwide.

Our Mining Autonomous Driving Transportation System, KuangGu

Powered by our proprietary three AI large model foundation encompassing end-to-end autonomous driving large model, multi-agent dispatch and control large model, and full-lifecycle equipment health management large model, KuangGu is our mining autonomous driving transportation system designed for open-pit mines. KuangGu operates on a vehicle-ground-cloud integrated architecture, and consists of intelligent on-board systems, ground coordination infrastructure, and a cloud control platform. It enables large-scale autonomous operations across the entire loading, hauling and dumping process. KuangGu empowers all our offerings, including (i) mining autonomous driving transportation solutions with Tage purpose-built trucks, (ii) mining autonomous driving transportation solutions for third-party trucks, and (iii) intelligent operations and other services. KuangGu demonstrates differentiated competitive advantages over comparable systems in terms of technical architecture and system-level coordination, effectively addressing key operational challenges, including vehicle sensors’ reduced perception performance in extreme operating conditions, lowered control precision in complex road conditions, multi-vehicle conflicts, and low efficiency in large-scale transportation operations. The diagram below illustrates KuangGu’s typical operation in an open-pit mining operation.



BUSINESS

Mining Autonomous Driving Transportation Solutions with Tage Purpose-Built Trucks

Open-pit mines in China encompass diverse mine types. Their operations are often under extreme weather and complex road conditions, and are highly cost-sensitive. Mine operators relying on traditional manned mining trucks encounter difficulties coping with extreme working conditions, heightened labor costs and frequent safety accidents, and therefore have increasing demand for safe, reliable and cost-effective autonomous solutions.

Against this backdrop, in 2018, we co-developed the first drive-by-wire autonomous wide-body mining truck chassis in China with a leading OEM. Since then, we have focused on Tage purpose-built autonomous wide-body mining trucks, with factory-integrated autonomous driving modules. We lead key aspects of vehicle design, including electronic and electrical architecture design, vehicle control unit development and component integration, as well as autonomous driving domain controllers and sensors. From a delivery perspective, we are able to provide mass delivery of mining autonomous driving transportation fleets to customers, together with one-stop deployment of ground coordination infrastructure, and a cloud control platform, forming a complete mining autonomous driving transportation system. This integrated delivery model enables customers to seamlessly automate their mining operations without having to reconfigure their operational model, while significantly reducing overall costs and lowering operational and maintenance burden. As of December 31, 2025, we had delivered 242 Tage purpose-built autonomous wide-body mining trucks.

Mining Autonomous Driving Transportation Solutions for Third-Party Trucks

We also provide mining autonomous driving transportation solutions for third-party trucks, including the factory integration and retrofitting of third-party wide-body mining trucks and rigid mining trucks. We separately offer intelligent on-board systems under this business model. Our solutions are highly adaptable and vehicle type agnostic. They are compatible with mainstream wide-body mining truck and rigid mining truck models, and can therefore be easily factory-integrated to new fleets or retrofitted to existing fleets of our customers.

We have established significant advantages in the autonomous truck retrofit market, especially for the rigid mining trucks. Rigid mining trucks are widely used in large open-pit mines globally. Given their high unit price and long service life, customers typically seek to upgrade existing rigid mining truck fleets with autonomous driving system rather than replace entire fleets. As of December 31, 2025, we had completed 114 retrofits of rigid mining trucks, representing a market share of over 30% in China, according to CIC. As a pioneer in this market, we have overcome key technical challenges that are inherent in traditional manned rigid mining trucks, including extensive sensor blind spots, delayed braking and steering response, non-standardized drive-by-wire chassis interfaces, restricted access to communication protocols for core components, and lack of independent redundant braking systems. Leveraging these breakthroughs, we have developed replicable mining autonomous driving transportation solutions supported by a flexible and standardized software and hardware portfolio. As of December 31, 2025, we have secured the largest overseas commercial order in China by contract value and solution delivery volume, according to CIC, involving the delivery of solutions for over 40 third-party rigid mining trucks.

BUSINESS

Intelligent Operations and Other Services

We provide intelligent operations and other services, comprising (i) operational maintenance and technology services, and (ii) intelligent transportation services. Specifically, operational maintenance and technology services include efficiency enhancement, software upgrades, fault diagnosis and troubleshooting, algorithm optimization, full lifecycle equipment management, and on-site personnel training, ensuring stable, safe and efficient operations; intelligent transportation services involve the provision of integrated mining transportation services across the loading, hauling and dumping process, with service fees charged on a volume basis.

Massive Opportunity in Mining Autonomous

Mining operations continue to face safety risks, labor shortages and efficiency constraints from manual processes, driving demand for safer, more efficient and less labor-intensive operations. Furthermore, advancements in dual carbon goals and the adoption of AI and 5G are driving higher requirements for efficiency and system integration, accelerating the shift from standalone equipment to integrated intelligent solutions. Policy initiatives are also accelerating such trend by setting clear targets to increase intelligent production capacity and replace hazardous and labor-intensive roles. See “Industry Overview — Analysis of Mining Autonomous Driving Transportation Solution Industry in China and Globally.” According to CIC, the mining autonomous driving transportation solutions market in China is expected to increase from RMB4.0 billion in 2025 to RMB30.9 billion in 2030, representing a CAGR of 50.7%. The global mining autonomous driving transportation solutions market is expected to increase from RMB8.6 billion in 2025 to RMB56.5 billion in 2030, with Central Asia, Africa, Australia and South America serving as the primary growth regions.

Looking ahead, our growth is primarily driven by:

- ***Deepening our presence in the domestic market and strengthening relationships with major customers.*** We maintain long-standing partnerships with leading mining companies. As of December 31, 2025, approximately 48% of the mines where our solutions are deployed each have an annual production capacity exceeding 10 million tons. These established customer relationships allow us to capture ongoing incremental demand from existing projects, while our track record of successful new mine deployments alongside leading customers continues to build our reputation and generate further opportunities through a compounding referral effect.
- ***Achieving scalable replication in overseas markets.*** Our solutions have been recognized by overseas customers, enabling us to secure the largest overseas commercial order in China by contract value and solution delivery volume as of December 31, 2025. This milestone has given us a meaningful first-mover advantage and lays the foundation for the scalable replication of our solutions across mining sites internationally.
- ***Expanding into new scenarios to drive long-term growth.*** As mine automation evolves from standalone in-mine transportation towards integrated solutions that span both in-mine and off-mine operations, open-environment applications such as mainline haulage and mine-to-site connectivity present substantial market opportunities. Drawing on our accumulated technological capabilities and large-scale project experience, we are well-positioned to extend into these off-mine applications and create new long-term growth drivers.

BUSINESS

Our Value Proposition: Safety, Sustainability, Efficiency, and Cost Effectiveness

We are committed to delivering safe, sustainable, efficient, and cost-effective mining autonomous driving transportation solutions driven by continuous technological development and innovation. At the core of our offering is a vehicle-ground-cloud integrated architecture, underpinned by our proprietary three AI large model foundation, which serves as the central decision-making engine for the entire solutions.

- ***Safety: embedding protection at every layer rather than reacting to risk.*** Built upon our vehicle-ground-cloud integrated architecture, we have developed a multi-layer active safety framework that enables L4 autonomous operations across the entire loading, hauling, and dumping cycle. This approach moves drivers out of the truck cabin and into remote control centers, making unmanned operations possible in hazardous mining areas.
- ***Sustainability: reshaping mining ecosystem and driving green development.*** By integrating new energy technologies with autonomous driving, we have achieved meaningful reductions in fuel consumption and emissions. As of December 31, 2025, more than 90% of our operating fleet consists of extended-range hybrid or pure electric trucks each capable of reducing carbon emissions by tens of tons per year. Real-time monitoring of vehicle health also lowers the frequency of common faults typically associated with traditional fuel-powered trucks such as engine oil and hydraulic fluid leaks, thereby reducing the risk of soil and groundwater contamination.
- ***Efficiency: pushing beyond the limit of human-operated fleets.*** Through our AI-based dispatch algorithms, we have extended the daily operating window from approximately 16 hours to more than 20 hours, significantly increasing daily productivity per truck. As of December 31, 2025, autonomous operations in certain of our projects had achieved higher operating efficiency than human-operated fleets.
- ***Cost effectiveness: driving structural optimization of operating costs.*** Our solutions lower labor costs and safety management expenses, while high-precision control reduces fuel consumption and tire wear, improving cost efficiency on a per-kilometer basis. As fleet scale grows, the cost per kilometer declines structurally, supporting the transition from pilot-stage deployment to large-scale commercial adoption.

OUR STRENGTHS

A Pioneer and Leader in Mining Autonomous Driving Transportation

We are a pioneer and leader in mining autonomous driving transportation with strong track record in both technology execution and commercial delivery, propelling the high-quality growth in the industry. Since entering the industry in 2017, we have built deep technological capabilities through continuous R&D and long-term project operations, accumulating extensive mining scenario experience and operational insights that inform our technology development. According to CIC, in 2018, we retrofitted China’s first autonomous wide-body mining truck and first autonomous rigid mining truck. As of December 31, 2025, we had deployed 557 autonomous mining trucks, including 114 autonomous rigid mining trucks and 443 autonomous wide-body mining trucks, ranking among the top four in China according to the same source.

BUSINESS

We set ourselves apart through solid customer relationships and scalable commercialization capabilities. We focus on high-value customers and have built deep collaborations and strategic partnerships with multiple leading domestic mining groups. We have delivered several large-scale, high-value benchmark mining autonomous driving transportation projects, including the Shengli No. 1 Open-pit Coal Mine project. Drawing on our mature technology and stable operational performance, we have earned strong customer recognition, as reflected in repeat orders that speak to the quality of our customer relationships and retention.

We have also achieved a breakthrough in overseas commercialization. Leveraging our technological leadership, we have taken an early lead in expanding into international markets. According to CIC, we had secured the largest overseas commercial order in China by contract value and solution delivery volume involving the delivery of solutions for over 40 third-party rigid mining trucks. By capturing the global trend towards autonomous mining transformation, we have successfully entered strategic markets and are directly addressing the key challenges facing overseas mines, including high labor costs and the pressing need for automation. Building on our flagship overseas project, we are accumulating experience in mine-site adaptation abroad and developing standardized delivery processes, giving shape to a replicable commercial model that lays a solid foundation for global expansion and supports the quality growth of our overseas business.

Multi-Dimensional Technological Leadership Built on An Industry-Leading Proprietary AI Large Model Foundation

Our technological leadership is anchored in our proprietary three AI large model foundation. This foundation was built upon a decade of dedicated R&D in autonomous driving technologies for open-pit mining, close collaboration among industry, academia and research institutions, and extensive solution iteration across dozens of mining sites. It powers multiple industry-leading core technologies, enables the highest safety standards, and has established our position as a pioneer and leader in mining autonomous driving transportation. We also actively contribute to industry standard-setting, reinforcing our technical influence and laying a solid technological foundation for the deployment and ongoing evolution of our mining autonomous driving transportation solutions.

- ***First vehicle-ground-cloud integrated architecture in the industry.*** To address the unique challenges of mining transportation, including heavy loads, wide vehicle dimensions and extreme operating conditions, we pioneered a vehicle-ground-cloud integrated architecture that combines (i) intelligent on-board systems, (ii) ground coordination infrastructure, and (iii) a cloud control platform. To overcome limited perception range in scenarios such as sharp turns and steep gradients, we have developed a road-vehicle collaborative beyond-line-of-sight detection model that extends perception coverage; to mitigate frequent vehicle conflicts at intersections and similar choke points, we have introduced a vehicle-road coordinated priority allocation mechanism to ensure safe multi-vehicle operations; and to enhance efficiency in large-scale transportation, we developed a cloud-based multi-agent large model for coordinated fleet control. This integrated architecture delivers deep system coordination and multi-dimensional centralized control, ensuring safe, stable and efficient system performance.
- ***End-to-end autonomous driving large model, MineDrive.*** Building on extensive open-pit mining deployment experience across a diverse range of operating scenarios, we have independently developed MineDrive, a mine-specific end-to-end autonomous driving large model. To facilitate the systematic training and rigorous evaluation of MineDrive across the full spectrum of unstructured road conditions, we have established an efficient data closed-loop system that continuously refines model performance based on real-world operational

BUSINESS

feedback. As part of this effort, and as a testament to our commitment to advancing the broader industry, we have open-sourced URScenes, the world’s first large-scale multi-modal, multi-task, and multi-scenario open-source benchmark for autonomous driving in unstructured road environments. Powered by this infrastructure, MineDrive delivers integrated end-to-end outputs spanning perception, tracking, mapping, prediction, planning and other tasks, systematically addressing the long-tail scenario challenges of autonomous driving and comprehensively safeguarding the operational safety of unmanned driving.

- ***Cloud-based dual-core large model foundation focusing on dispatch and management.*** We have built a cloud-based AI large model foundation for autonomous transportation, positioning ourselves at the forefront of cutting-edge technology. Focusing on the industry pain points and scenario-specific characteristics of unmanned transportation in open-pit mines, and building upon large language model capabilities, we have independently developed a multi-agent dispatch and control large model and a full-lifecycle equipment health management large model, both tailored to mining scenarios. This cloud-based AI foundation lays a solid technical base for efficient system operations and reduced equipment operation and maintenance costs. As the first player in the industry to achieve both on-vehicle large model deployment and cloud-side large model implementation, we are leading the development of mining autonomous driving technologies into the AI large model era.
- ***Core engineering technologies for open-pit mines operation.*** We have built a core engineering application technology system purpose-built for open-pit mine operations. Drawing on years of in-depth R&D and engineering practice in open-pit mining scenarios, we have developed a series of core engineering application technologies and key foundational technologies that together support safe and efficient unmanned transportation in mines: (i) truck-shovel efficient collaborative operation technologies to enable smooth coordination between mining trucks, excavators and other equipment; (ii) multi-source fusion positioning technologies to ensure reliable positioning of autonomous mining trucks in all scenarios; (iii) 4G-5G-V2V multi-network convergence technologies to ensure stable signal transmission in weak network environments; (iv) vehicle-road collaborative multi-vehicle control technologies to guarantee safe and efficient passage in visually impaired environments; (v) terrain-adaptive dynamic precise parking technologies to realize accurate material loading and dumping of vehicles; (vi) autonomous driving kits design technologies for extreme operating conditions designed to adapt to various harsh working conditions in mines; (vii) proprietary vehicle control unit technologies to achieve deep integration between the autonomous driving system and the vehicle chassis; (viii) multi-layer safety redundancy architecture design to ensure safe system operation under all working conditions; (ix) efficient data closed-loop technologies that continuously strengthens the system’s scenario adaptability and algorithm generalization capability; and (x) virtual-real integrated multi-dimensional simulation verification technologies integrating virtual and real scenarios to realize rapid system development and verification.

These capabilities reinforce our technological leadership, enabling us to actively shape industry standards and deliver leading research outcomes. As of December 31, 2025, we have led or participated in the development of over 30 industry and consortium standards, contributing to the standardization and ecosystem development of mining autonomous driving transportation. As of the same date, we have participated in six national key research programs and one Beijing municipal science and technology program. We jointly established the Key Laboratory of Special Vehicle Unmanned Transportation Technology of MIIT with a university, led by our founder as a director. We have also built an industry-academia-research ecosystem that sustains continuous innovation and further sustain our leadership position.

BUSINESS

Highly Adaptable Mining Autonomous Driving Transportation Solutions

Our mining autonomous driving transportation solutions are built on an industry-leading vehicle-ground-cloud integrated architecture. Such solutions offer high adaptability, advanced technological maturity and strong engineering deployment capabilities, allowing us to fully address the diverse requirements of autonomous transportation in open-pit mining scenarios. Our core advantages are reflected across four key dimensions.

- ***Comprehensive coverage of mainstream trucks.*** Our solutions provide one-stop compatibility across major mining transportation vehicle categories, including wide-body mining trucks and rigid mining trucks. As of December 31, 2025, we are the only player globally capable of achieving both (i) autonomous driving of rigid mining trucks with payload capacities ranging from 100 to 300 tons, and (ii) large-scale, efficient operations of over 100 autonomous wide-body mining trucks in one single mine, according to CIC. Our solutions have achieved deep adaptation across 12 rigid mining truck models and 12 wide-body mining truck models, addressing the truck model requirements of a wide range of open-pit mining operations and support deployment across entire mining sites without system reconfiguration for different vehicle models, significantly reducing customers’ procurement costs and shortening delivery timelines.
- ***Deep compatibility across multiple power types.*** Our solutions are compatible with the mainstream power types used in mining trucks in China, including hybrid, pure electric, methanol-powered and hydrogen-powered. We perform system-level optimization based on the power output characteristics and energy consumption profiles of different powertrains, enabling coordinated power control and precise calibration of perception modules to ensure efficient integration between autonomous driving system and various powertrain configurations.
- ***Stable deployment under complex and extreme operating conditions.*** Our solutions operate reliably across a wide range of extreme mining conditions, including high altitude, extreme low and high temperatures, heavy dust and steep gradients. Through continuous iteration of perception algorithms and hardware upgrades, we have overcome key technical challenges, including precise control under heavy loads and multi-sensor interference resistance. Our systems have achieved stable operations in environments above 5,000 meters in altitude and under extreme snow and cold conditions, ensuring operational efficiency and safety in complex scenarios.
- ***Broad adaptation across multiple mine types.*** Our solutions have been deployed and are operating stably across multiple mine types, including coal, steel, non-ferrous metals and construction aggregate. Leveraging extensive delivery and on-site operational experience, we rapidly adapt to varying operational processes, transportation requirements and site conditions, enabling efficient deployment and reliable service delivery across diverse mine types.

Deep Integration Across the Full Industry Value Chain

We continue to build an integrated industry ecosystem around our mining autonomous driving transportation solutions, spanning downstream customers, upstream supply chains and strategic shareholders. This ecosystem is supported by a stable customer base, a reliable supply network and strong industry resources, which together underpin our scalable delivery and long-term growth.

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We have maintained a long-standing focus on mining autonomous driving transportation solutions for large-scale open-pit mines, with operations spanning core mining regions in China, such as Xinjiang and Inner Mongolia. According to CIC, we ranked among the top three providers in China by revenue from mining autonomous driving transportation solutions in 2025. We focus on high-value customers. As of December 31, 2025, approximately 48% of the mines where our solutions are deployed each have an annual production capacity exceeding 10 million tons. Through integrated and flexible delivery models, we are able to match customer needs and build long-term strategic partnerships centered on safety and regulatory compliance, operational efficiency, and total cost of ownership optimization.

We continue to strengthen long-term strategic partnerships with leading automotive OEMs and core component contract manufacturers, maintaining close collaboration with key partners including North Hauler, Tonly Heavy Industries and Lingong Heavy Machinery. We have established a supply chain structure combining deep collaboration with core partners and diversified alternative sourcing, which reduces reliance on any single supplier while supporting stable, cost-effective product and service supply.

In addition, we have received strategic support from our customers and shareholders in our long-term development, including from CHN Energy Fund Management. Supported by our shareholders’ industry resources, strategic positioning and financial strength, we are well-positioned to further enhance our core technology capabilities and market expansion, accelerate large-scale deployments, promote industry collaboration, and strengthen our competitive position and leadership in the industry.

Scientist-Led Management Team with a Proven Industry-Academia-Research Advantage

Our core management team brings together more than 10 years of combined experience in intelligent mining operation and mining autonomous driving transportation. Our founder and chairman, Prof. Yu, has been awarded as the Leading Young and Middle-Aged Science and Technology Innovation Talent by the Ministry of Science and Technology of the PRC. Prof. Yu serves as director of the Key Laboratory of Special Vehicle Unmanned Transportation Technology of the MIIT and deputy director of the Kunlun Intelligent Equipment Laboratory. He has over a decade of experience in intelligent vehicles, vehicle-road coordination and autonomous transportation technologies. As the principal researcher, Prof. Yu has led more than 20 national and provincial research projects and has published over 100 academic papers, holds more than 100 granted patents, and authored six academic monographs. Prof. Yu has received one Second Prize National Science and Technology Progress Award, five First Prize and three Second Prize provincial- and ministerial-level Science and Technology Awards.

Our Chief Technology Officer, Mr. Duan Xingji, has over 10 years of experience in R&D and management of autonomous driving systems for train and mining trucks, with expertise in safety-critical product design and intelligent control systems engineering. Our Chief Operating Officer, Dr. Wang Jifu, has nearly 10 years of experience in new energy vehicles, and led the full-lifecycle development of pure electric wide-body mining truck. Our Head of Autonomous Driving System R&D, Dr. Wang Zhangyu, is a specialist in autonomous driving and has published over 20 of SCI-indexed papers. Dr. Ding Nenggen, our Engineer-in-Chief, has 20 years of experience in automotive electronic control systems and autonomous driving technology commercialization, and has served as a principal investigator for multiple projects funded by the National Natural Science Foundation of China.

As of December 31, 2025, R&D personnel accounted for more than 45% of our total employees. Our core R&D team members are drawn from leading enterprises or research institutions in mining autonomous driving transportation, vehicle engineering and artificial intelligence, and have developed specialized strengths across key areas including perception algorithms, decision-making and planning, vehicle engineering and cloud platform architecture.

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OUR STRATEGIES

Focusing on Core Technology Breakthroughs and Strengthening System Capabilities and Scenario Scalability

Our R&D roadmap is centered on the application of AI models, the development of next-generation mining vehicle technologies, the expansion into new application scenarios, and the continuous improvement of system efficiency and safety. We will advance these priorities through a dual-track approach across the vehicle and the cloud, supported by sustained resource investment and ongoing technological iteration. Through these initiatives, we aim to further strengthen our core technological barriers and build an integrated ecosystem of mining autonomous driving transportation solutions for our customers spanning both in-mine and off-mine operations, delivering enhanced cost efficiency and broader scenario coverage.

- ***Continuous innovation in vehicle and autonomous driving technologies.*** We plan to collaborate with OEMs to develop cab-less, bidirectional wide-body mining trucks and rigid mining trucks, designed to overcome constraints in narrow operating areas and improve operating efficiency. We also plan to advance autonomous driving technologies based on vision-language-action models to support large-scale mixed-fleet operations across multiple vehicle types and to address long-tail scenarios in complex mining environments. In addition, we plan to develop a next-generation autonomous driving kits designed to operate reliably in extreme operating conditions. Building on these efforts, we plan to further deepen integration with drive-by-wire chassis systems and develop self-learning control algorithms to reduce vehicle wear and energy consumption.
- ***Continuous advancement of the AI large model foundation.*** We plan to enhance our cloud-based, full-scenario intelligent dispatch and control large model to enable dynamic fleet scheduling and traffic flow management, while optimizing truck-shovel ratios to improve operational efficiency. We plan to continuously enhance our cloud-based full-lifecycle equipment health management large model to strengthen its predictive maintenance capabilities and further reduce operating costs.
- ***Continuous investment in core resources to accelerate iteration.*** We plan to continue investing in key areas such as algorithms, hardware, and vehicle design by attracting top talent to further strengthen the depth and specialized expertise of our R&D team. We also plan to increase investment in infrastructure for data collection and model training. In addition, we intend to establish a full-cycle data closed-loop system and develop a digital-twin, full-scenario simulation and validation platform to enable data-driven rapid technology iteration, shorten verification cycles, and continuously improve overall system efficiency and safety reliability.

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Accelerating Domestic Commercialization in Core Regions with Major Customers and Extending Replicable Overseas Flagship Deployments

We pursue a phased market expansion strategy, progressing from domestic to international markets. We anchor our growth in major customers within core regions to deepen our domestic market presence, while leveraging the delivery experience gained from overseas flagship projects to drive scalable international expansion.

- ***Domestic market expansion: deepening core region penetration and building diversified business models.*** In China, we actively capture opportunities arising from the accelerating penetration of mining autonomous driving transportation and the increasing maturity of business models by deepening our presence in core regions such as Xinjiang and Inner Mongolia, while expanding into emerging mining regions including Shaanxi, Qinghai, Jiangxi and Guangdong, thereby broadening our coverage across China’s major mining regions. Building on our accumulated operational know-how and the predictive capabilities of our cloud-based equipment health management large model, we plan to evolve our equipment operation and management services towards a fleet availability guarantee model that delivers customers committed uptime, reduced unplanned downtime, and more predictable operational continuity. This approach deepens customer relationships while creating a recurring, higher-value revenue stream for us.
- ***International market expansion: targeting Central Asia, Africa and Australia Markets and replicating proven flagship models.*** We plan to replicate and scale the experience gained from our first overseas project across global markets. We intend to leverage the resources of our central and state-owned enterprise partners to prioritize expansion into key mining regions in Central Asia, Africa and Australia. We plan to establish overseas marketing and technical development teams and adopt a light-asset operating model, working through local partners to facilitate rapid deployment, regulatory compliance, after-sales service, and ongoing market expansion. Leveraging our first-mover advantage, we aim to selectively penetrate high-value segments of the global mining autonomous driving transportation market and further expand our international growth opportunities.

Extending Proven In-Mine Capabilities to Off-Mine Scenarios Through Scalable Technology Replication and Breakthroughs

Scenario expansion is a key mid- to long-term strategic priority for us. Building on our accumulated technological capabilities and extensive deployment experience in in-mine applications, we plan to evolve our offering portfolio towards integrated solutions that connect in-mine and off-mine operations. Leveraging our in-mine technologies, we intend to focus our R&D efforts on specific off-mine scenarios to achieve targeted technological breakthroughs.

To address industry challenges in off-mine trunk transportation and mine-site access routes, including complex road conditions, mixed traffic environments and frequent transitions across operating scenarios, we plan to focus on key technological areas such as beyond-line-of-sight perception, cross-scenario coordinated dispatch and adaptation to complex environments.

These initiatives are intended to break the traditional boundaries between in-mine and off-mine applications, extending mining autonomous driving transportation capabilities from closed mining environments to semi-open and designated off-mine settings. Through broader scenario coverage, we aim to enhance our service capabilities, deliver more comprehensive, end-to-end integrated solutions, and continue to capture incremental market opportunities.

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Building a Cross-Disciplinary Talent Team to Support Long-Term Growth

We plan to build a talent framework designed for sustainable and long-term growth, guided by a strategy of attracting core talent, developing talent pipelines and retaining talent over the long term. We will prioritize the recruitment of talent in areas such as AI large models, bidirectional vehicle, cross-scenario autonomous driving and overseas operations, while deepening collaboration with universities to strengthen our technological capabilities. Through a well-structured training and promotion system, complemented by long-term incentive programs, we aim to attract and retain key talent to support our strategic objectives.

We will also optimize resource allocation in line with our strategic priorities, refine our organizational structure and strengthen coordination between headquarters and on-site teams, as well as between domestic and international operations. These efforts will provide a stable organizational foundation for continuous innovation and for the expansion of our markets and application scenarios.

Building an Integrated Empowerment Ecosystem to Support Strategy Execution

Guided by our core technologies, driven by customer demand, and supported by supplier partners, we plan to build an integrated, multi-layered collaborative ecosystem that provides sustained momentum for the execution of our strategic initiatives.

- **Technology ecosystem.** We plan to deepen collaboration with universities and research institutions, leveraging the Key Laboratory of Unmanned Transportation Technology for Specialized Vehicles and working closely with OEMs and core component contract manufacturers to advance frontier and critical technologies. We will focus on areas such as AI large models, bidirectional vehicle and cross-scenario adaptability, fostering the sharing of technological resources and the efficient commercialization of research outcomes to support the execution of our R&D strategy.
- **Customer ecosystem.** We plan to further deepen strategic cooperation with leading domestic mining companies and reinforce our highly sticky customer base. We have established a joint venture with CHN Energy that serves as the operating entity for mining autonomous driving transportation, through which we provide our solutions in a manner that reduces the costs and inefficiencies arising from multi-layer subcontracting. We are actively extending this collaboration model to other major customers. This model is designed to enhance operational efficiency and customer stickiness, while creating mutually beneficial outcomes for all ecosystem participants, including mining operators and OEMs.
- **Supplier ecosystem.** We plan to deepen strategic partnerships with core suppliers, continuously expand our supplier base and enhance our capabilities for quality delivery. We will work with upstream and downstream industry partners to establish an end-to-end supply system for mining autonomous driving transportation across both in-mine and off-mine scenarios, creating collaborative value for suppliers, ourselves, and our customers.
- **Shareholder ecosystem.** We plan to leverage the industrial resources of our shareholders and maintain close alignment with industry capital to provide stable support for technology iteration, overseas project replication, and expansion into off-mine scenarios.

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Selected M&A and Strategic Investments to Drive Growth

We track the key demand drivers and development trends shaping the mining autonomous driving transportation market, both in China and globally. With an emphasis on technology upgrades, business model innovation, and service standardization, we aim to bring together complementary assets and capabilities across the value chain and strengthen our market presence and technological capabilities through selective strategic investments and joint venture partnerships.

We pursue strategic investments across both upstream and downstream segments of the mining autonomous driving transportation value chain, as well as related application scenarios. We will target opportunities in transportation operations, scenario-based operations, and overseas platforms to rapidly strengthen our capabilities in off-mine applications, global project delivery, and localized services.

OUR OFFERINGS

Our mining autonomous driving transportation solutions comprise (i) mining autonomous driving transportation solutions with Tage purpose-built trucks, (ii) mining autonomous driving transportation solutions for third-party trucks, and (iii) intelligent operations and other services. Customers can adopt the delivery model that best aligns with their operational capabilities and production requirements, including procuring new autonomous trucks or upgrading existing fleets. All three delivery models are supported by our mining autonomous driving transportation system, KuangGu. See “— Our Mining Autonomous Driving Transportation Systems.” We operate a project-based business model.

The table below sets forth the breakdown of our total revenue by business segment in absolute amounts and as percentages for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Mining autonomous driving transportation solutions with Tage purpose-built trucks	66,002	34.7	63,506	41.7	376,239	71.4
Mining autonomous driving transportation solutions for third-party trucks	47,143	24.8	7,460	4.9	51,271	9.7
Intelligent operations and other services	77,044	40.5	81,209	53.4	99,365	18.9
Total	<u>190,189</u>	<u>100.0</u>	<u>152,175</u>	<u>100.0</u>	<u>526,875</u>	<u>100.0</u>

Mining Autonomous Driving Transportation Solutions with Tage Purpose-Built Trucks

Our mining autonomous driving transportation solutions with Tage purpose-built trucks primarily involve the sales of fully integrated autonomous wide-body mining trucks through close collaboration with OEMs, together with ground coordination infrastructure and a cloud control platform. Under this delivery model, our autonomous driving system, is incorporated into wide-body mining trucks at the manufacturing stage through factory-installed integration, enabling vehicle-level delivery. Such offering is mainly targeted at mining operators seeking to procure new autonomous wide-body mining trucks as part of the intelligent upgrading of their mining operations. As of December 31, 2025, we offered 12 mainstream autonomous wide-body mining truck models, covering multiple powertrain configurations, including hybrid, pure electric, and methanol-powered. The Tage purpose-built autonomous wide-body

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mining trucks we delivered have payload capacities ranging from 40 to 100 tons and an expected service life of five to eight years. Our solutions with Tage purpose-built trucks have been deployed in major mining regions across China, including Xinjiang and Inner Mongolia.

The diagram below illustrates the key features of our Tage purpose-built autonomous wide-body mining trucks, integrating precision sensors, robust control systems, and a purpose-built design optimized for safety, durability, and intelligent operations.

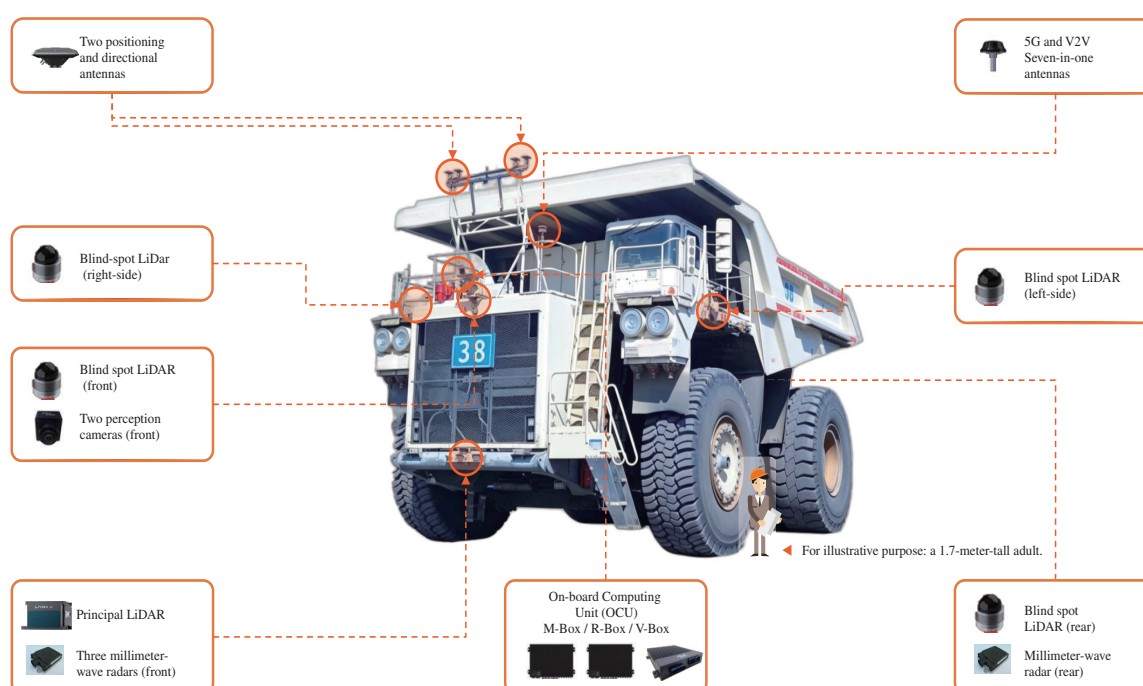


Mining Autonomous Driving Transportation Solutions for Third-Party Trucks

We offer mining autonomous driving transportation solutions for third-party trucks, including wide-body mining trucks and rigid mining trucks. Our mining autonomous driving transportation solutions include intelligent on-board systems, ground coordination infrastructure and a cloud control platform. We separately offer intelligent on-board systems under this business model. Our intelligent on-board systems primarily comprise our autonomous driving kits, including autonomous driving domain controllers, sensors, communication equipment, converters, storage devices and OBUs.

Rigid mining trucks represent a strategic vehicle type central to our mining autonomous driving transportation solutions for third-party trucks. As the essential heavy-haul assets of modern open-pit mining operations, they support the entire lifecycle of a mine — spanning initial development, production ramp-up, steady-state output, and ongoing technological upgrades. Built with high-rigidity welded box-frame structures, enhanced torsional resistance, and specialized oil-gas suspension systems engineered for mining environments, these trucks maintain exceptional structural stability and operational reliability even under continuous heavy-load impacts, demanding terrain, and extreme climates — whether severe cold, intense heat, or high altitude. Compared with on-highway dump trucks and wide-body mining trucks, rigid mining trucks offer significantly greater structural strength, fatigue resistance, and service life. These characteristics materially extend equipment longevity, support high fleet availability and lower failure rates, and deliver clear advantages in lifecycle cost management. As of December 31, 2025, our mining autonomous driving transportation solutions had supported 12 mainstream rigid mining truck models, representing one of the broadest model coverages in the industry.

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Intelligent Operations and Other Services

Our intelligent operations and other services comprise (i) operational maintenance and technology services for autonomous trucks and related systems, and (ii) intelligent transportation services.

Operational Maintenance and Technology Services

We provide operational maintenance and technology services to ensure the safe operation, high availability, and operational efficiency of our customers’ autonomous truck fleets, while supporting the development of their in-house maintenance capabilities. These services include efficiency enhancement, software upgrades, fault diagnosis and troubleshooting, algorithm optimization, full lifecycle equipment management, and on-site personnel training in dispatch, remote intervention and communication functions. Through consistent service delivery, we enhance customer retention while generating feedback to support continuous solution optimization and upgrades.

Intelligent Transportation Services

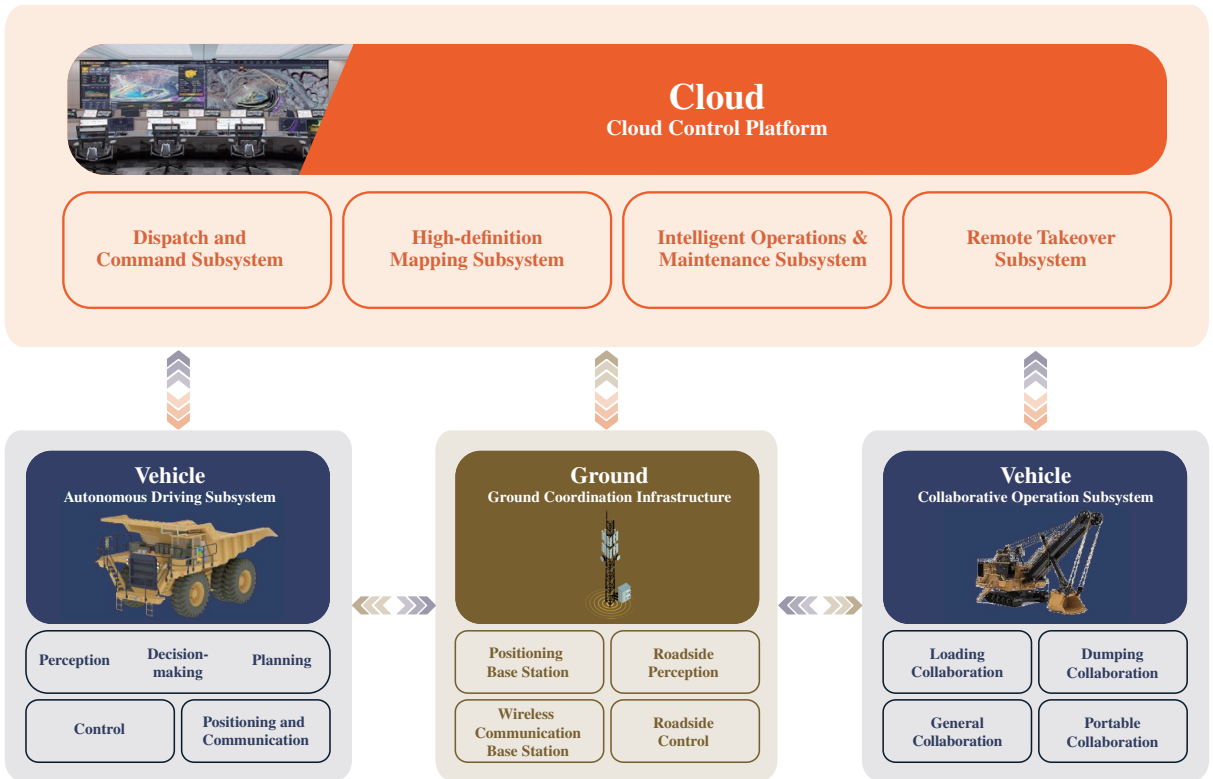
To facilitate customer acquisition and customer’s decision-making, we offer integrated mining transportation services across the loading, hauling and dumping process, with service fees charged on a volume basis. We provide these services using our own fleet of autonomous wide-body mining trucks and other intelligent equipment, supplemented by leased fleets, including, in limited cases, fleets leased under financing lease arrangements.

Our revenue mix has progressively shifted toward product and solutions sales, reflecting the growing maturity of our solutions and our expanding large-scale delivery capabilities. At the same time, intelligent operations and other services remain a critical part of our offering and a key driver of repeat purchases, contributing a stable share of our revenue.

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Our Mining Autonomous Driving Transportation Systems, KuangGu

We have developed a pioneering integrated vehicle-ground-cloud mining autonomous driving transportation system, KuangGu, including intelligent on-board systems, ground coordination infrastructure and a cloud control platform. These systems operate with a high degree of coordination and seamless integration, forming the foundation of our closed-loop mining autonomous driving transportation solutions. Our KuangGu is designated to directly address key operational challenges faced by mining operations, including vehicle sensors’ reduced perception performance in extreme operating conditions, lowered control precision in complex road conditions, multi-vehicle conflicts, and low efficiency in large-scale transportation operations. The diagram below sets out the architecture of the KuangGu and their respective advantages.



Vehicle-End: Intelligent On-Board Systems

The intelligent on-board systems serve as the core execution terminal of mining autonomous driving transportation and focus on the intelligent upgrading of mining trucks and are divided into two primary subsystems: the autonomous driving mining truck system and the on-board collaborative operation system. These systems support the entire operational workflow of mining activities, including loading, hauling and dumping, and constitute a critical foundation for advancing automation and unmanned operations in mining operations. The systems are specifically designed to accommodate the high-intensity, high-risk and multi-equipment coordination characteristics of mining operations.

Autonomous driving subsystem

The autonomous driving mining truck subsystem is equipped with a high-computing-power domain controller and integrated with multiple perception sensors, including LiDAR, millimeter-wave radar, and cameras. It is also configured with a high-precision integrated positioning and navigation module, as well as V2X wireless communication devices. Supported by ground collaborative infrastructure and

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under the global scheduling command by the cloud control platform, the system can autonomously complete the full cycle of loading, hauling, and dumping without manual intervention, thereby maximizing the efficiency of fleet-based haulage operations.

- ***Perception, decision-making, and planning.*** Leveraging an end-to-end autonomous driving large model, the system delivers integrated intelligent outputs across the full task chain, including perception, decision-making, and planning. By fusing multi-modal data from LiDAR, millimeter-wave radar, and cameras, it enables real-time detection and robust tracking of vehicles, equipment, personnel, and various static obstacles, even under challenging conditions such as dust, rain, snow, and strong glare in mining environments. Incorporating multi-dimensional features, including task objectives, real-time positioning, dynamic road conditions, site boundaries, and operational rules, the system generates real-time driving strategies and optimal routes through end-to-end behavior prediction and hierarchical reasoning. It effectively balances safety, operational efficiency, and traffic smoothness, and adapts to complex mine conditions, including sharp curves, uneven surfaces, changing traction conditions, as well as dense mixed traffic and intersection scenarios involving manned and third-party autonomous vehicles.
- ***Vehicle control.*** Through deep integration with the vehicle chassis, the system enables high-precision control of large mining trucks operating on unstructured roads. It supports adaptive control based on real-time road and vehicle conditions, allowing precise positioning during loading and dumping. Continuous optimization of control algorithms further reduces fuel consumption and tire wear.
- ***Positioning and communication.*** By leveraging multi-source fusion positioning and multi-network converged communication, the system effectively addresses challenges typical of mining environments, such as positioning signal occlusion and weak network coverage. It delivers stable and reliable high-precision positioning along with wireless communication across the entire mining area.

Collaborative operation subsystem

The on-board collaborative operation subsystem enables efficient coordination between manually operated vehicles, construction machinery, and autonomous mining trucks, and is adaptable to the operational requirements of electric shovels, excavators, bulldozers, command vehicles and other types of machinery, including loading collaboration equipment, dumping collaboration equipment and portable collaboration devices, enabling coordinated operations during critical loading and dumping processes. It supports all type of vehicles across the transportation chain, ensuring smooth end-to-end operations. In addition, the subsystem incorporates comprehensive safety-protection strategies and enables autonomous collision-avoidance within designated autonomous operation areas, ensuring safe, reliable and uninterrupted operations. Operators can monitor the real-time status of autonomous mining trucks via terminal devices, enabling on-site personnel to respond promptly to a wide range of unexpected situations through one-touch interventions, thereby redefining traditional mining operations and production management workflows.

Ground-End: Ground Coordination Infrastructure

The ground coordination infrastructure constitutes the foundational support for our mining autonomous driving transportation solutions. It provides auxiliary perception, network connectivity and on-site operational coordination services for both intelligent on-board systems and cloud control platform under conditions such as complex terrain, weak signal conditions and dispersed operating

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points. Our ground coordination infrastructure comprises two subsystems: (i) roadside coordination subsystem, and (ii) positioning and wireless communication subsystem, forming the ground foundation that ensures the stable operation of our mining autonomous driving transportation solutions.

Roadside coordination subsystem

The roadside coordination subsystem manages interaction areas between manually operated vehicles and autonomous vehicles within mining areas. Through intelligent traffic signals, roadside sensors and communication equipment, the system enables automated traffic-signal adjustment and ensures orderly and efficient vehicle movements. It provides supplemental perception to intelligent on-board systems to mitigate perception blind spots arising from complex terrain and enhances signal coverage through fixed relay communication equipment, ensuring real-time transmission of commands and data between vehicles, ground and cloud. The subsystem supports multiple communication protocols to accommodate complex mining-area signal environments.

To address mining specific conditions, including extensive blind zones, limited visibility and complex intersection traffic, the roadside coordination subsystem supplements perception for intelligent on-board systems through roadside sensors, establishing a dual layer vehicle side and roadside perception framework that significantly reduces the risk of blind spot collisions and intersection conflicts. The subsystem further incorporates proprietary dynamic traffic flow control algorithms tailored to mining operations which, by accommodating both autonomous and manually operated vehicles, support fixed cycle and adaptive control modes to guide vehicles through intersections in a safe and orderly manner consistent with mining safety production requirements.

Positioning and wireless communication subsystem

This subsystem provides high-precision positioning and stable network communication support for autonomous mining operations. By deploying RTK positioning base stations, the system enables centimeter-level vehicle positioning accuracy, ensuring precise real-time location tracking. In addition, the deployment of 4G/5G communication base stations provides full-area network coverage across mining sites, facilitating real-time information exchange among vehicles, ground and cloud, and supplying accurate data support for route planning and dispatch decisions. The subsystem deploys V2V communication technology across the entire mine sites to establish a dynamic network cluster. Through a dual-link architecture integrating V2V and 4G/5G communication, it combines the respective strengths of each link, enabling the effective use of cloud-based dispatching capabilities while preserving vehicle-side autonomous operational flexibility. This architecture represents an optimal solution for closed-loop mining operation environments.

Cloud-End: Cloud Control Platform

The cloud control platform serves as the intelligent command center for coordinated multi-equipment operations and mining autonomous driving transportation. Designed to address the complexities of mining production planning, large fleet sizes and highly variable operating environments, the platform enables intelligent management and continuous optimization of large-scale mining autonomous driving transportation operations through centralized dispatching and data-driven optimization. The platform comprises four subsystems: (i) dispatch and command subsystem; (ii) high-definition mapping subsystem; (iii) intelligent operations and maintenance subsystem; and (iv) remote takeover subsystem.

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Dispatch and command subsystem

The dispatch command subsystem converts daily mining production plans into executable and optimized operational instructions. Specifically, it converts production parameters, including transportation volumes, loading and unloading locations and operating schedules, into task assignments for mining trucks and excavators, thereby establishing an integrated execution framework aligned with daily production requirements. To ensure orderly and efficient operations, the subsystem dynamically allocates vehicle right-of-way and determines intersection passing sequences to avoid operational conflicts. At the same time, it continuously monitors vehicle locations, operating status and task progress in real time, enabling dispatchers to assign temporary tasks and respond promptly to unexpected situations as they arise. At the backend level, the system autonomously collects and analyzes operating data from each autonomous vehicle across the entire dispatching lifecycle. The system serves as a virtual driver for each autonomous mining truck to control macro-level scheduling objectives and global route planning, as well as micro-level management of dynamic driving right-of-way and precise guidance for parking.

By addressing the limitations of traditional manual dispatching, including low efficiency and higher error rates, the subsystem is able to accommodate the mining industry’s operating model of on-demand production and flexible adjustment through its microservices-based architecture. It supports large-scale intelligent fleet dispatching of more than 300 autonomous trucks, dynamically optimizing routes and task allocation to reduce empty-haul rates and meet the requirements of intensive mining operations. In addition, the system is capable of rapidly and autonomously adjusting task assignments and truck dispatching in response to auxiliary operations and unexpected scenarios, such as refueling or recharging, equipment failures, road congestion, blasting activities and centralized vehicle return arrangements. These capabilities help maintain operational continuity and are well aligned with the mining industry’s operating characteristics, which involve frequent contingencies and require rapid response. Furthermore, the dispatch and command system incorporates a comprehensive vehicle monitoring framework. Leveraging cloud computing capabilities, it provides full-cycle monitoring of each autonomous truck, with integrated vehicle-side and cloud-side dual safety redundancy.

High-definition mapping subsystem

High-definition mapping subsystem can be integrated with intelligent on-board systems and the dispatch and command system to provide data support for vehicle route planning and precision operations, thereby ensuring high-accuracy autonomous operations in complex environments. Leveraging one of the most semantically rich proprietary high-definition map data specifications for mining operations, with map operation data sourced from qualified third-party suppliers and data authorized by customers, the subsystem provides autonomous mining trucks with comprehensive map information, supporting more flexible and globally optimized driving behavior and enabling advanced decision-making for beyond-line-of-sight driving scenarios.

Intelligent operations and maintenance subsystem

The intelligent operations and maintenance subsystem provides end-to-end management of vehicle operating, fault and efficiency data throughout the full lifecycle of autonomous mining operations. It enables vehicle health management, real-time anomaly alerts and predictive maintenance, supporting proactive identification and mitigation of potential operational risks. Through the continuous accumulation of scenario libraries and algorithm repositories, the subsystem facilitates ongoing optimization of system performance. Leveraging big-data cluster technologies, it enhances research and development efficiency and product quality, thereby supporting the stable and reliable operation of autonomous mining operations.

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The subsystem is deeply integrated with the dispatch and command subsystem and is capable of real-time monitoring and alerting of a wide range of anomalies, including vehicle-to-cloud communication traffic irregularities, sensor status abnormalities, driving behavior deviations and system load exceptions, enabling issues to be addressed before they escalate. In addition, the subsystem automatically generates data reports covering transportation output, driving behavior and system operating performance, providing mining operators with full visibility into key operational metrics and ensuring effective oversight and control of mining operations.

Remote takeover subsystem

The remote takeover subsystem ensures operational continuity during unexpected mining scenarios by enabling operators to remotely control autonomous mining trucks through a dedicated remote driving cockpit. The system provides real-time transmission of the truck’s surrounding environment and operating status, allowing operators to respond quickly to emergencies to ensure stability. While in remote takeover mode, the system retains multiple intelligent driving functions, including perception-based collision protection and driving behavior assistance, and automatically enforces safety protections in special scenarios such as weak network conditions and steep slopes.

USE CASES

Baishihu Open-Pit Mine in Hami

As of December 31, 2025, we had deployed 102 autonomous wide-body mining trucks to Baishihu open-pit mine, located in Hami. As of the Latest Practicable Date, Baishihu open-pit mine has achieved the normalized unmanned operation of more than 100 autonomous wide-body mining trucks. Leveraging data-fusion-based perception and vehicle-to-vehicle dynamic interaction technologies, the project has established a full-stack technical system covering perception, decision-making-execution, enabling safe operations in large-scale and high-complexity mixed traffic scenarios involving both personnel and trucks.

The autonomous wide-body mining trucks deployed under the project are equipped with hybrid power systems. The energy consumption of such trucks is reduced by more than 30% compared with comparable diesel mining wide-body trucks, resulting in annual carbon-emission reductions of several tens of tons per truck. In addition to improving transportation efficiency and strengthening safety management, the project facilitates the transition of coal mining operations towards more sustainable, low-carbon and intelligent development and established a replicable and scalable model for autonomous operations in open-pit mines.

An Open-Pit Mine in Changji Hui Autonomous Prefecture

In October 2024, we delivered 71 mining autonomous driving transportation solutions for third-party trucks to an open-pit mine in Changji Hui Autonomous Prefecture. This open-pit mine is one of the large-scale open-pit coal mines in China. Through the deployment of mining autonomous driving transportation solutions, 71 wide-body mining trucks have achieved routine large-scale autonomous operations. The project has established a standardized operational model for overburden removal in open-pit mines, supporting intelligent fleet scheduling, vehicle-to-vehicle collaborative perception, stable operation under weak network connectivity in loading areas and safety control on slippery and uneven road surfaces. The project serves as a transferable model for the large-scale deployment of autonomous wide-body mining truck operations in large open-pit mines.

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Shengli No. 1 Open-Pit Mine in Xilinhot

In August 2022, we deployed a fleet of seven autonomous rigid mining trucks at a large open-pit mine in Xilinhot, marking one of China’s first L4 mining autonomous transportation projects with multiple rigid mining trucks. The mine holds national Class I standardized safe production certification and has an annual production capacity of 28 million tons. At this site, we have adopted more than ten innovative technologies, including multi-vehicle dumping coordination, pre-docking at loading zones, local path updates at dumping areas and adaptive speed control, leading to notable improvements across excavation, transportation and dumping processes. As of December 31, 2025, the project has achieved over 1,200 consecutive days of safe autonomous operation without on-board safety operators. The project was selected as a representative robotic application scenario in the mining sector under a joint initiative by the National Mine Safety Administration and the Ministry of Industry and Information Technology.

KEY OPERATING DATA

The table below sets forth key operating data for the period indicated:

	Year ended December 31,		
	2023	2024	2025
Sales volume (number)			
Mining autonomous driving transportation solutions with Tage purpose-built trucks	27	30	185
Mining autonomous driving transportation solutions for third-party trucks ⁽¹⁾	50	7 ⁽²⁾	85
Average selling price (RMB in thousand)			
Mining autonomous driving transportation solutions with Tage purpose-built trucks	2,444	2,117	2,034 ⁽³⁾
Mining autonomous driving transportation solutions for third-party trucks	943	1,041	603 ⁽⁴⁾

Notes:

- (1) The sales volume of our mining autonomous driving transportation solutions for third-party trucks has been adjusted to exclude certain communication components that were sold separately at relatively low unit prices during the early stage of commercialization and contributed only a minor portion of revenue during the Track Record Period.
- (2) The significant decrease in sales volume in 2024 reflected our strategic adjustment during the year, under which we reduced smaller-scale projects and focused our resources on larger-scale flagship projects for major customers.
- (3) The decrease in 2025 was primarily due to reduced raw material costs, driven by industry scaling and technological advances.
- (4) The decrease in 2025 was primarily due to changes in the mining truck models to which our solutions were deployed. In particular, deliveries in 2025 were mainly deployed on wide-body mining trucks, which have relatively lower price, whereas deliveries in 2023 and 2024 were primarily deployed to rigid mining trucks, which have relatively higher price.

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OUR MAJOR PROJECTS

The table below sets forth details of our major projects with the largest revenue contribution in each year of the Track Record Period:

Project	Revenue (RMB in thousands)	Year of revenue recognition	% of revenue in the year	Mine background	Project description	Contract value (inclusive of taxes) (RMB in thousands)
Barkol Open-pit Mine Project	139,071	2025	26.4	The mine has an annual production capacity of 5.0 million tons and has been recognized as a Class I Safety Production Standardization coal mine, serving as a benchmark within the coal industry.	Delivery of 70 Tage purpose-built autonomous wide-body mining trucks	157,150
Baishihu Open-pit Mine Project	46,302	2024	30.4	The mine has an annual production capacity of 35.0 million tons, representing one of the largest open-pit coal mines in China.	Delivery of 21 Tage purpose-built autonomous wide-body mining trucks	63,000
Yongshun Open-pit Mine Project	46,467	2023	24.4	The mine has an annual production capacity of 2.4 million tons.	Deployment of approximately 30 Tage purpose-built autonomous wide-body mining trucks for intelligent transportation services	N/A ⁽¹⁾

Note:

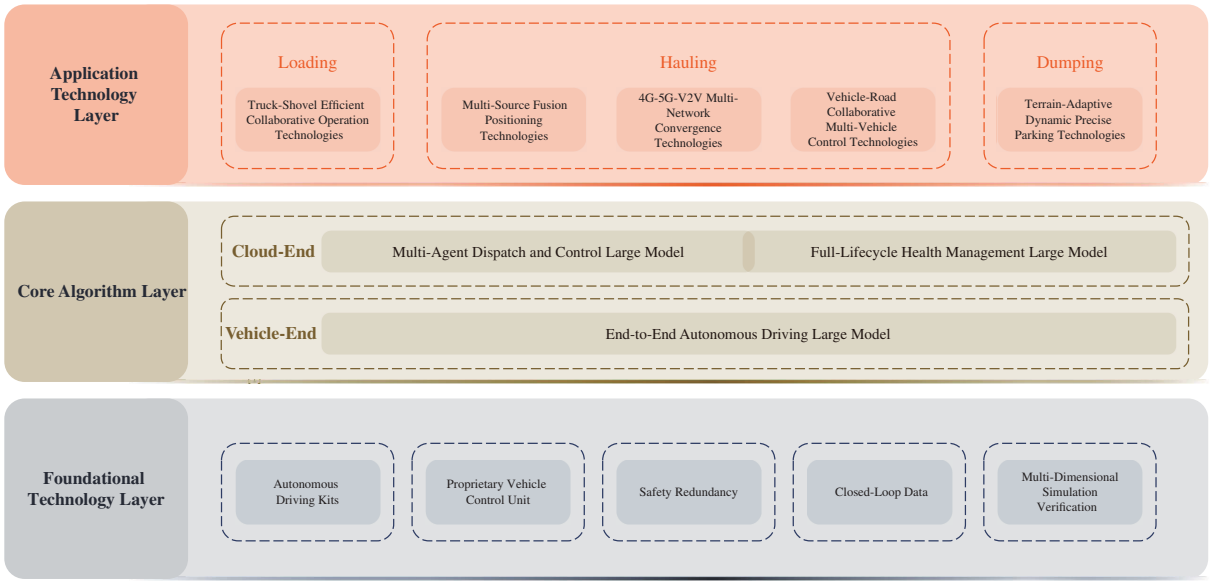
- (1) The contract for this project does not specify a fixed contract value, as the offering comprises intelligent transportation services, with service fees charged on a volume basis.

OUR TECHNOLOGY ADVANTAGES

We have developed an integrated “vehicle-ground-cloud” collaborative technology architecture that represents a standard paradigm for mining autonomous driving transportation. This architecture enables stable coordination across intelligent on-board systems, ground coordination infrastructure, and a cloud control platform, forming a unified and scalable technical foundation for autonomous mining operations. In addition, we have established a standardized autonomous driving kits that are compatible with both wide-body mining trucks and rigid mining trucks, supporting deployment across multiple vehicle models and operating scenarios.

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Relying on the vehicle-ground-cloud integrated architecture, we have independently built three AI large model foundation: (i) end-to-end autonomous driving large model, (ii) multi-agent dispatch and control large model, and (iii) full-lifecycle equipment health management large model. We also have developed a series of engineering application technologies deeply adapted to mining scenarios, with all technical indicators ranking among the industry’s top tier.



Application Technology Layer

Truck-Shovel Efficient Collaborative Operation Technologies

Focusing on the full operation scenarios of excavation, loading and transportation in open-pit mines, and relying on high-precision positioning perception, V2V communication and intelligent timing scheduling algorithms, we have developed key technologies including autonomous matching, intelligent queuing, precise docking and time-sequence linked loading between unmanned mining trucks and excavation equipment such as excavators and electric shovels. It supports large-scale formation collaboration of multiple vehicles and equipment, avoids disorderly waiting and docking deviation, significantly improves mine loading and transportation efficiency, and realizes full-process unmanned and efficient operation of excavation, loading and transportation.

Multi-Source Fusion Positioning Technologies

Integrating positioning data from Beidou satellite, inertial navigation, vision and LiDAR, we have built a mine-dedicated multi-source fusion positioning model. We have broken through high-precision pose solving technologies under mine shelter and undulating terrain conditions, effectively restraining positioning drift and poor reliability under complex working conditions. It enables continuous high-precision positioning in all open-pit mine scenarios with positioning accuracy within 3cm.

4G-5G-V2V Multi-Network Convergence Technologies

We have established a heterogeneous network dynamic access framework and developed adaptive multi-protocol switching algorithms to enhance signal anti-interference performance in highly dynamic mining environments. These technologies address communication stability challenges under weak

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network commonly encountered in mining operations. The communication performance achieves packet loss rates less than 1%, providing robust technical support for our integrated vehicle-ground-cloud mining autonomous driving transportation system.

Vehicle-Road Collaborative Multi-Vehicle Control Technologies

We have established a vehicle-road integrated, beyond-line-of-sight target detection model and developed roadside-guided trajectory prediction and traffic-passing decision methods for multi-vehicle autonomous operations. We have further addressed mixed-traffic intersection control challenges through vehicle-road collaborative game-based control technologies. As a result, perception distance in limited-visibility scenarios reaches up to 500 meters, and collaborative stopping accuracy deviation is limited to 0.13 meters.

Terrain-Adaptive Dynamic Precise Parking Technologies

Based on semantic segmentation algorithms, we have constructed a mine road boundary recognition model, developed a road adhesion coefficient identification algorithm with dynamic fuzzy reasoning, and established an anthropomorphic control model with dynamically adjustable parking targets adaptive to mine terrain. It can adapt to complex undulating terrain and realize high-precision automatic parking at loading and dumping points with parking error within 15cm, ensuring accurate matching of loading and dumping operations.

Core Algorithm Layer

End-to-End Autonomous Driving Large Model

We have established a sound and efficient data closed-loop system. Driven by massive real-scenario data from open-pit mines, we independently developed MineDrive, an exclusive end-to-end autonomous driving large model tailored for open-pit mines. Integrating multi-modal perception data from vision, LiDAR, millimeter-wave radar and other sensors, the model performs joint encoding of multi-modal features and spatio-temporal features. It delivers one-stop end-to-end intelligent output for full-link tasks including perception, target tracking, scene mapping, behavior prediction and path planning.

Multi-Agent Dispatch and Control Large Model

Adopting multi-agent reinforcement learning technologies, we have built an intelligent formation model for unmanned transportation fleets. We have broken through core technologies of cloud large model enabled dynamic right-of-way allocation and coordinated speed guidance, solving the industry challenge of real-time cloud collaborative scheduling for large-scale unmanned fleets.

Full-lifecycle Equipment Health Management Large Model

We have mastered the key technologies of multi-modal feature alignment for mining truck body sensing and operating status information, and built a mine equipment health management large model driven by multi-modal fusion data. It enables intelligent vehicle fault diagnosis, health trend prediction and intelligent maintenance decision-making, and provides integrated output of full-dimensional health assessment, fault analysis and maintenance suggestions for mining trucks, supporting refined operation and maintenance of equipment throughout the lifecycle.

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Foundational Technology Layer

Autonomous Driving Kits Design Technologies for Extreme Operating Conditions

We have developed an industry-leading portfolio of self-developed domain controllers, V2X communication units and drive-by-wire units. Following four generations of hardware iteration and upgrades, we have achieved integrated solutions for dustproofing, waterproofing, heat dissipation, vibration resistance and thermal insulation, addressing reliability challenges in highly dynamic and harsh environments. These system kits have undergone sustained operation and validation under extreme conditions, including surface temperatures of up to 70°C in Xinjiang during summer, temperatures as low as -40°C in Inner Mongolia during winter, and high-altitude environments of up to 5,400 meters in Tibet.

Proprietary Vehicle Control Unit Technologies

We have independently developed a proprietary VCU, which serves as the central control and execution unit of mining trucks and functions as the core control system for vehicle chassis operations. Within the autonomous driving system architecture, the VCU receives autonomous driving control commands and precisely controls subsystems including the powertrain, braking and steering systems to ensure safe and reliable vehicle operation. The deep integration between vehicle control and autonomous driving system control enables our solutions to adapt to different operating conditions and vehicle models, enhancing operational safety, reliability and efficiency. Our VCU supports both original equipment manufacturer front-end integration and retrofit upgrades for in-service vehicles. It has been adapted for wide-body mining trucks equipped with various powertrain configurations, including fuel-powered, pure electric and range-extended systems.

Multi-Layer Safety Redundancy Architecture

Based on functional safety design principles, we have implemented a multi-layer hardware and technical redundancy architecture. This includes (i) multi-mode communication redundancy across 4G, 5G and V2X networks, (ii) braking redundancy through both original vehicle drive-by-wire braking systems and external braking actuators, (iii) perception redundancy through multi-sensor fusion combined with V2X collaborative perception, and (iv) dual-power-supply redundancy for on-board main control systems. These redundancies enhance overall system safety and reliability under extreme operating conditions.

Data Closed-Loop Technologies for AI Large Models

We have built an efficient data closed-loop system, covering the full links of multi-source automatic data collection, intelligent cleaning and labeling, standardized data governance, model training and iteration, vehicle-end deployment, and on-site data backflow. It forms a self-reinforcing positive cycle driven by continuous data evolution, builds solid data moat, and continuously strengthens the system’s scenario adaptability and algorithm generalization capability.

Virtual-Real Integrated Multi-Dimensional Simulation Verification Technologies

We have independently developed MineSim, a full-stack closed-loop simulation and validation system designed specifically for open-pit mining scenarios. MineSim constructs scenario libraries based on real-world data and is driven by a core simulation engine to enable closed-loop testing of perception, prediction, planning and motion-control modules. Through continuous updates of vehicle kinematic models and interaction behavior simulations, MineSim ensures the accuracy and reliability of simulation

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outcomes. It integrates a multi-dimensional evaluation framework and provides 2D and 3D visualization tools to support performance analysis and debugging, significantly enhancing the practicality, robustness and environmental adaptability of our solutions.

RESEARCH AND DEVELOPMENT

Our ability to develop new technologies, design new portfolio or solutions, and enhance existing solutions is critical for maintaining our market position.

R&D Team

Our R&D team consists of dedicated talents with profound industry expertise, and our core R&D team members have an average of more than 10 years of experience in engineering, with domestic or overseas working experience in reputable technology companies. As of December 31, 2025, our R&D team consisted of 72 members. Our R&D team represented 44.7% of total employees as of the same date. We incurred R&D expenses of RMB80.6 million, RMB70.2 million and RMB57.8 million in 2023, 2024 and 2025, respectively, representing 50.6%, 51.2% and 49.8% of our total operating expenses for the respective period.

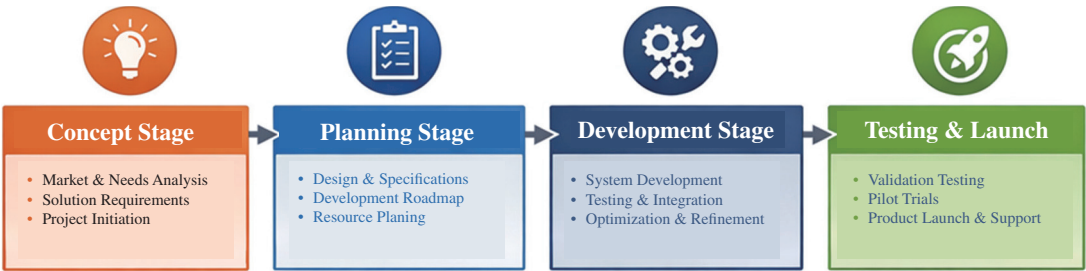
We retain key management and technical staff with competitive remuneration packages and welfare benefits. We also invest in continuing education and training programs to upskill our employees.

In the event of termination of employment requested by a key staff, we closely communicate with the staff for the reason of departure and feedback for us. To further mitigate the impact of potential departures, we have implemented the following measures: (i) all employees are required to sign non-compete and intellectual property ownership agreements upon onboarding, ensuring that patents and copyrights remain with us; (ii) core technical documentation is centrally managed under a tiered access control system to safeguard proprietary knowledge; (iii) we conduct comprehensive resignation procedures, including the handover of ongoing projects and client relationships; and (iv) departing employees are required to sign a confidentiality agreement, and for key management and technical personnel, we assess on a case-by-case basis whether to enforce non-compete clauses.

To improve our R&D capability at the group level, we have established incentive programs for our R&D employees. For projects that bring breakthrough results to us, special rewards are provided to the responsible employee in the form of cash, stock options, or a combination of both.

R&D Process

Our research and development process involves a framework in which factors such as customers demand, feasibility analysis, technology developments, and use cases are taken into consideration. The diagram below sets out the principal steps which we generally follow in our research and development process.



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We value our technological innovation and product and solution R&D, and have established a comprehensive, lifecycle-oriented R&D process to ensure our solutions remain advanced, reliable, and responsive to market needs. Our R&D process consists of four primary stages:

- **Concept Stage.** We initiate project approval and define solution requirements based on market trends, customer needs, and our operational strategy. Through extensive market research and forward-looking technical analysis, we clarify the direction and objectives of our development efforts, ensuring each project possesses both commercial value and technical feasibility.
- **Planning stage.** We organize cross-functional teams to conduct solution design and preliminary design and formulate detailed project development plans. At this stage, we incorporate real-world application scenarios, specify technical pathways, key milestones, resource allocation, and risk management measures, thereby laying a solid foundation for subsequent development activities.
- **Development stage.** This stage involves detailed design, software and hardware development, and system integration. Our R&D teams perform internal testing and joint debugging to continuously optimize system architecture and functional modules, ensuring that our solutions meet established technical specifications and application requirements. We prioritize modular and standardized development to enhance R&D efficiency and product scalability.
- **Testing and Launch Stage.** We conduct multi-level testing through simulation testing, real-vehicle testing, and small-scale pilot trials at production sites, comprehensively evaluating product performance, safety, and stability. Large-scale deployment is initiated only after all launch criteria have been satisfied. Following product launch, we continuously monitor operational data and customer feedback, undertake lifecycle maintenance and upgrades, and drive ongoing product optimization and technological advancement.

By adhering to this standardized and systematic R&D process, we are able to respond efficiently to market changes, continuously strengthen our core technological capabilities and product competitiveness, and provide robust support for the sustainable growth of our business.

During the Track Record Period, we primarily engaged independent technology companies for solutions testing services. This arrangement allows us to focus on our core competencies, in particular the R&D of core algorithms for autonomous driving, as well as the enhancement of software functionality and algorithm efficiency. By partnering with outsourcing firms with mature testing processes, we are able to accelerate the development of new solutions, reduce time-to-market, and maintain a competitive edge. In addition, outsourced R&D improves the utilization of our in-house R&D personnel, enhancing overall R&D effectiveness and resource efficiency.

Key Research Projects

We are undertaking several R&D projects aimed at iterating and upgrading our solutions. The key projects include:

Bidirectional Autonomous Driving Mining Truck Development Project

The inherent limitations of unidirectional mining trucks have increasingly constrained transportation efficiency, operating performance and production safety in mining operations. To address these challenges, we are jointly developing bidirectional autonomous mining trucks in collaboration with OEMs. By fundamentally re-engineering the traditional unidirectional design logic, these trucks are designed to complete the full transportation process without the need for turning around or reversing.

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This bidirectional design enables flexible deployment in complex mining scenarios that are not well suited to unidirectional mining trucks, including deep concave open-pit mines, narrow haulage ramps, corner extraction areas and mine expansion or reconstruction sites. As a result, the project is expected to significantly improve transportation efficiency and operational flexibility in challenging mining environments.

End-to-End Autonomous Driving Technologies Iteration Project

In response to growing demand from mining operators for mixed operations involving both manually driven and autonomous vehicles, as well as vehicles from different autonomous driving vendors, we are iterating our data-driven end-to-end autonomous driving model. This initiative focuses on an architecture that directly maps raw environmental sensor inputs to planned driving routes without manual intermediate decision-making, supported by an efficient data-closed-loop system leveraging diverse scenario data. Under this model, adaptation to new mine terrains or newly introduced operational scenarios requires only minimal data fine-tuning. This approach addresses the limitations of traditional modular systems — where rule enumeration cannot cover the full range of mining scenarios — and positions us to lead the next phase of technological advancement in autonomous mining mobility.

Cloud-Based AI Large Model Iteration Project

As autonomous fleet sizes continue to expand, achieving efficient, multi-objective dispatch and maintaining equipment reliability have become increasingly critical to overall transportation performance. To address these challenges, we are iterating cloud-based AI large model foundation covering both multi-agent dispatch and control large model and full lifecycle equipment health management large model.

We adopt a hybrid architecture that combines large language models with traditional algorithms. Large language models are applied to high-level decision-making, strategy generation and complex multi-agent scenario understanding, while traditional algorithms support real-time optimization of dispatch objectives, speed coordination in conflict-prone areas and system stability. These capabilities are designed to overcome existing constraints in large-scale, high-efficiency cloud-based operations and control.

In parallel, we are developing a data-driven full lifecycle equipment health management large model to replace traditional maintenance approaches reliant on manual experience. Building an intelligent agent centered on large language models can enable deep integration of equipment operating data, dispatch information and maintenance knowledge, and it can support predictive maintenance, health-constrained dispatch optimization and human-machine collaborative maintenance.

R&D Collaborations with Third Parties

We conduct R&D collaboration with academic institutes for joint research and development initiatives. Through collaborative partnerships with leading universities, we are able to leverage their strengths in fundamental research, cutting-edge technologies, and advanced talent development to continuously enhance our own technological innovation capabilities and research depth. These collaborations also facilitate the rapid transformation and commercialization of academic research achievements, and enable us to jointly undertake a number of national key research and development projects, significantly strengthening our core technologies reserves and intellectual property portfolio in autonomous driving and intelligent mining. In addition, by participating in the development of relevant professional programs and talent training standards, we consistently contribute high-caliber technical talent to the industry, further enhancing our influence and competitiveness within the industry.

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During the Track Record Period, we collaborated with several universities for joint research and development. These efforts further strengthen our R&D capabilities and industry reputation. The salient terms of our standard project contracts with universities during the Track Record Period are set out below:

- **Confidentiality.** Either party is responsible for keeping strict confidentiality of all the information provided by the other party, and would be responsible for any breach of confidentiality. The confidentiality clause applies for two years from the termination of the agreement.
- **Intellectual Property.** The arrangements for the ownership of intellectual property rights created through our R&D collaboration vary from institute to institute. For the majority of our collaborations, such intellectual property rights will be either solely owned by us, or co-owned by our collaborating academic institute and us.
- **Termination.** The agreements will be terminated automatically upon completion of the right and obligation of both parties, or by mutual agreement in writing.

MANUFACTURING

We engage automotive OEMs for the manufacturing of our autonomous mining trucks and contract manufacturers for the manufacturing of certain components, including those related to our solutions.

Our Cooperation with Automotive OEMs

We possess the R&D capability to develop vehicle control unit and drive-by-wire chassis, which can be seamlessly integrated with our independently developed intelligent driving solutions. We collaborate with automotive OEMs in the following primary collaboration models:

- **Model A.** OEMs are responsible for vehicle planning and design. We provide autonomous driving system and drive-by-wire chassis system and relevant hardware. Model A mainly applies for our mining autonomous driving transportation solutions with Tage purpose-built trucks.
- **Model B.** OEMs are responsible for vehicle planning, design, and drive-by-wire chassis system. We provide autonomous driving system and relevant hardware. Model B mainly applies for mining autonomous driving transportation solutions with Tage purpose-built trucks and for third-party trucks.

In addition to the vehicle delivery models involving collaboration with OEMs described above, we also provide autonomous driving system retrofit model directly to existing vehicles that are already in active mining operations. Under this model, we do not require OEM participation and instead equips existing vehicles with our autonomous driving transportation solution through the installation of perception, computing, communication, and control-related hardware and software components. This model effectively addresses mining customers’ demand for intelligent upgrades of existing fleet, offering advantages such as shorter implementation cycles and flexible modification options. It is primarily applicable to our mining autonomous driving transportation solutions and enables us to rapidly enter operational mines and expand our commercial deployment footprint.

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We collaborate with multiple automotive OEMs and have no dependence on any single automotive OEM. The salient terms of our agreements with automotive OEMs are set forth as below:

- ***Principal rights and obligations of parties involved.*** The parties specify the vehicle specifications and specific configuration requirements in the agreement, and determine the responsibilities of each party based on the collaboration model of the project.
- ***Payment and delivery.*** Our payment obligations are typically structured as advance payments, followed by milestone installments as stipulated in the relevant contracts, with the final payment due upon acceptance following the acceptance after the warranty period.
- ***Quality assurance.*** Products are accepted in accordance with our specifications, as well as national, local and industry standards. Should any quality issues arise during the warranty period, the OEMs are responsible for replacing the relevant products or components.
- ***Termination.*** Agreements may be terminated by mutual consent of the parties, or by other means as set forth in the agreements.

Our Cooperation with Contract Manufacturers

We typically engage contract manufacturers when the hardware or components we require do not meet our quality or technical standards in the open market, or when customization is required for our solutions. The salient terms of our agreements with contract manufacturers are set forth as below:

- ***Principal rights and obligations of parties involved.*** We provide technical specifications and key raw materials to contract manufacturers, while the contract manufacturers provide the manufacturing, assembly and testing services for our products.
- ***Payment and delivery.*** We are responsible for timely payment to contract manufacturers, and they are in turn responsible for delivering the products to the locations designated in the relevant agreements.
- ***Quality assurance.*** Products are accepted based on conformity with our specifications as well as applicable national, local and industry standards. During the warranty period, the contract manufacturers are responsible for replacing any products or components found to be defective.
- ***Termination.*** Agreements may be terminated by mutual consent of the parties, or by other means as set forth in the agreements.

SALES AND MARKETING

We primarily adopt a direct sales model. Our sales approach is customer-centric, with a market development strategy focused on strategic clients and high-quality mining projects, particularly customers with large-scale operations. We emphasize service quality and project profitability to ensure delivery and operational stability. As of December 31, 2025, our sales team comprised 13 employees with extensive industry experience and deep expertise in our solutions.

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Pricing

We price our solutions considering a variety of factors. We implement diverse pricing strategies for each of our solutions, tailored to various types of customers, application scenarios and strategic considerations for our future business growth. We primarily consider the functionalities of the solutions offered, the quantity, type and complexity of the hardware, software provided and technologies provided or used, and procurement costs when determining the prices. We also take into consideration overall market conditions and the competitive landscape.

Marketing

Our marketing strategy focuses on brand development and in-depth client engagement, combining online brand promotion with offline direct sales to achieve multi-channel market coverage. Online efforts focus on brand visibility and industry influence, leveraging industry media and proprietary platforms to share flagship projects and technological achievements.

Our marketing approach is primarily offline-driven. Our sales team and management engage directly with customers through on-site solution presentations and technical discussions. We also actively participate in industry conferences, exhibitions and client visits, leveraging these platforms to demonstrate our technological capabilities and broaden our business reach.

Supported by our leading technological capabilities, proven deployment experience, and consistent service quality, as well as the successful scaling of our flagship projects, we have established ourselves as a trusted technology partner within the industry. In addition, we collaborate with leading universities and research institutions to strengthen our professional reputation and reinforce our technological credentials.

CUSTOMERS

Our customer base primarily comprises mine owners and operators, earthwork engineering companies, and mining dump truck manufacturers. Mine owners and operators are typically the end users of our solutions, responsible for on-site operations and long-term deployment, and often directly manage mining sites. During the Track Record Period, all of our revenue was generated in the PRC.

We expand our customer base through multiple channels. During the Track Record Period, we primarily engaged with our customers through public tenders, proactive outreach by our sales team and management based on customers’ business scope and market position, and participation in industry conferences. We prioritize partnerships with customers that have strong local presence in major mining regions such as Xinjiang and Inner Mongolia, leveraging benchmark deployments to establish local reference sites and drive broader adoption of our solutions. Mining transportation systems require exceptional safety, high uptime, stable operation, and site-specific customization. As a result, replacing an established supplier entails considerable operational risk, as well as substantial time and economic cost. Our solutions are deeply integrated with vehicle hardware and, once deployed, become integral to our customers’ daily operations. This deep integration and operational criticality underpin our typically high repeat purchase rates. The salient terms of our standard sales agreements for our mining autonomous driving transportation solutions with Tage purpose-built trucks are set out below:

- **Product specifications.** Customers typically set forth specific product requirements, including name and model.
- **Payment and credit term.** We typically require an initial payment upon execution of the contract, with the remaining balance payable within five working days after acceptance.

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- **Warranty.** We typically provide a one-year warranty. During the warranty period, we will repair or replace products free of charge under certain conditions in the event of product quality issues, except where damage is caused by improper operation by the customer.
- **Logistics.** We generally provide domestic inland road transportation of mining autonomous driving transportation solutions with Tage purpose-built trucks to the customer’s designated destination. The transportation fee shall be borne by us.
- **Transfer of risks.** Risks generally transfer to customers upon delivery.
- **Confidentiality.** All confidential information provided by either party shall not be disclosed to any third party without prior consent, and confidentiality obligations shall remain effective after termination of the contract.

The salient terms of our standard sales agreements for our mining autonomous driving transportation solutions for third-party trucks are set out below:

- **Solution specifications.** We will provide solutions based on agreed specifications.
- **Payment and credit term.** Our payment structure typically comprises: (i) an initial payment within two months after installation and commissioning; (ii) the majority of the remaining contract value upon acceptance; and (iii) a deposit of 10% of the total contract value, withheld by the customer and released to us upon expiry of the warranty period.
- **Warranty.** We typically provide a two-year warranty. During the warranty period, we will repair or replace products free of charge under certain conditions in the event of product quality issues, except where damage is caused by improper operation by the customer.
- **Logistics.** We generally provide domestic inland road transportation of mining autonomous driving transportation solutions for third-party trucks to the customer’s designated destination, which is generally located at a mine site. The transportation fee shall be borne by us.
- **Transfer of risks.** Risks generally transfer to customers upon acceptance.
- **Confidentiality.** All confidential information provided by either party shall not be disclosed to any third party without prior consent, and confidentiality obligations shall remain effective after termination of the contract.

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Major Customers

Revenue generated from our largest customer in 2023, 2024 and 2025 accounted for 24.4%, 26.5% and 40.5%, respectively, of our revenue during same periods. Revenue generated from our five largest customers in 2023, 2024 and 2025 accounted for 84.9%, 87.0% and 88.2%, respectively, of our revenue during same periods. As we derived a significant portion of our revenue from our top five customers in each year during the Track Record Period, we are exposed to the risk of concentration of our major customers. See “Risk Factors — Risks Relating to Our Business and Industry — We depend on a limited number of customers for a substantial portion of our revenue. The loss of, or a significant reduction in sales to, one or more of our major customers would adversely affect our business, results of operations and financial condition.” During the Track Record Period, our customer concentration was primarily attributable to (i) the high value of our orders, as we focused on large-scale mining projects, and (ii) the limited number of customers, reflecting the high entry barriers of the mining industry and stringent qualification requirements. According to CIC, our customer concentration level is consistent with industry norms. Such industry-wide concentration is primarily driven by (i) the large scale, high capital intensity and safety-critical nature of mining autonomous driving transportation solutions, which require deep technical integration and extensive on-site deployment, and (ii) the limited number of mining operators with access to large-scale mining projects. In addition, during the early stages of commercialization, solution providers typically prioritize strategic customers and flagship projects to establish proven deployment track records before expanding their customer base.

During the Track Record Period, our customers generally settled their payments through bank transfer. The tables below set forth the basic information of our top five customers in each year during the Track Record Period:

Year ended December 31, 2023

Customers	Background	Offering provided	Revenue (RMB in thousands)	% of total revenue	Year of commencement of business relationship	Credit terms
Customer A ⁽¹⁾	A company incorporated in Zhejiang Province in 2023, mainly engaged in investment activities.	Intelligent operations and other services	46,467	24.4	2019	Settled monthly
Customer B	A company incorporated in Inner Mongolia Autonomous Region in 1988, mainly engaged in manufacturing of mining machinery.	Mining autonomous driving transportation solutions for third-party trucks	32,136	16.9	2018	Milestone payments
Customer C	A company incorporated in Jiangsu Province in 2015, mainly engaged in providing autonomous driving transportation solutions.	Mining autonomous driving transportation solutions with Tage purpose-built trucks	31,858	16.8	2023	Seven days
Customer D	A company incorporated in Guangdong Province in 2014, mainly engaged in the mine engineering services.	Intelligent operations and other services	25,999	13.7	2022	Settled monthly
Customer E	A company incorporated in Beijing in 2023, mainly engaged in the design and implementation of mining autonomous driving transportation systems, and the operation and management of autonomous driving vehicles.	Mining autonomous driving transportation solutions with Tage purpose-built trucks	25,049	13.2	2023	Seven days
Total			161,509	84.9		

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Year ended December 31, 2024

Customers	Background	Offering provided	Revenue (RMB in thousands)	% of total revenue	Year of commencement of business relationship	Credit terms
Customer E	A company incorporated in Beijing in 2023, mainly engaged in the design and implementation of mining autonomous driving transportation systems, and the operation and management of autonomous driving vehicles.	Mining autonomous driving transportation solutions with Tage purpose-built trucks	40,286	26.5	2023	Five days
Customer D	A company incorporated in Guangdong Province in 2014, mainly engaged in the mine engineering services.	Intelligent operations and other services	32,503	21.4	2022	Settled monthly
Customer F	A company incorporated in Xinjiang Uygur Autonomous Region in 2013, mainly engaged in coal mining and sales.	Intelligent operations and other services	30,743	20.2	2024	Settled monthly
Customer G	A company incorporated in Inner Mongolia in 2011, mainly engaged in coal mining and processing.	Mining autonomous driving transportation solutions with Tage purpose-built trucks and Intelligent operations and other services	21,509	14.1	2024	Milestone payments and settled monthly
Customer C	A company incorporated in Jiangsu Province in 2015, mainly engaged in providing autonomous driving transportation solutions.	Intelligent operations and other services	7,404	4.9	2023	Settled monthly
Total			132,445	87.0		

Year ended December 31, 2025

Customers	Background	Offering provided	Revenue (RMB in thousands)	% of total revenue	Year of commencement of business relationship	Credit terms
Customer H	A company incorporated in Shanghai in 2021, mainly engaged in technology development in the field of logistics technologies	Mining autonomous driving transportation solutions with Tage purpose-built trucks	213,407	40.5	2025	Five days
Customer I	A company incorporated in Henan Province in 2023, mainly engaged in the production and supply of electric power and heat.	Mining autonomous driving transportation solutions with Tage purpose-built trucks	132,301	25.1	2025	Five days upon acceptance
Customer J	A company incorporated in Xinjiang Uygur Autonomous Region in 2011, mainly engaged in the mining engineering construction services.	Intelligent operations and other services	52,856	10.0	2025	Settled monthly
Customer A ⁽¹⁾	A company incorporated in Zhejiang Province in 2023, mainly engaged in investment activities.	Mining autonomous driving transportation solutions for third-party trucks	35,821	6.8	2019	Ten days
Customer K ⁽²⁾	A company incorporated in Henan Province in 2020, mainly engaged in machinery equipment and automobile leasing; and processing and sales of mechanical parts and components.	Mining autonomous driving transportation solutions with Tage purpose-built trucks	30,531	5.8	2025	Three months
Total			464,916	88.2		

Notes:

- (1) We cooperated with two subsidiaries of Customer A, one primarily engaged in mining engineering construction services and the other primarily engaged in autonomous driving products.
- (2) Our transactions with Customer K are conducted on a sales basis and do not involve any financing lease arrangements.

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As of the Latest Practicable Date, save as disclosed in “Directors and Senior Management”, none of our Directors, their associates or any of our shareholders (who owned or, to the knowledge of Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest customers of each year during the Track Record Period.

SUPPLIERS

We generally engage reputable suppliers to ensure the quality of our solutions. Key factors influencing our selection include technical expertise, product quality, certifications and qualifications, market reputation, and pricing. We typically select suppliers with a proven track record of stable supply and profitability. In addition to reviewing new suppliers, we conduct annual evaluations of existing suppliers and require them to promptly address any issues identified during these assessments. When necessary, we provide guidance to suppliers and may discontinue relationships with those that consistently fail to meet our standards.

We engage third-party suppliers mainly for critical components and raw materials used in our solutions, including (i) engineering vehicles such as mining trucks, and (ii) components for our solutions, such as radar, LiDAR, and cameras. During the Track Record Period, we did not experience any shortages in raw material supply from our major suppliers. We typically enter into supply agreements with suppliers, the salient terms of which are set out below:

- **Product specifications.** The product name, specification, price, quantity, delivery timeline and other detailed items are specified in the agreements.
- **Payment and delivery.** Our payment terms generally include an initial prepayment upon execution of the contract, with the remaining balance payable after delivery and acceptance in accordance with the agreed timeline.
- **Quality Guarantee.** Warranty periods vary by product type under our supplier agreements. During the warranty period, suppliers bear all after-sales maintenance costs and must replace, at their own expense, any products or components found to have material quality defects. We reserve the right to return the affected products if a supplier fails to remedy a quality issue in a timely manner and such failure results in material adverse consequences.
- **Confidentiality.** All confidential information provided by either party shall be used solely for the purposes of cooperation pursuant to the agreements and shall not be disclosed to any third party without prior written consent.
- **Termination.** Each party has the right to terminate the contracts in the event of a material breach by the other party, or by mutual agreement.

Major Suppliers

Charges from our largest supplier in 2023, 2024 and 2025 accounted for 32.2%, 29.7% and 44.8%, respectively, of our total purchase amount during same periods. Charges from our five largest suppliers in 2023, 2024 and 2025 accounted for 60.0%, 54.3% and 84.0%, respectively, of our total purchase amount during same periods. As we procured a significant portion of our products and services, such as mining trucks, from our top five suppliers in each year of the Track Record Period, we are exposed to the risk of concentration of our major suppliers. See “Risk Factors — Risks Relating to Our Business and Industry — We rely on third party suppliers, including a limited number of key suppliers, and any disruption to or deterioration of these supplier relationships could materially and adversely affect our business.” During the Track Record Period, our supplier concentration was primarily attributable to our selective procurement strategy, under which we prioritized leading OEMs and key component suppliers with proven track records in product quality, reliability and system integration to support the

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performance and stability requirements of our solutions. Given the safety-critical nature and high technical requirements of mining autonomous driving transportation solutions, we have maintained long-term relationships with a limited number of qualified suppliers capable of meeting stringent standards on quality consistency, technical specifications and compatibility with our solutions. We believe our supplier concentration level is consistent with industry practice, as solution providers typically rely on a limited number of leading OEMs and qualified component suppliers to ensure product performance and operational reliability.

During the Track Record Period, we generally settled our payments to our suppliers through bank transfer. The tables below set forth the basic information of our top five suppliers in each year during the Track Record Period:

Year ended December 31, 2023

Suppliers	Background	Products/services purchased	Purchase amount (RMB in thousands)	% of total purchases	Year of commencement of business relationship	Credit terms
Supplier A	A company incorporated in Shandong in 2012, mainly engaged in manufacture of mining machinery	Wide-body mining trucks	56,991	32.2	2023	15 days
Supplier B	A company incorporated in Beijing in 2017, mainly engaged in manufacture of automated equipment	Wide-body mining trucks	15,424	8.7	2022	34 months (in installments)
Supplier C	A company incorporated in Inner Mongolia autonomous region in 2021, mainly engaged in sale of construction machinery products	Equipment maintenance services	14,912	8.4	2023	Settled monthly
Supplier D	A company incorporated in Beijing in 2005, mainly engaged in providing human resource services	Human resources services	11,693	6.6	2022	Ten days
Supplier E	A company incorporated in Inner Mongolia, autonomous region in 2016, mainly engaged in mine engineering construction, equipment manufacturing and sales.	Diesel-powered wide-body mining trucks maintenance services	7,262	4.1	2021	Settled monthly
Total			106,282	60.0		

Year ended December 31, 2024

Suppliers	Background	Products/services purchased	Purchase amount (RMB in thousands)	% of total purchases	Year of commencement of business relationship	Credit terms
Supplier A	A company incorporated in Shandong in 2012, mainly engaged in manufacture of mining machinery	Wide-body mining trucks	72,370	29.7	2023	Six months
Supplier D	A company incorporated in Beijing in 2005, mainly engaged in providing human resource services	Human resources services	32,676	13.4	2022	Ten days
Supplier E	A company incorporated in Inner Mongolia in 2016, autonomous region, mainly engaged in mine engineering construction, equipment manufacturing and sales.	Diesel-powered wide-body mining trucks maintenance services	9,559	3.9	2021	Settled monthly
Supplier F	A company incorporated in Henan province in 2020, mainly engaged in the manufacturing and sale of mining equipment	Wide-body mining trucks	9,042	3.7	2024	Six months
Supplier G	A company incorporated in Xinjiang Uygur Autonomous Region in 2009, mainly engaged in the wholesale of refined oil and petrochemical products.	Diesel	8,764	3.6	2024	Settled monthly
Total			132,411	54.3		

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Year ended December 31, 2025

Suppliers	Background	Products/services purchased	Purchase amount (RMB in thousands)	% of total purchases	Year of commencement of business relationship	Credit terms
Supplier A	A company incorporated in Shandong in 2012, mainly engaged in manufacture of mining machinery	Wide-body mining trucks	171,903	44.8	2023	Six months
Supplier H	A company incorporated in Shaanxi province in 2018, mainly engaged in manufacture of machinery for engineering construction.	Wide-body mining trucks	95,781	25.0	2025	Three months
Supplier D	A company incorporated in Beijing in 2005, mainly engaged in providing human resource services	Human resources services	25,444	6.6	2022	Ten days
Supplier I	A company incorporated in Shaanxi province in 2009, mainly engaged in R&D, manufacture and sale of heavy industrial machinery products	Wide-body mining trucks	20,449	5.3	2025	Three months
Supplier J	A company incorporated in Xinjiang province in 2018, mainly engaged in manufacture of chemical products	Diesel	8,933	2.3	2025	15 days
Total			<u>322,510</u>	<u>84.0</u>		

As of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who owned or, to the knowledge of the Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers of each year during the Track Record Period.

OVERLAPPING OF CUSTOMERS AND SUPPLIERS

Customer A, one of our five largest customers in 2023 and 2025, was also a supplier in 2023 and 2024. Customer A contributed 24.4%, nil and 6.8% of our revenue in 2023, 2024 and 2025 respectively, and 4.1%, 3.9% and nil of our total purchase amount in the same periods, respectively. In 2023, we cooperated with a subsidiary of Customer A who primarily engages in mining engineering construction services. We primarily procure diesel fuel and equipment maintenance services from this subsidiary for the maintenance of the normal operation of autonomous wide-body mining trucks. As a separate and independent matter, we sold intelligent operations and other services to Customer A in 2023. The other subsidiary of Customer A primarily engages in the sales of autonomous driving products. We primarily procure equipment maintenance services from Customer A for the maintenance of the normal operation of autonomous wide-body mining trucks. As a separate and independent matter, we provided mining autonomous driving transportation solutions for third-party trucks to Customer A in 2025.

Customer B, one of our five largest customers in 2023, was also a supplier in 2024 and 2025. Customer B contributed 16.9%, 0.1% and nil of our revenue in 2023, 2024 and 2025 respectively, and nil, 0.02% and 0.02% of our total purchase amount in the same periods, respectively. We sold mining autonomous driving transportation solutions for third-party trucks to Customer B in 2023. As a separate and independent matter, we procured mechanical and electrical components for manufacturing Tage purpose-built trucks from Customer B in 2024 and 2025.

Customer C, one of our five largest customers in 2023 and 2024, was also a supplier in 2024. Customer C contributed 16.8%, 4.9% and 0.9% of our revenue in 2023, 2024 and 2025 respectively, and nil, 3.2% and nil of our total purchase amount in the same periods, respectively. We primarily leased mining dump trucks and excavators and other auxiliary equipment from Customer C for the implementation of autonomous driving applications. As a separate and independent matter, we sold mining autonomous driving transportation solutions with Tage purpose-built trucks and intelligent operations and other services to Customer C in 2025.

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Customer D, one of our five largest customers in 2023 and 2024, was also a supplier in 2025. Customer D contributed 13.7%, 21.4% and 5.7% of our revenue in 2023, 2024 and 2025 respectively, and nil, nil and 0.9% of our total purchase amount in the same periods, respectively. We primarily procure on-site infrastructure, such as water and electricity supply and premises leasing, from Customer D for the normal operation of manned wide-body mining trucks. As a separate and independent matter, we sold intelligent operations and other services to Customer D in 2025.

Customer E, one of our five largest customers in 2023 and 2024, was also a supplier during the Track Record Period. Customer E contributed 13.2%, 26.5% and nil of our revenue in 2023, 2024 and 2025 respectively, and nil, 1.3% and nil of our total purchase amount in the same periods, respectively. We primarily lease excavators from Customer E for the implementation of autonomous driving applications. As a separate and independent matter, we sold mining autonomous driving transportation solutions with Tage purpose-built trucks to Customer E in 2025.

Customer F, one of our five largest customers in 2024, was also a supplier during the Track Record Period. Customer F contributed nil, 20.2% and nil of our revenue in 2023, 2024 and 2025 respectively, and nil, 0.04% and nil of our total purchase amount in the same periods, respectively. We sold intelligent operations and other services to Customer F in 2024. As a separate and independent matter, we procured water supplies from Customer F to provide logistical support for project implementation in 2024.

Customer J, one of our five largest customers in 2025, was also a supplier in 2025. Customer J contributed nil, nil and 10.0% of our revenue in 2023, 2024 and 2025, respectively, and nil, nil and 0.06% of our total purchase amount in the same periods, respectively. We sold intelligent operations and other services to Customer J in 2025. As a separate and independent matter, we leased auxiliary equipment and procured workwear from Customer J to support the operation of mining autonomous driving transportation solutions with Tage purpose-built trucks in 2025.

All of our sales to and purchases from Customer A, Customer B, Customer C, Customer D, Customer E, Customer F and Customer J were conducted in the ordinary course of business under normal commercial terms and on arm’s length basis.

COMPETITION

According to CIC, the mining autonomous driving transportation solution market in China and globally is primarily driven by (i) safety risks across multiple mining operations, (ii) efficiency and cost pressures, (iii) labor shortages, and (iv) supportive policy initiatives and regulatory guidance. We primarily compete with companies engaged in the design, R&D and deployment of autonomous driving technologies and autonomous vehicle solutions for mining and industrial applications. In 2025, we ranked third in China’s mining autonomous driving transportation solution market in terms of revenue.

Entry barriers for mining autonomous driving transportation solution providers include: (i) full-stack technology R&D capabilities; (ii) deep engineering expertise in mining scenarios and large-scale deployment capabilities; (iii) comprehensive product portfolios and highly reliable products; (iv) well-established value chain coordination capabilities; (v) market-validated brand strength and a high-quality customer base; and (vi) strong capital management and funding capacity.

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Having considered the entry barriers faced by new market entrants, we believe that we are well positioned to maintain our leading position in the mining autonomous driving transportation solution market based on our competitive strengths as set out in the sub-section headed “Our Strengths” in this section.

BUSINESS SUSTAINABILITY

While we did not achieve profitability during the Track Record Period, we have recorded robust revenue growth during the same period. Our revenue increased from RMB190.2 million in 2023 to RMB526.9 million in 2025, representing a CAGR of 66.4%. We recorded gross loss margin of 24.8% and 45.5% in 2023 and 2024, respectively, and achieved a gross profit margin of 4.8% in 2025, reflecting a transition towards positive gross profitability. Our net loss decreased from RMB312.7 million in 2023 to RMB163.7 million in 2025, and our adjusted net loss (non-IFRS measure) also narrowed from RMB255.6 million in 2023 to RMB103.6 million in 2025.

Our net losses during the Track Record Period were primarily attributable to:

- **Continuous R&D investment in our technologies and solutions.** Our business model is technology-driven and requires sustained R&D investment in core technology capabilities, including KuangGu, AI large models, and vehicle engineering technologies. These investments are critical to maintaining our technological leadership, enhancing solution performance and ensuring reliability under complex mining conditions. At the same time, such R&D efforts involve significant upfront expenses and long development cycles, with economic benefits typically realized only after large-scale commercialization, resulting in a lag between expense recognition and revenue contribution.
- **Early-stage scaling of commercialization and ramp-up.** While our solutions have entered the commercialization phase, large-scale deployment across mines and fleets remains in a progressive ramp-up stage. During this phase, we incur relatively higher costs in connection with initial project deployment, including on-site installation, system calibration, safety validation and operational debugging. In addition, early-stage projects often require a higher degree of customization, intensive engineering support and repeated on-site optimization to adapt to different mining conditions, resulting in higher per-project and per-vehicle costs compared to more standardized, large-scale deployments.
- **Expansion of business scale and operational capabilities.** During the Track Record Period, we experienced rapid growth in project delivery and autonomous fleet deployment, which required us to continuously expand our organizational capabilities, including R&D, engineering delivery and operational support functions. This expansion led to increased spending on personnel, infrastructure and operational systems to support a growing project pipeline and customer base. While these investments increase our cost base in the short term, they are essential to building scalable delivery capabilities, strengthening customer relationships and supporting long-term revenue growth.

We believe that such investments are necessary to establish our long-term technological and commercial foundation, and position us to achieve sustainable growth and profitability in the future.

We expect to improve our operating performance and achieve sustainable profitability over the medium to long term, primarily driven by the continued expansion of commercialization scale, strengthening of customer stickiness, optimization of our business model, and ongoing improvements in operational efficiency and cash flow generation.

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- **Scaling commercialization drives operating efficiency and margin improvement.** Our revenue increased significantly from RMB190.2 million in 2023 to RMB526.9 million in 2025, reflecting the accelerating adoption of mining autonomous driving transportation solutions and growing market acceptance of our solutions. This substantial increase in revenue, particularly the rapid growth in 2025, demonstrates that our business is transitioning from pilot-stage adoption to early-stage scale deployment. As our deployment scale expands across mining projects and fleets, we increasingly benefit from economies of scale in procurement and system deployment, while operating efficiency improves as our technologies mature and system configurations become more standardized. These factors have already translated into improving financial performance, as evidenced by our transition from gross loss to a gross profit during the Track Record Period. We expect further scale expansion to continue driving cost reductions at both the per-solution and per-project level, thereby supporting ongoing margin improvement.
- **Deep integration enables high customer stickiness and recurring revenue.** At the same time, our business model benefits from strong customer stickiness and increasing revenue visibility. Our solutions are deeply integrated into customers’ mining operations and vehicle systems, forming a core component of their daily production workflows. As a result, customers typically incur high switching costs and tend to expand deployment within existing projects once the solutions have been validated. This dynamic is reflected in our growing project footprint. Furthermore, our intelligent operations and other services offerings enable us to generate recurring revenue streams beyond initial deployment, thereby enhancing customer lifetime value and improving revenue stability over time.
- **A diversified business model enhances revenue resilience and monetization depth.** In addition, our diversified solution portfolio and evolving business model further strengthen our resilience across market cycles. During the Track Record Period, we generated revenue from mining autonomous driving transportation solutions with Tage purpose-built trucks, mining autonomous driving transportation solutions for third-part trucks, and intelligent operations and other services, each addressing different customer needs and stages of project deployment. This diversified offering enables us to participate across multiple points of the value chain, from equipment delivery to system integration and ongoing operations, while flexibly adapting to different mining scenarios. As our solution mix continues to shift towards larger-scale deployments and higher-value integrated solutions, we expect further improvement in both revenue stability and margin profile.
- **Operational efficiency improvements support cost optimization and scalability.** We have also demonstrated improving cost structure and operational efficiency as our business scales. During the Track Record Period, our operating expenses decreased significantly both in absolute terms and as a percentage of revenue, declining from approximately RMB159.2 million in 2023 to RMB116.0 million in 2025 and from approximately 83.7% in 2023 to 22.0% in 2025, reflecting improving operating efficiency. These improvements are primarily driven by increasing standardization of our technology, enhanced project execution capabilities and more efficient resource allocation. As our deployment experience continues to accumulate and our systems become more modular and replicable, we expect further efficiency gains and reduced marginal costs.
- **Technology leadership underpins long-term competitiveness and barriers to entry.** Our long-term competitiveness is further supported by our proprietary AI large model foundation, which underpins our core capabilities in autonomous driving, multi-agent dispatch and control, and full-lifecycle equipment health management. These technologies enable us to

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continuously improve system performance, enhance scalability across complex mining scenarios, and address long-tail operational challenges. We believe that the combination of technological depth, accumulated deployment experience and ongoing innovation creates a strong barrier to entry and positions us to capture long-term industry growth opportunities.

- **Improving cash flow reflects strengthening financial quality and sustainability.** Finally, our improving operating cash flow and financial position further support our path towards sustainable growth. While we recorded net cash outflows from operating activities in 2023 and 2024, our operating cash flow turned positive in 2025, generating net cash inflow of RMB37.9 million. This improvement was primarily driven by rapid revenue growth, enhanced working capital management and improved collection efficiency. As our business continues to scale and operational efficiency improves, we expect our cash flow generation capacity to further strengthen, providing financial support for continued growth and investment.

Taken together, we believe that our business is transitioning from an early-stage investment and commercialization phase towards a scale-driven growth phase, characterized by improving unit economics, increasing operating efficiency and strengthening cash flow generation, which will support our ability to achieve sustainable profitability over time.

LOGISTICS AND INVENTORY MANAGEMENT

Logistics

We primarily engage reputable third-party logistics service providers to deliver our hardware products from production facilities and warehouses to the venue specified by our customers. To the best of our knowledge, such logistics service providers are Independent Third Parties.

Inventory Management

Our inventories mainly include raw materials and contract fulfillment costs. As of December 31, 2023, 2024 and 2025, our inventories amounted to RMB53.1 million, RMB92.6 million and RMB56.1 million, respectively. We regularly track our inventory to keep it at a sufficient level to fulfill customers’ orders. We also proactively assess changes in market conditions and pre-store strategic raw materials in anticipation of potential supply shortage. Our supply management team reviews our inventory aging reports routinely with the business operation team and takes necessary actions to minimize risks of obsolescence.

INTELLECTUAL PROPERTY RIGHTS

Intellectual property rights are important to our business. Our future commercial success depends, in part, on our ability to obtain and maintain patents and other intellectual property and proprietary protections for commercially important technologies, inventions and know-how related to our business, defend and enforce our patents, preserve the confidentiality of our trade secrets, and operate without infringing, misappropriating or otherwise violating the valid, enforceable intellectual property rights of third parties.

As of December 31, 2025, we had 66 patent applications and 97 registered patents in China, including one utility patent and three design patents. As of the same date, we also had 26 software copyrights, 96 registered trademarks and one domain name in China. In addition, we have one patent overseas. See “Appendix VI — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights.” During the Track Record Period, we acquired patents primarily through self-development.

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Our material intellectual property rights cover technical areas such as perception, planning, decision-making, control and communication for mining autonomous driving transportation solutions.

Regarding the payment obligations in relation to our intellectual properties: (i) for issued invention patents, we are mainly required to pay the annual patent fee to competent authorities. We have kept track of the payment requirements for annual fees and made payment accordingly. As of the Latest Practicable Date, all the due annual fees for the issued patents are paid and the issued patents are valid; and (ii) for pending patents, we are mainly required to pay the application fee, the substantive examination fee and the re-examination fee, depending on the examination progress, and we made the payment as required by the competent authorities as of the Latest Practicable Date.

The term of an individual patent may vary based on the countries/regions in which it is granted. In China and most other countries and regions in which we file patent applications, the term of an issued patent for invention is generally 20 years from the filing date of the earliest non-provisional patent application on which the patent is based in the applicable country. The actual protection afforded by a patent varies on a claim-by-claim and country-by-country basis and depends upon many factors, including the type of patent, the scope of its coverage, the availability of any patent term extension or adjustment, the availability of legal remedies in a particular country/region and the validity and enforceability of the patent. We cannot provide any assurance that patents will issue with respect to any of our owned or licensed pending patent applications or any such patent applications that may be filed in the future, nor can we provide any assurance that any of our owned or licensed issued patents or any such patents that may be issued in the future will be commercially useful in protecting our product candidates and methods of designing the same.

We may rely, in some circumstances, on trade secrets and/or confidential information to protect aspects of our technologies. We seek to protect our proprietary technologies and processes, in part, by entering into confidentiality agreements with consultants, advisers and contractors. We have entered into confidentiality agreements and non-competition agreements with our senior management and certain key members of our R&D team and other employees who have access to trade secrets or confidential information about our business. Our standard employment contract, which we use to employ our employees, contains an assignment clause, under which we own all the rights to all inventions, technologies, know-how and trade secrets derived during their employment or within one year after termination, if such developments arise from the performance of their duties or primarily utilize our resources.

These agreements may not provide sufficient protection of our trade secret and/or confidential information. These agreements may also be breached, resulting in the misappropriation of our trade secret and/or confidential information, and we may not have an adequate remedy for any such breach. In addition, our trade secret and/or confidential information may become known or be independently developed by a third party, or misused by any collaborator to whom we disclose such information. Despite any measures taken to protect our intellectual property, unauthorized parties may attempt to or successfully copy aspects of our products or to obtain or use information that we regard as proprietary without our consent. As a result, we may be unable to sufficiently protect our trade secrets and proprietary information. See “Risk Factors — Risks Relating to Our Business and Industry — We may be unable to obtain, maintain or enforce adequate intellectual property protection for our proprietary technologies, which could expose us to increased competition and adversely affected our business.”

We also seek to preserve the integrity and confidentiality of our data and trade secrets by implementing strict controls over code access permissions, anomaly alert mechanisms, a tiered document encryption system, and immediate revocation of access rights upon employee departure. Despite any measures taken to protect our data and intellectual property, unauthorized parties may attempt to or

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successfully gain access to and use information that we regard as proprietary. See “Risk Factors — Risks Relating to Our Business and Industry — We may be unable to obtain, maintain or enforce adequate intellectual property protection for our proprietary technologies, which could expose us to increased competition and adversely affected our business.”

As of the Latest Practicable Date, we were not involved in any legal, arbitral or administrative proceedings or claims of infringement of any intellectual property rights, in which we may be a claimant or a respondent. Our Directors confirm that they are not aware of any legal, arbitral or administrative proceedings of infringement of any third parties’ intellectual property rights by us as of the Latest Practicable Date. See “Appendix VI — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights.” For risks related to intellectual property rights, see “Risk Factors — Risks Relating to Our Business and Industry — We may become involved in intellectual property-related disputes or litigation, including claims of infringement by or against third parties, which could be costly, time-consuming and adversely affect our business and financial condition.”

DATA SECURITY AND PRIVACY

Safeguarding data security and protection is essential to our business operations. To ensure robust management, we have implemented a comprehensive framework of policies and procedures governing data security. By adhering to internal controls, prioritizing efficiency, promoting full participation, and maintaining closed-loop management, we strive to meet our own data security requirements while complying with applicable laws, regulations, and contractual obligations.

Our data protection framework encompasses organizational security, human resources, asset management, access control, encryption and key management, physical and environmental safeguards, operational security, communication security, information system development and maintenance, supplier relationship security, business continuity, and compliance management. For certain critical activities, we engage professional service providers to provide professional services and ensure compliance with data security and privacy regulations. For example, we cooperate with a service provider with surveying and mapping qualifications, who would provide solutions for the transmission, storage, use, and other processing activities of the geospatial data in order to meet our business needs and to ensure compliance with relevant laws and regulations.

All cloud platforms developed and deployed for our solutions are hosted locally on the customer’s own servers. Our solutions collect data necessary for project operations within customers’ localized environments. Such data may include, among other things, vehicle performance metrics, system logs, and scenario-related algorithm data. These datasets are generated through real-world use and are processed through localized infrastructure. With respect to customer data, we conduct the following operations only upon obtaining explicit authorization from the customer: (i) processing data on the customer’s site using their localized facilities or servers, or remotely accessing the relevant data with authorization; and (ii) after strictly desensitizing the relevant radar point cloud data, transmitting a portion of such data to our servers or to qualified third-party service providers for annotation and processing. For data not involving customer data (such as equipment fault data and log data), we may collect and transmit such data to our servers for purposes including equipment performance analysis. There is no situation where we independently collect, process, or store any customer data deployed on the cloud platform of the customer’s own servers without authorization.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material information leakage or loss of our data. As advised by our PRC legal advisor as to data security laws, as of the Latest Practicable Date, we complied with the currently effective and applicable PRC laws on cybersecurity and data security in all material respects.

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QUALITY CONTROL

We are dedicated to maintaining the highest standards of quality across all our solutions. To achieve this, we have established a comprehensive quality management system that serves as the foundation for continuous improvement in solutions. In particular, we implement stringent quality controls throughout the entire lifecycle of our mining autonomous driving transportation solutions, from raw material inspection to on-site production checks and final testing at mining sites. These measures include assembly verification, system calibration, and full autonomous driving tests to ensure optimal performance and reliability. Our system is built on standardized processes and a continuous improvement framework, reinforced by regular management reviews to maintain alignment with evolving business needs and technological advancements.

Supply Chain Management

We maintain comprehensive policies and detailed procedures to ensure the quality of components and raw materials sourced from our suppliers. Supplier selection and evaluation involve thorough due diligence, taking into account factors such as reputation, credentials, experience, product or service availability, pricing, and delivery timelines. All suppliers are required to comply with our internal supply management policies.

To reinforce quality control, we adopt standardized processes and utilize digital tools for proactive planning, in-process monitoring, and post-production improvement. Our quality control framework covers three stages: (i) pre-procurement quality planning, which sets quality requirements and addresses potential risks at the outset; (ii) in-process quality control, which applies data-driven inspections, performance monitoring, and standardized testing during procurement; and (iii) post-procurement quality improvement, which enhances supplier performance through linked performance metrics.

Product Returns and Recalls

For our solutions deployed on customer-owned mining trucks, we provide routine maintenance and inspection to ensure continued performance in accordance with the scope and conditions specified in our sales agreements. For customers who purchase mining autonomous driving transportation solutions with Tage purpose-built trucks directly from us, we deliver comprehensive after-sales support based on the warranty provisions outlined in our sales agreements. Upon receiving notice from a customer, we verify the relevant details and arrange for inspection, repair, or replacement as needed. If any Tage purpose-built trucks or component from our solutions is confirmed to be non-compliant due to quality issues, we provide maintenance, repair, or replacement services at no additional cost. During the Track Record Period, we did not experience any material product returns or warranty claims related to the quality of our offerings.

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EMPLOYEES

As of December 31, 2025, we had 161 full-time employees. The following table sets forth the number of our employees by function:

Employee Function	Number of employees	% of Total
Research and development	72	44.7
Production, supply and implementation	43	26.7
Sales and marketing	13	8.0
Administration	33	20.5
Total	161	100.0

Our success depends on our ability to attract, retain and motivate qualified personnel, and we believe that our high-quality talent pool is one of our core strengths. We adopt high standards and strict procedures in our recruitment to ensure the quality of new hiring and use various methods for our recruitment.

As required under PRC regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans. When employees are hired, we give them an employee handbook, which informs them of our policies and their rights in all material respects, from recruitment, compliance, salary, benefits, performance assessment to training and development.

To remain competitive in the labor market, we provide competitive salaries and various incentives and benefits to our employees. We invest in continuing education and training programs for our employees to upgrade their skills and knowledge.

As of the Latest Practicable Date, we have established a labor union to protect the legal rights of all employees and encourage them to participate in the management decision-making process. We believe we maintain a good working relationship with our employees and we have not experienced any material labor disputes during the Track Record Period. We do not have any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date.

INSURANCE

We maintain insurance policies that are required under PRC laws and regulations, and based on our assessment of our operational needs and industry practice. We maintain insurance coverage including property insurance and employer liability insurance. We believe that the amount of our insurance coverage is in line with the customary standard in the industry and is adequate for our operations. Pursuant to PRC regulations, we provide social insurance including pension insurance, unemployment insurance, maternity insurance, work-related injury insurance and medical insurance for our employees based in mainland China. We also purchase additional commercial insurance to increase the insurance coverage of our employees.

During the Track Record Period, we did not make any material insurance claims in relation to our business. See “Risk Factors — Risks Relating to Our Business and Industry — Our insurance coverage may not be sufficient to cover all losses or potential claims by our customers which would affect our business, financial condition and results of operations.”

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

ESG Governance

Led by the Board, we are committed to integrating ESG considerations into our business operations. The Board has the overall responsibility for overseeing ESG strategy, management approach, policies and performance, including ESG-related risks and opportunities (particularly climate-related matters), and reviews progress against relevant metrics and targets to ensure alignment with our long-term development.

To support the Board’s oversight, we have established an ESG working group comprising senior management and heads of major functional departments. Delegated by the Board, the ESG working group is responsible for coordinating ESG- and climate-related matters across our Group, including implementing our ESG management approach, identifying and prioritizing material ESG-related risks and opportunities, and monitoring ESG performance.

The ESG working group reports to the Board at least once a year on ESG performance, key risks and opportunities, and the implementation status of related measures. The Board retains the ultimate oversight responsibility for our ESG risk management.

Identification and Management of ESG-related Risks and Opportunities

We conduct periodic assessments to identify, assess and prioritize material ESG-related risks and opportunities relevant to our business, with reference to local and international reporting frameworks. The assessment of risks and opportunities is based on their likelihood and potential impact on our business, strategy and financial performance, and we implement corresponding mitigation measures accordingly. We also dynamically monitor the effectiveness of these measures.

We have identified the following material ESG risks:

- **Climate-related physical risks.** Extreme weather events that may damage assets, disrupt operations, and pose technical challenges to the operational stability of our mining trucks under extreme conditions. These risks are addressed through weather monitoring, preventive measures, appropriate insurance coverage, and continuous hardware and algorithm upgrades to enhance reliability in extreme conditions.
- **Climate-related transition risks.** Policy and legal risks arising from evolving climate-related laws and regulations in the transition to a low-carbon economy, including China’s 2060 carbon neutrality goal, which may increase compliance and operating costs. These risks are managed by integrating low-carbon development and compliance considerations into our corporate strategy and monitoring climate-related policies and regulatory developments to align with evolving priorities.
- **Supply chain risks.** Supply chain instability or unqualified supplier product and service quality may lead to reputational damage and adverse financial impact. We manage these risks through established supply chain and procurement policies, including supplier evaluation criteria, and by maintaining long-term partnerships with major suppliers.

In addition, we actively pursue ESG opportunities, including growing demand for autonomous electric mining solutions driven by national initiatives that may increase revenue, by continuously developing and innovating mining transportation solutions that integrate new-energy technologies and autonomous driving to create low-carbon value for customers.

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ESG Policy

We are committed to incorporating ESG factors into our business decision-making process. As such, we have established a group-level ESG policy complemented by a set of measures and initiatives to guide our actions and measures to strengthen our sustainability efforts.

Environment

Our environmental policy outlines our green practices and measures, with a focus on emission reduction, waste reduction, resource conservation, protection of environmental and natural resources, as well as addressing climate change. To ensure our environmental management practices meet international standards, we have obtained the ISO 14001:2015 environmental management system certification covering our software development activities for autonomous haulage transportation systems.

Energy, Air and Greenhouse Gas Emissions Management

We are a technology company focused on R&D and delivery of mining autonomous driving transportation solutions. Our own GHG emissions (scopes 1 and 2), arising mainly from office and R&D-related activities with purchased electricity and fuel consumption as the primary sources, remain relatively limited overall. In contrast, the mining transportation sector we serve is generally characterized by high energy consumption and high emissions, which enables us to leverage our technological strengths to play a meaningful role in supporting downstream industries in reducing their carbon footprint.

To this end, our solutions cover both hybrid and fully electric vehicle models, effectively reducing carbon emissions from mining transportation. As of December 31, 2025, more than 90% of the vehicles in our operating fleet in certain mining areas are range-extended hybrid or fully electric models. Taking the Baishihu open-pit coal mine project as an example, the autonomous mining trucks deployed at this mine are equipped with hybrid power systems. According to calculations, the comprehensive energy consumption of such vehicles is reduced by more than 30% compared with comparable diesel mining trucks.

At the operational level, to improve energy efficiency and reduce emissions, we have implemented measures such as adopting energy-efficient office equipment, increasing the use of natural lighting, and reminding employees to switch off lighting and equipment when not in use. In terms of our vehicles, we prioritize the adoption of electric vehicles where appropriate.

Water and Waste Management

Water consumption, which is sourced from the municipal supply, is managed through timely repairs, water-efficient equipment, consumption monitoring, and employee awareness initiatives.

Our non-hazardous waste primarily consists of general refuse. To reduce non-hazardous waste, we promote recycling, waste sorting and double-sided printing, and encourage employees to minimize waste generation.

Environmental Metrics and Targets

To advance our commitment to environmental protection, we have established the following reduction targets by 2030, using 2025 as the baseline, with the assumption of constant related emission factors and considering future business operations.

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- Reduce GHG emissions (Scopes 1 and 2) intensity (tCO₂e/million RMB revenue) by 5%;
- Reduce electricity consumption intensity (MWh/million RMB revenue) by 5%;

To achieve these targets, we will implement measures including but not limited to, using energy-efficient equipment, optimizing vehicle energy control strategies and intelligent dispatching systems, and encouraging employees to practice green commuting.

The table below sets forth key environmental metrics of our major business operations:

		Year ended December 31,		
		2023	2024	2025
		Unit		
Emissions				
GHG emissions ⁽¹⁾				
Total (Scopes 1, 2)	tCO ₂ e	4,790.31	5,569.15	6,779.91
Total (Scopes 1, 2, 3)	tCO ₂ e	6,356.80	7,098.80	7,365.92
Direct emissions (Scope 1)	tCO ₂ e	3,657.33	4,276.34	5,428.09
Energy indirect emissions (Scope 2)	tCO ₂ e	1,132.98	1,292.81	1,351.82
Other indirect emissions (Scope 3) ⁽²⁾	tCO ₂ e	1,566.49	1,529.66	586.01
Total (Scopes 1, 2) intensity	tCO ₂ e/million RMB revenue	20.45	28.33	9.59
Total (Scopes 1, 2, 3) intensity	tCO ₂ e/million RMB revenue	27.13	36.12	10.42
Use of Resources				
Energy				
Total	MWh	15,483.37	18,078.77	22,689.37
Purchased electricity	MWh	1,857.03	2,119.01	2,215.73
Diesel oil	MWh	11,635.27	13,953.74	19,683.77
Unleaded petrol	MWh	1,991.07	2,006.02	789.86
Intensity	MWh/million RMB revenue	66.08	91.98	32.08
Water				
Total	m ³	N/A ⁽³⁾	106.71	268.08
Intensity	m ³ /million RMB revenue	N/A ⁽³⁾	0.54	0.38

Notes:

- (1) The calculation of GHG emissions made reference to the GHG Protocol published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Scope 2 (Energy indirect) emissions cover GHG emissions of indirect energy resulted from purchased electricity consumed by our operations, while Scope 3 (Other Indirect) emissions that occur in the Group’s value chain.
- (2) The Scope 3 emissions include available data arising from Category 6: business travel and Category 7: employee commuting.
- (3) The figure of water consumption in 2023 is not applicable as water charges were covered by the property management fee. As a result, no separate water consumption data is available for this year.

Social

We are committed to fostering a caring workplace culture that upholds diversity, equal opportunities, health and safety and employee well-being. Our social policy has outlined socially responsible practices and measures.

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Employment and Labor Practice

We uphold principles of equal opportunity, diversity, and inclusiveness across recruitment, compensation, promotion and benefits, respect labor rights, and strictly prohibit child labor and any form of forced labor. In addition, we actively invest in our workforce by providing internal and external training programs to enhance professional skills and competencies. We also seek to strengthen employee engagement by organizing recreational activities and maintaining open communication channels to promote job satisfaction and a supportive working environment.

Occupational Health and Safety

We place great emphasis on safeguarding employee health and safety. To this end, we have obtained the ISO 45001:2018 occupational health and safety management system certification and established relevant health and safety policies and measures, including safety training and emergency response plans to address incidents such as fires and autonomous driving vehicle accidents. In addition, we provide supplementary medical insurance and employer’s liability insurance for employees to enhance their protection and well-being. We have also implemented procedures for recording and handling work-related accidents, which specify that employees should notify their department supervisors and handle accidents according to the applicable procedures specified by laws and regulations.

Supply Chain Management

We have established a supply chain ESG risk management policy that outlines our sustainability expectations for suppliers, including but not limited to employment practices, health and safety, business ethics, data privacy, and environmental protection.

Furthermore, ESG considerations are incorporated into our new supplier selection and regular supplier evaluation process. We promote environmentally preferable procurement by prioritizing products with higher energy efficiency and encouraging suppliers to adopt environmentally friendly products and services.

Product Responsibility

We are committed to delivering high-quality and safe solutions. To this end, we have obtained ISO 9001:2015 quality management system certification, and through our quality management team, implemented comprehensive quality control measures covering supplier quality requirements, on-site inspections, and non-conformance and product recall procedures.

To ensure customer satisfaction, we standardize after-sales services, including installation, maintenance, customer follow-up, and complaint handling. In addition, we safeguard customer privacy through data protection measures and have obtained ISO 27001:2022 information security management system certification. We also manage intellectual property through a dedicated function that oversees IP creation, administration, protection and enforcement. We have established policies to ensure the authenticity and reliability of our advertising, marketing and labeling materials, all of which undergo thorough pre publication review to prevent false or misleading information.

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Business Ethics

We uphold high standards of business ethics and strictly prohibit bribery, extortion, fraud, money laundering, and other unethical practices. We have established preventive measures, including anti-corruption training for directors and employees, and whistleblowing channels for reporting potential misconduct. The Board oversees the implementation and effectiveness of these measures.

Community Investment

We strive to contribute to the community and shoulder corporate responsibility. Through our core business, we enable safer, greener, and more efficient mining operations that reduce environmental impact and improve worker safety. Additionally, we actively participate in industry standard-setting, contributing to numerous industry and association standards to promote the healthy development of the autonomous mining sector. We will continue to explore additional focus areas and partnership opportunities with social impact organizations where appropriate.

PROPERTIES

Our corporate headquarter is located in Hefei, Anhui, China.

Owned Properties

As of the Latest Practicable Date, we own one land parcel with a total site area of 31,737 sq.m. in Chizhou, Anhui, China. The land parcel has been granted land use right certificates, and is primarily used for product assembles purpose to support our business operations.

Leased Properties

As of the Latest Practicable Date, we leased eight properties with an aggregate gross floor area of approximately 2,972.94 sq.m. Our leased properties are primarily used for office, R&D and warehouse purposes.

Non-registration of Lease Agreements in the PRC

As of the Latest Practicable Date, eight lease agreements had not been registered with relevant authorities. As advised by our PRC Legal Advisor, the non-registration of lease agreements will not affect the validity of the lease agreements and will not lead to any relocation from those leased properties, but the relevant local housing administrative authorities can require us to complete registrations within a specified timeline and we may be subject to a fine of between RMB1,000 and RMB10,000 for any delay in making registration for each of these lease agreements. During the Track Record Period and up to the Latest Practicable Date, in relation to these eight leased properties, we have not been required by the relevant local housing administrative authorities to complete the registration, and we have not been penalized or fined by the relevant authorities. Our Directors believe that the non-registration of lease agreements described above will not materially affect our business and results of operation. See “Risk Factors — Risks Relating to Our Business and Industry — Failure to comply with property-related laws and regulations regarding certain of our leased properties and to renew our leases could adversely affect our business.”

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Title Defects in Relation to Leased Property in the PRC

As of the Latest Practicable Date, the lessors of one of our leased properties did not provide us with the relevant title certificates. If the relevant competent authorities take enforcement against our lessor, we may be subject to the risk of cessation of use. The reasons behind the lessors’ failure to provide us with the relevant title certificates of the leased properties are beyond our control.

The leased property is used as a warehouse with a total gross floor area of approximately 200.0 sq.m., if the above defect of this leased property prevents us from continuing the lease so that we are required to move to another location, we can relocate to other comparable alternative premises in the relevant region without any material adverse effect on our business, financial condition and results of operations, given the abundant supply of leased properties for warehouse use.

During the Track Record Period and up to the Latest Practicable Date, in relation to this leased property, we had not been subject to any administrative penalties imposed by the competent authorities, nor had we received any penalties or investigation notices from the competent authorities for such defects.

Based on the foregoing, our Directors and our PRC Legal Advisor are of the view that the aforementioned defects in relation to the leased property and the potential risk will not have a material adverse impact on our business, financial condition and results of operations.

As of December 31, 2025, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets. According to Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report.

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LICENSES, APPROVALS AND PERMITS

We have obtained various licenses, approvals and permits for our business. In addition, our products and R&D procedures passed various industry-recognized certifications and tests for liability. The table below sets out the main standards, certifications or requirements that we were compliant with as of the Latest Practicable Date:

Standards, certifications or requirements	Definition of the standards, certifications or requirements	Our compliance with the standards, certifications or requirements
ISO 9001:2015	An internationally accepted standard for quality management systems published by the ISO, encompassing the formulation of quality policies, objectives and processes such as quality planning, quality control, quality assurance and quality improvement.	We are certified ISO 9001:2015, with our certificate valid until June 26, 2028. We operate in accordance with the quality system requirements and are committed to continual improvement.
ISO 45001:2018	An international standard for occupational health and safety management systems published by the ISO, which provides a framework for organizations to manage risks and improve performance by identifying, evaluating and controlling hazards in the workplace.	We are ISO 45001:2018 certified, with our certificate valid until June 26, 2028. We operate in accordance with the system requirements and strive for further enhancement.
SIA 003:2019	A national standard for software published by the China Software Industry Association, which provides a framework for organizations to ensure compliance, quality, and security of software products.	We are SIA 003: 2019 certified, with our certificate valid until March 31, 2030. We operate in accordance with the requirements and strive for further enhancement.
Certificate for Radio Transmission Equipment Type Approval	A certificate issued by the Ministry of Industry and Information Technology of PRC, certifying that the radio transmission equipment conforms to the provisions of the Radio Regulations of the PRC.	Certain of our roadside coordination system have received such certificates.

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Standards, certifications or requirements	Definition of the standards, certifications or requirements	Our compliance with the standards, certifications or requirements
CMMI Maturity Level 3	An international standard for quality management systems published by CMMI institute, which provides a framework that guides organizations in assessing and improving their processes, aiming to help businesses enhance product and service quality, increase efficiency, and achieve more predictable business outcomes.	We are CMMI Maturity Level 3 certified, with our certificate valid until September 28, 2028. We operate in accordance with the requirements and strive for further enhancement.
ISO 14001:2015	An internationally recognized standard for environmental management systems, published by the ISO, which provides a framework for organizations to improve their environmental performance through more efficient use of resources and reduction of waste, thereby achieving sustainable development.	We are ISO 14001:2015 certified, with our certificate valid until June 26, 2028. We operate in accordance with the system requirements and strive for further enhancement.
ISO 27001:2022	An internationally recognized standard for information security management systems published by ISO, which provides a framework for organizations to ensure data security and privacy protection.	We are ISO 27001 certified, with our certificate valid until June 26, 2026. We operate in accordance with the system requirements and strive for future enhancement.

As of the Latest Practicable Date, as advised by our PRC Legal Advisor, we had obtained the requisite licenses and permits from applicable authorities which were material to our operations in the PRC, and such licenses and permits are valid and subsisting as of the Latest Practicable Date.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising from the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management’s time and attention. See “Risk Factors — Risks Relating to Our Business and Industry — We may be involved in legal proceedings and commercial or contractual disputes, which could materially and adversely affect our reputation, business, results of operations and financial condition.”

In October 2025, a customer commenced legal proceedings against us in relation to contractual disputes, claiming (i) payment of RMB25.1 million together with interest for delayed payment, and (ii) liquidated damages of RMB5.0 million. As of the Latest Practicable Date, the proceedings remain ongoing and no judgment has been rendered. We believe that the ongoing legal proceedings are not expected to have a material adverse effect on our business, financial condition or results of operations.

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During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material incidents of non-compliance.

As advised by our PRC Legal Advisor, our business operations were conducted in compliance with applicable laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date.

International Sanctions and Export Controls

During the Track Record Period and up to the Latest Practicable Date, our business activities did not involve any Sanctioned Countries and we did not transact with any business partners subject to economic sanctions imposed by the U.S. or the UN being jurisdictions with sanctions-related regulations applicable to the Group’s business. Our business activities thus should not have implicated the applicable international sanctions and such sanctions did not have any material impact on our business.

During the Track Record Period and up to the Latest Practicable Date, we did not export, re-export or transfer (in country) any U.S.-origin items, software or technologies. While we have incorporated certain U.S.-origin electronics in our products and have also used certain U.S.-branded software in our product development process, our International Sanctions Legal Advisor has advised that our products sold during the Track Record Period and up to the Latest Practicable Date should not be subject to the EAR. This is because our products sold did not contain more than a *de minimis* level of controlled U.S.-origin content, nor did they satisfy any of the Foreign Direct Product Rules under 15 CFR 734.9. Moreover, none of our business partners would cause us to violate the EAR because we did not procure, export or otherwise transfer any items subject to the EAR in violation of applicable U.S. export control restrictions.

RISK MANAGEMENT AND INTERNAL CONTROL

We have established a set of risk management measures and internal control policies and procedures that we consider to be appropriate for our business operations, and we are dedicated to continuously improving these policies and procedures. Furthermore, we continually review the implementation of our risk management policies and measures to ensure that our policies and implementation are effective and sufficient. We have adopted and implemented comprehensive internal control management in various aspects of our business operations.

Financial Reporting Risk Management

We have in place a set of accounting policies in connection with our financial reporting risk management, including accounting manual, budget management policies, treasury management policies, expense management policies, and employee reimbursement policies. We have various procedures and IT systems in place to implement our accounting policies, and our finance department reviews our management accounts based on such procedures. For example, we implement our budget plan through the IT system and continuously track various operating expenses for effective monitoring. Our system makes timely warning of the risk of cost overruns. We also provide regular training to our finance department employees to ensure that they understand our financial management and accounting policies and implement them during daily operations.

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Internal Control Risk Management

We have designed and adopted strict internal procedures to ensure compliance of our business operations with the relevant rules and regulations. Our compliance team works closely with our finance and business departments to: (i) perform risk assessments and advise on risk management strategies; (ii) improve business process efficiency and monitor internal control effectiveness; and (iii) promote risk awareness throughout us. We maintain internal procedures to ensure that we have obtained all material requisite licenses, permits and approvals for our business operations, and our internal control team reviews and monitors the status and effectiveness of those licenses and approvals. Our compliance team works with relevant business departments to obtain requisite government approvals or consent for filing with relevant government authorities.

Intellectual Property Risk Management

See “— Intellectual Property.”

Human Resource Risk Management

We have in place an employee handbook and a code of conduct which have been distributed to all of our employees. The handbook contains internal rules and guidelines regarding anti-corruption, conflicts of interest, confidentiality and intellectual property protection, work ethics, and fraud prevention mechanisms. We provide employees with regular training as well as guidance on the requirements contained in the employee handbook.

We have in place an anti-bribery and corruption policy to safeguard against any corruption within us. The policy explains potential bribery and corruption conduct and our anti-bribery and corruption measures. We make our internal reporting channel open and available for our employees to report any bribery and corruption acts to the head of internal audit on an anonymous basis.

Audit Committee Experience and Qualification and Board Oversight

We have established an audit committee to monitor the implementation of our risk management policies across us on an ongoing basis to ensure that our internal control system is effective in identifying, managing, and mitigating risks involved in our business operations. For the professional qualifications and experiences of the members of our audit committee, see “Directors and Senior Management — Board Committees.”

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AWARDS AND RECOGNITIONS

During the Track Record Period, we received awards and recognition in respect of our products, technologies and innovation, significant ones of which are set forth below:

Award/Recognition	Award Year	Awarding Institution/Authority
First Prize of Innovation Award of the China Invention and Entrepreneurship Award (發明創業獎創新獎一等獎)	2025	China Association of Inventions (中國發明協會)
Typical Application Scenarios of Robots in Mining Field List (礦山領域機器人典型應用場景名單)	2024	General Department of National Mine Safety Administration, General Office of Ministry of Industry and Information Technology (國家礦山安全監察局綜合司、工業和信息化部辦公廳)
Typical Cases of Safety Emergency Equipment Application Promotion List (安全應急裝備應用推廣典型案例名單)	2024	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)
Second Prize for Innovation in Industry-University-Research Collaboration (產學研合作創新成果獎二等獎)	2023	China Industry-University-Research Institute Collaboration Association (中國產學研合作促進會)
Second Prize of the Science and Technology Award of the China Intelligent Transportation Systems Association (技術發明獎二等獎)	2023	China Intelligent Transportation Systems Association (中國智能交通協會)
First Prize of China Industrial Internet Contest (中國工業互聯網大賽一等獎)	2022	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)
National Technologically Advanced “Little Giant” Enterprises (國家級專精特新小巨人)	2022	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)
First Prize of the Science and Technology Award of the China Automotive Engineers (中國汽車工業科學技術發明一等獎)	2020	China Society of Automotive Engineers (中國汽車工程學會)
Key Laboratory of Special Vehicle Unmanned Transportation Technology of MIIT (特種車輛無人運輸技術工業和信息化部重點實驗室)	2020	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)
Selected for Zhongguancun First SetPilot and Demonstration Project List (入選中關村首台(套)試驗、示範專案名單)	2020	National Development and Reform Commission, Science and Technology Commission, Economy and Informatization Commission, Beijing Municipal Finance Bureau, Zhongguancun Science Park (國家發展和改革委員會、科學技術委員會、經濟和信息化委員會、北京市財政局、中關村科技園)

CONNECTED TRANSACTIONS

OVERVIEW

We have, in our ordinary and usual course of business, entered into a number of transactions with certain entities that will become our connected persons (as defined under Chapter 14A of the Listing Rules) upon [REDACTED]. Such transactions will continue after the [REDACTED] and will therefore constitute our continuing connected transactions under the Listing Rules.

CONNECTED PERSON

We have entered into certain transactions with the following entities that will become our connected persons (as defined under Chapter 14A of the Listing Rules) upon [REDACTED]:

<u>Name of Connected Person</u>	<u>Connected Relationship</u>
Nengkong Intelligent Mobility (Wuxi) Technology Co., Ltd. (能控智行(無錫)科技有限責任公司, “Nengkong IM”)	CHN Energy Fund Management, being the general partner of Beijing CHN Energy and Xinneng Sci-Tech, will be able to control [REDACTED]% voting rights of our Company upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised). Therefore, each of CHN Energy Fund Management, Beijing CHN Energy and Xinneng Sci-Tech will become a connected person of our Company upon [REDACTED]. Beijing CHN Energy holds 80% equity interest in Nengkong IM, while the rest 20% equity interest of Nengkong IM is held by the Company.
China Shenhua	CHN Energy Fund Management is wholly-owned by CHN Energy, which holds approximately 69.97% equity interest in China Shenhua.

SUMMARY OF CONNECTED TRANSACTIONS

<u>Nature of transactions</u>	<u>Counterparties</u>	<u>Applicable Listing Rules</u>	<u>Waiver sought</u>
Non-exempt continuing connected transactions			
Provision of Products and Services	Nengkong IM	14A.35, 14A.36, 14A.49, 14A.71 and 14A.105	Announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules
Provision of Products and Services	China Shenhua	14A.35, 14A.36, 14A.49, 14A.71 and 14A.105	Announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules

CONNECTED TRANSACTIONS

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Provision of Products and Services to Nengkong IM

Parties

- (1) Nengkong IM (for itself and on behalf of its subsidiaries); and
- (2) Our Company (for itself and on behalf of its subsidiaries)

Principal terms

On [●], we entered into a provision of products and services framework agreement (the “**Nengkong IM Framework Agreement**”) with Nengkong IM, pursuant to which we agreed to provide Nengkong IM and/or its subsidiaries with products including autonomous wide-body mining trucks, autonomous driving transportation solutions adopted on mining trucks, associated components, and intelligent operations and other services.

The initial term of the Nengkong IM Framework Agreement shall commence on the [REDACTED] until December 31, 2028, subject to renewal upon mutual consent by the parties and compliance with all applicable laws and regulations. Separate underlying agreements will be entered into and set out the specific scope of products and/or services with detailed terms and conditions in accordance with the Nengkong IM Framework Agreement.

Pricing policies

The prices for the relevant products and services shall be determined between Nengkong IM and us after arm’s length negotiations, firstly taking into account the prevailing market prices of the same or similar products and/or services we offer to other Independent Third Parties during the ordinary course of business. If prevailing market prices are not available, the prices shall be determined on a fair basis, taking into account the relevant costs (including but not limited to raw materials, labor, transportation and administrative expenses) plus a reasonable margin of profit, with reference to the historical prices. The prices shall not be less favorable to our Group than those for transactions between our Group and Independent Third Parties under the same conditions.

Reasons for the transactions

Nengkong IM is a joint venture established by Beijing CHN Energy and the Company in October 2025 for the purpose of increasing the proportion of autonomous driving applications in CHN Energy and its subsidiaries, lowering labor-related costs, and enhancing operation efficiency and safety protection in mining projects.

Historical transaction amounts

Nengkong IM was established in October 2025 thus there’s no historical transaction amounts between the Group and Nengkong IM.

CONNECTED TRANSACTIONS

Annual caps and basis of caps

The maximum aggregate annual transaction amounts under the Nengkong IM Framework Agreement for the three years ending December 31, 2028 shall not exceed the caps set out below:

	For the year ending December 31,		
	2026	2027	2028
	(RMB in thousand)		
Sales of Products to Nengkong IM	324,000	405,000	486,000
Provision of Services to Nengkong IM	10,000	10,000	20,000

The above proposed annual caps of sales of the products and provision of services by our Group are determined with reference to (i) the historical transaction amounts between the Group and CHN Energy and/or its subsidiaries during the Track Record Period and the historical trend of such transactions; and (ii) the estimated transaction amounts, which is calculated based on (a) the estimated prevailing market price of relevant products and services, and (b) the estimated demand for our products and services by Nengkong IM for the three years ending December 31, 2028. It is expected that Nengkong IM will increase its demand considering its business strategy of increasing the proportion of autonomous driving applications, lowering labor-related cost and enhancing operation efficacy and safety protection in mining projects.

2. Provision of Products and Services to China Shenhua

Parties

- (1) China Shenhua (for itself and on behalf of its subsidiaries); and
- (2) Our Company (for itself and on behalf of its subsidiaries)

Principal terms

On [●], we entered into a provision of products and services framework agreement (the “**Shenhua Framework Agreement**”) with China Shenhua, pursuant to which we agreed to provide China Shenhua and/or its subsidiaries with products including autonomous wide-body mining trucks, autonomous driving transportation solutions adopted on mining trucks, associated components, and intelligent operations and other services.

The initial term of the Shenhua Framework Agreement shall commence on the [REDACTED] until December 31, 2028, subject to renewal upon mutual consent by the parties and compliance with all applicable laws and regulations. Separate underlying agreements will be entered into and set out the specific scope of products and/or services with detailed terms and conditions in accordance with the Shenhua Framework Agreement.

Pricing policies

The prices for the relevant products and services shall be determined between China Shenhua and us after arm’s length negotiations, firstly taking into account the prevailing market prices of the same or similar products and/or services we offer to other Independent Third Parties during the ordinary course of business. If prevailing market prices are not available, the prices shall be determined on a fair basis, taking into account the relevant costs (including but not limited to raw

CONNECTED TRANSACTIONS

materials, labor, transportation and administrative expenses) plus a reasonable margin of profit, with reference to the historical prices. The prices shall not be less favorable to our Group than those for transactions between our Group and Independent Third Parties under the same conditions.

Reasons for the transactions

Our Group has been providing the mining sites of China Shenhua with products including autonomous wide-body mining trucks, autonomous driving transportation solutions adopted on mining trucks, associated components, and intelligent operations and other services during the Track Record Period. The historical cooperation enables us to be familiar with the business needs and requirements of the mining sites of China Shenhua and/or its subsidiaries. In addition, it is more cost-effective for the mining sites of China Shenhua to maintain their own headcounts for processing such work.

Historical transaction amounts

Set out below are the historical transaction amounts for the abovementioned transactions during the Track Record Period:

	For the year ending December 31,		
	2023	2024	2025
	<i>(RMB in thousand)</i>		
Sales of Products to China Shenhua	14,703	19,159	nil
Provision of Services to China Shenhua	nil	2,350	2,739

Annual caps and basis of caps

The maximum aggregate annual transaction amounts under the Shenhua Framework Agreement for the three years ending December 31, 2028 shall not exceed the caps set out below:

	For the year ending December 31,		
	2026	2027	2028
	<i>(RMB in thousand)</i>		
Sales of Products to China Shenhua	10,000	10,000	10,000
Provision of Services to China Shenhua	10,000	90,000	90,000

With respect to the sales of products, the above proposed annual caps are determined with reference to (i) the historical transaction amounts between the Group and China Shenhua and/or its subsidiaries during the Track Record Period; and (ii) the estimated transaction amounts based on (a) the estimated prevailing market price of relevant products, and (b) the estimated demand for our products by China Shenhua and/or its subsidiaries for the three years ending December 31, 2028.

With respect to the provision of services, the above proposed annual caps are determined with reference to (i) the historical transaction amounts between the Group and China Shenhua and/or its subsidiaries during the Track Record Period; and (ii) the estimated transaction amounts based on (a) the estimated prevailing market price of relevant services, and (b) the estimated demand for our services by China Shenhua and/or its subsidiaries for the three years ending December 31, 2028, after considering that China Shenhua and/or its subsidiaries normally procure such services

CONNECTED TRANSACTIONS

through public bidding process, and the historical bidding budget in relation to the procurement of operational supporting and other services by one mining site of China Shenhua in 2026 amounted to approximately RMB80 million to RMB100 million. In light of the above, the Company has estimated the annual caps under the Shenhua Framework Agreement after taking into account that the Company may be successful in securing similar bidding by China Shenhua in the three years ending December 31, 2028.

WAIVER APPLICATION FOR NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

In respect of sales of products and provision of services by our Group to Nengkong IM and China Shenhua as disclosed in the subsection headed “— Non-exempt continuing connected transactions”, since the highest applicable percentage ratio calculated for the purposes of Chapter 14A of the Listing Rules for each of the three years ending December 31, 2028 is expected to exceed 5% on an annual basis, the transactions contemplated thereunder are subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules and the independent Shareholders’ approval requirement under Rule 14A.36 of the Listing Rules.

As those non-exempt continuing connected transactions are expected to continue on a recurring and continuing basis and have been fully disclosed in this document, our Directors consider that compliance with the announcement and the independent Shareholders’ approval requirements (as the case may be) would lead to unnecessary administrative costs and would be unduly burdensome to us.

Accordingly, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange [has granted], waivers exempting us from strict compliance with the announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in “— Non-exempt continuing connected transactions” in this section, subject to the condition that the aggregate amounts of the continuing connected transactions for each financial year shall not exceed the relevant amounts set forth in the respective annual caps (as stated above).

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

CONFIRMATION FROM OUR DIRECTORS

Our Directors (including our independent non-executive Directors) are of the view that the non-exempt continuing connected transactions as set out above have been and will continue to be carried out in our ordinary and usual course of business and on normal commercial terms or better, and are fair and reasonable and in the interest of our Company and Shareholders as a whole, and the proposed annual caps for those transactions are fair and reasonable and in the interest of our Company and Shareholders as a whole.

CONNECTED TRANSACTIONS

CONFIRMATION FROM THE SOLE SPONSOR

Having taken into account the view of the Directors and the Sole Sponsor’s participation in due diligence, the Sole Sponsor is of the view that the non-exempt continuing connected transactions as set out above have been and will be carried out in the ordinary and usual course of business of our Company and on normal commercial terms or better, and are fair and reasonable in the interests of our Company and the Shareholders as a whole, and the proposed annual caps for those transactions are fair and reasonable and in the interest of our Company and Shareholders as a whole.

INTERNAL CONTROL MEASURES

In order to further safeguard the interests of the Shareholders as a whole (including the minority Shareholders), our Group has implemented the following internal control measures in relation to the continuing connected transactions:

- the Audit Committee under the Board, the Board and various internal departments of our Company are jointly responsible for evaluating the terms under framework agreements for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction. Also, they will regularly monitor the fulfillment status and the transaction updates under the framework agreements and review the pricing policies of the framework agreements;
- when considering the prices for the above connected transactions, our Company will continue to regularly research in prevailing market conditions and practices and make reference to the pricing and terms between our Company and Independent Third Parties for similar transactions, to ensure that the pricing and terms offered by the above connected persons, either from bidding procedures or mutual commercial negotiations (as the case may be), are fair, reasonable and are no less favorable than those offered to Independent Third Parties;
- our Group has approved internal guidelines which provide that if the value of any proposed connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions to the head of the relevant business unit in order for our Company to commence the necessary additional assessment and approval procedures and ensure that we will comply with the applicable requirements under Chapter 14A of the Listing Rules;
- our independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions under the framework agreements and provide annual confirmation in accordance with Rules 14A.55 and 14A.56 of the Listing Rules;
- When considering any renewal or revisions to the agreements after the [REDACTED], the interested Directors and Shareholders shall abstain from voting on the resolutions to approve such transactions at Board meetings or Shareholders’ general meetings (as the case may be). If the independent Directors’ or independent Shareholders’ approvals cannot be obtained, we will not continue the transactions under the framework agreements to the extent that they constitute non-exempt continuing connected transactions under rule 14A.35 of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

OVERVIEW

Our Board consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors.

Our Board is responsible for and has the general power over the management and operations of our Group, including determining our business strategies and investment plans, implementing resolutions passed at our Shareholders’ general meetings, and exercising other powers, functions and duties as conferred by the Articles of Association. Our Board also assumes the responsibilities for developing and reviewing the policies and practices of the Company on corporate governance, risk management and internal control and compliance with legal and regulatory requirements.

Our senior management is comprised of five members who are responsible for the day-to-day management and operations of the Group.

DIRECTORS

The following table sets forth information regarding our Directors:

Name	Age	Current Position(s)	Date of joining our Group	Date of appointment as a Director	Relationship with other Directors and senior management	Roles and responsibilities
<i>Executive Directors</i>						
Prof. Yu Guizhen (余貴珍)	51	Chairman of the Board, executive Director and co-chief executive officer	October 2016	February 2017	None	Responsible for overall business development, strategic planning and major operational decisions of our Group
Mr. Zhou Huasheng (周華生)	49	Executive Director and chief executive officer	October 2016	April 2018	None	Responsible for overall management with focus on marketing, customer relations and government relations of our Group
Mr. Zhao Bin (趙斌)	39	Executive Director and chief financial officer	August 2024	December 2024	None	Responsible for the management of finance and capital of our Group
Dr. Wang Jifu (王紀福)	38	Executive Director and chief operating officer	August 2023	March 2026	None	Responsible for operational management of the engineering projects of our Group
<i>Non-executive Directors</i>						
Mr. Chen Xinghua (陳興華)	42	Non-executive Director	July 2023	July 2023	None	Responsible for providing professional opinion and judgment to the Board
Mr. Zhou Hui (周輝)	54	Non-Executive Director	December 2025	December 2025	None	Responsible for providing professional opinion and judgment to the Board
<i>Independent non-executive Directors</i>						
Ms. Chen Ying (陳穎)	37	Independent non-executive Director	March 2026	March 2026	None	Responsible for supervising and providing independent advice to our Board on the operations and management of our Group
Dr. Xin Weidong (辛衛東)	63	Independent non-executive Director	March 2026	March 2026	None	Responsible for supervising and providing independent advice to our Board on the operations and management of our Group
Dr. Tong Shumeng (童書盟)	53	Independent non-executive Director	March 2026	March 2026	None	Responsible for supervising and providing independent advice to our Board on the operations and management of our Group

DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Prof. Yu Guizhen (余貴珍), aged 51, is the founder, the chairman of the Board, an executive Director and the co-chief executive officer of our Company, and the executive director of Anhui TAGE.

Prof. Yu has over 20 years of experience in the automotive technology industry. Prof. Yu founded our Group in October 2016 and has been holding management role as president in our Company since then and directorship since February 2017. He was appointed as our co-chief executive officer in March 2026. Prior to founding our Group, Prof. Yu dedicated several years to research on mining autonomous driving transportation. He has been serving as a lecturer, tenured professor, doctoral supervisor at School of Transportation Science and Engineering of Beihang University (北京航空航天大學) since January 2006. Prof. Yu has been the director of the Key Laboratory of Special Vehicle Unmanned Transportation Technology of MIIT (特種車輛無人運輸技術工業和信息化部重點實驗室) since March 2023 and the deputy director of Kunlun Intelligent Equipment Laboratory (昆侖智能裝備實驗室) since January 2026.

Throughout his career, Prof. Yu was awarded (i) the Second Prize of the Science and Technology Award (科學技術獎二等獎) by the China Intelligent Transportation Systems Association (中國智能交通協會) for his project Key Technologies and Applications for Energy Consumption Monitoring and Emission Estimation of Operating Vehicles (營運車輛能耗監測與排放估算關鍵技術及應用) in September 2012; (ii) the Second Prize of the National Science and Technology Progress Award (國家科學技術進步獎二等獎) by the State Council for his project Key Technologies and Applications of Vehicle Networking Perception and Intelligent Driving Services (車輛聯網感知與智能駕駛服務關鍵技術及應用) in December 2015; (iii) the First Prize of the Technological Invention Award (技術發明獎一等獎) by the Ministry of Education of the PRC (中華人民共和國教育部) for his project “Key Technologies of Safety Situation Awareness and Intelligent Control Based on Vehicle-Road Coordination” (基於車路協同的安全狀態感知與智能控制技術) in February 2017; (iv) the First Prize of the Anhui Science and Technology Award (安徽省科學技術獎一等獎) by the People’s Government of Anhui Province (安徽省人民政府) for his project “Key Technologies and Applications of Urban Road Traffic Networking Perception and Coordinated Control” (城市道路交通聯網感知與協同聯動控制關鍵技術及應用) in April 2017; (v) the First Prize of the Science and Technology Award (科學技術獎一等獎) by the China Intelligent Transportation Systems Association for his project Key Technologies and Applications of Vehicular Self-Organizing Networks (車輛自組織網絡關鍵技術及應用) in November 2017; (vi) the Leading Young and Middle-Aged Science and Technology Innovation Talent (中青年科技創新領軍人才) by the Ministry of Science and Technology of the PRC (中華人民共和國科學技術部) in October 2018; (vii) the First Prize of the China Automotive Industry Technological Invention Award (中國汽車工業技術發明獎一等獎) by the China Society of Automotive Engineers (中國汽車工程學會) for his project “Key Technologies and Applications of Vehicle-Road Integrated Intelligent Perception and Coordinated Control” (路車智能融合感知與協同控制關鍵技術及應用) in October 2020; (viii) the Second Prize of the Science and Technology Award (科學技術獎二等獎) by the China Intelligent Transportation Systems Association for his project Research and Applications of Key Technologies for Intelligent Perception in Autonomous Driving under Adverse Conditions (惡劣環境下自動駕駛智能感知關鍵技術研究及應用) in October 2023; (ix) the Second Prize of the Industry-University-Research Cooperation Innovation Achievement Award of the China Industry-University-Research Cooperation Innovation and Promotion Award (中國產學研合作創新與促進獎產學研合作創新成果獎二等獎) by the China Industry-University-Research Cooperation Promotion Association (中國產學研合作促進協會) for his project “Key Technologies Research and Applications of Unmanned Transportation Systems in Specific Areas” (特定區域無人運輸系統關鍵技術研究及應用) in February 2023; and (x) the First Prize of the Innovation Award of the Invention and Entrepreneurship Award (發

DIRECTORS AND SENIOR MANAGEMENT

明創業獎創新獎一等獎) by the China Association of Inventions (中國發明協會) for his project “Key Technologies and Applications of Cooperative Perception and Safety Control for Autonomous Heavy-Duty Mining Trucks” (重型礦卡無人駕駛協同感知與安全控制關鍵技術及應用) in June 2025.

Prof. Yu obtained his bachelor’s and master’s degrees in automotive application engineering from Jilin University of Technology (吉林工業大學) (now known as Jilin University (吉林大學)) in the PRC in July 1997 and March 2000, respectively. Prof. Yu obtained his doctoral degree in mechanical design and theory from Jilin University in the PRC in December 2003. Prof. Yu conducted research in vehicle engineering at Tsinghua University (清華大學) in the PRC from January 2004 to January 2006.

Mr. Zhou Huasheng (周華生), aged 49, is an executive Director and the chief executive officer of our Company, the executive director and manager of Inner Mongolia TAGE, Tongliao TAGE and TAGE (Beijing) IT, the executive director and general manager of Hefei TAGE and Xinjiang TAGE, the director and general manager of Chizhou TAGE, and the general manager of Anhui TAGE.

Mr. Zhou has over 20 years of experience in the technology industry. He has been holding management role as senior vice president in our Company since its establishment and directorship since April 2018. He was appointed as our chief executive officer in March 2026. Prior to joining our Group, Mr. Zhou worked at LTK Electric Wire (Huizhou) Ltd. (樂庭電纜工業(惠州)有限公司) (now known as LTK Electric Wire (Huizhou) Ltd. (惠州樂庭智聯科技股份有限公司)) from January 2001 to April 2003, at Huawei Technologies Co., Ltd. (華為技術有限公司) from May 2004 to January 2006, and at ZTE Corporation (中興通訊股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000063.SZ) and the Hong Kong Stock Exchange (stock code: 00763.HK) from February 2006 to March 2013. During May 2013 to February 2015, Mr. Zhou served at Shenzhen United Huixun Technology Co., Ltd. (深圳市聯合匯訊科技有限公司) as vice general manager.

Mr. Zhou obtained a bachelor’s degree in engineering machinery in July 1997 and a master’s degree in mechanical design and theory in March 2000, both from Jilin University of Technology (now known as Jilin University) in the PRC.

Mr. Zhao Bin (趙斌), aged 39, is our executive Director and chief financial officer.

Mr. Zhao has approximately 15 years of experience in investment and financing. Mr. Zhao joined our Group in August 2024 and has served as assistant to the chairman since then, responsible for financing and overseeing the Board secretary’s office. He has been holding directorship since December 2024. He was appointed as the chief financial officer in March 2026. Prior to joining our Group, Mr. Zhao worked at BOC International (China) Co., Ltd. (中銀國際證券股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601696.SH) as senior manager in the equity capital markets department from July 2012 to June 2015. Mr. Zhao served at Credit Prosperity Fund Management Co., Ltd. (信業股權投資管理有限公司) as senior vice president, responsible for investments in the technology, media and telecommunications sectors, from May 2015 to April 2016. Mr. Zhao then worked at Leshi Holding (Beijing) Co., Ltd. (樂視控股(北京)有限公司) as senior investment & financing manager, where he was responsible for strategic investments from April 2016 to February 2017. From May 2018 to July 2024, Mr. Zhao worked at Rongsheng Holding Group Co., Ltd. (榮盛控股股份有限公司) and several of its subsidiaries, responsible for the group’s capital operations and investments outside of its core real estate business, as well as matters relating to the listing of its portfolio companies.

Mr. Zhao obtained a bachelor’s degree in international economics and trade from Wuhan University (武漢大學) in the PRC in June 2009 and a master’s degree in management from Ecole des Hautes Etudes Commerciales (HEC Paris) in France in October 2012.

DIRECTORS AND SENIOR MANAGEMENT

Dr. Wang Jifu (王紀福), aged 38, is our executive Director and chief operating officer.

Dr. Wang has approximately ten years of experience in new energy industry. He joined our Group in August 2023 as the head of the complete vehicle department, then concurrently served as the head of the overseas business department and the operations department. Dr. Wang was appointed as our executive Director and the chief operating officer in March 2026. Prior to joining our Group, Dr. Wang served at Yutong Bus Co., Ltd. (宇通客車股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600066.SH), successively as a power system development engineer, system integration supervisor, and head of the new energy technology department for commercial vehicles from June 2017 to August 2022. Dr. Wang also served as the director of product application at Nanjing Hengli Intelligent Technology Co., Ltd. (南京恒立智能技術有限公司), responsible for the development and application of new-energy power systems from September 2022 to July 2023.

Throughout his career, Dr. Wang was awarded the Second Prize of the Henan Provincial Science and Technology Progress Award (河南省科學技術進步獎二等獎) in January 2020, and the First Prize of the Henan Provincial Science and Technology Progress Award (河南省科學技術進步獎一等獎) in March 2023, both awarded by the People’s Government of Henan Province (河南省人民政府).

Dr. Wang obtained a bachelor’s degree in engineering mechanics in July 2010 and a doctoral degree in power machinery and engineering in June 2017, both from Beijing Institute of Technology (北京理工大學) in the PRC. Dr. Wang was accredited as an Engineer (工程師) by the People’s Government of Zhengzhou City (鄭州市人民政府) in November 2017.

Non-executive Directors

Mr. Chen Xinghua (陳興華), aged 42, is our non-executive Director.

Mr. Chen has approximately ten years of experience in the technology industry. He joined our Group in July 2023 and was appointed as a non-executive Director since then. Prior to joining our Group, Mr. Chen worked at several subsidiaries of GD Power Development Co., Ltd. (國電電力發展股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600795.SH), where he was responsible for technical and economic planning management, from November 2015 to November 2021. Since 2024, he has also served as the manager of the investment and business department of CHN Energy Fund Management.

Mr. Chen obtained a bachelor’s degree in electronic information science and technology from Changsha University of Science and Technology (長沙理工大學) in the PRC in June 2006. He obtained the Engineer (工程師) certificate awarded by China Guodian Group Co., Ltd. (中國國電集團有限公司) (now known as CHN Energy) in December 2011. Mr. Chen obtained the Fund Practitioner Qualification (基金從業資格) certificate issued by Asset Management Association of China (中國證券投資基金業協會) in November 2020.

Mr. Zhou Hui (周輝), aged 54, is our non-executive Director.

Mr. Zhou has over 20 years of experience in the intelligent manufacturing industry. Mr. Zhou joined our Group in December 2025 and has been serving as our non-executive Director since then. Prior to joining our Group, Mr. Zhou served at GE Intelligent Platforms (Shanghai) Co., Ltd. (通用電氣智能設備(上海)有限公司) as marketing manager from January 2005 to November 2012. Mr. Zhou served at Flexco Conveying Equipment Manufacturing (Shanghai) Co., Ltd. (孚樂率傳輸設備製造(上海)有限公司) successively as marketing manager and general manager from February 2013 to December 2022. Since May 2023, Mr. Zhou has worked at Wuxi Boton IoT Technology Co., Ltd. (無錫寶通智能物聯科技有限公司) as the assistant to general manager.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Zhou obtained a bachelor’s degree in construction machinery from Tongji University (同濟大學) in the PRC in July 1993 and a degree of Master of Business Administration from Tsinghua University in the PRC in January 2005.

Independent Non-executive Directors

Ms. Chen Ying (陳穎), aged 37, is our independent non-executive Director.

Ms. Chen has approximately 15 years of experience in corporate finance. Ms. Chen served at Beijing Yahewei Information Technology Co., Ltd. (北京亞和維信息技術有限公司) as finance director from July 2012 to September 2020, and at Yilu Xingchen (Beijing) Technology Co., Ltd. (驛路星辰(北京)科技有限公司) as the chief financial officer from September 2020 to November 2021. Since November 2021, Ms. Chen has been the partner of Tianjin Wuqing District Yihe Consulting Studio (天津市武清區益合諮詢工作室).

Ms. Chen obtained a bachelor’s degree in teaching Chinese as a foreign language (TCFL) from Hebei University (河北大學) in the PRC in June 2012 and a master’s degree in finance from Renmin University of China (中國人民大學) in the PRC in December 2019. She obtained the Certificate of Board Secretary Qualification (董事會秘書資格證) issued by the Shenzhen Stock Exchange in March 2017 and the Certified Public Accountant of the PRC (中國註冊會計師) qualification issued by the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in May 2019.

Dr. Xin Weidong (辛衛東), aged 63, is our independent non-executive Director.

Dr. Xin has over 30 years of experience in the mining industry. From December 1994 onwards, he worked at Inner Mongolia Coal Mine Design & Research Institute (內蒙古煤礦設計研究院) (currently known as Inner Mongolia Coal Mine Design & Research Institute Limited Liability Company (內蒙古煤礦設計研究院有限責任公司)) successively as senior engineer and deputy head of design division II. From May 2003 onwards, he successively served at the Development and Reform Commission of Xilingol League (錫林郭勒盟發展和改革委員會) as deputy director and then as director; at the 11th committee of CPPCC Xilingol League Committee (中國人民政治協商會議錫林郭勒盟委員會) as vice chairman; at Inner Mongolia Branch of Datang International Power Generation Co., Ltd. (大唐國際發電股份有限公司內蒙古分公司) as deputy general manager and concurrently at Inner Mongolia Datang International Zhungeer Mining Co., Ltd. (內蒙古大唐國際準格爾礦業有限公司) as chairman of the board and general manager; at Golden Concord Holdings Limited (協鑫(集團)控股有限公司) as vice president; at Liaoning Chuncheng Industry and Trade Group Co., Ltd. (遼寧春成工貿(集團)有限公司) as general manager of its subsidiaries in Inner Mongolia region; and at China Hydrogen Co., Ltd. (中國氫能有限公司) as vice president and concurrently as general manager of Erdos Dongrun Qingneng New Energy Co., Ltd. (鄂爾多斯市東潤清能新能源有限公司). Since November 2022, Dr. Xin has served at Inner Mongolia Zhongkuang Clean Coal Technology Co., Ltd. (內蒙古中礦潔煤科技有限公司) as chairman. Since April 2024, Dr. Xin has also been the president of the Inner Mongolia Autonomous Region Wisdom Mine Research Association (內蒙古自治區智慧礦山研究會).

Throughout his career, Dr. Xin was awarded the First Prize of the Outstanding Engineering Design Award (優秀工程設計獎一等獎) by the Coal Industry Department of Inner Mongolia Autonomous Region (內蒙古自治區煤炭工業廳) for his project “Design of Majiata Open-pit Mine in Ikchuu League” (《伊盟馬家塔露天煤礦設計》) in September 1991, and the Third Prize of the Soft Science Research Outstanding Achievement Award (2008–2009) (2008–2009年度軟科學研究優秀成果獎三等獎) by the National Energy Administration (國家能源局) for his project “Overall planning research on the development of Xilingol energy base” (《錫林郭勒能源基地開發總體規劃研究》) in August 2010.

DIRECTORS AND SENIOR MANAGEMENT

Dr. Xin obtained a bachelor’s degree in open-pit mining from China University of Mining and Technology (中國礦業大學) in the PRC July 1984 and a doctoral degree in power machinery and engineering from North China Electric Power University (華北電力大學) in the PRC in July 2013. He was awarded the senior engineer (正高級工程師) certificate by the Personnel Department of Inner Mongolia Autonomous Region (內蒙古自治區人事廳), currently known as Inner Mongolia Autonomous Region Department of Human Resources and Social Security (內蒙古自治區人力資源和社會保障廳) in June 2007.

Dr. Tong Shumeng (童書盟), aged 53, is our independent non-executive Director.

Dr. Tong has over ten years of experience in investment. Since June 2014, Dr. Tong has served as the chairperson of the board of directors at Dongfang Cultural and Creative Investment Co., Ltd. (東方文創投資有限公司). Since January 2024, Dr. Tong has served as an independent non-executive director of Spring Asset Management Limited (春泉資產管理有限公司), which is the manager of Spring Real Estate Investment Trust (春泉產業信託), a Hong Kong collective investment scheme listed on the Hong Kong Stock Exchange (stock code: 1426.HK).

Dr. Tong obtained a master’s degree in business administration from Peking University (北京大學) in the PRC in June 2005, and a doctoral degree in business administration from Singapore Management University (新加坡管理大學) in Singapore in June 2025.

SENIOR MANAGEMENT

The following table sets forth information regarding our senior managers:

Name	Age	Current Position(s)	Date of joining our Group	Date of appointment as a member of senior management	Relationship with other Directors and senior management	Roles and Responsibilities
Prof. Yu Guizhen (余貴珍)	51	Chairman of the Board, executive Director and co-chief executive officer	October 2016	October 2016	None	Responsible for overall business development, strategic planning and major operational decisions of our Group
Mr. Zhou Huasheng (周華生)	49	Executive Director and chief executive officer	October 2016	October 2016	None	Responsible for overall management with focus on marketing, customer relations and government relations of our Group
Mr. Duan Xingji (段星集)	41	Chief technology officer	October 2019	October 2019	None	Responsible for product and technology strategic planning, system architecture design and the management of the research and development team of our Group
Mr. Zhao Bin (趙斌)	39	Executive Director and chief financial officer	August 2024	August 2024	None	Responsible for the management of finance and capital of our Group
Dr. Wang Jifu (王紀福)	38	Executive Director and chief operating officer	August 2023	August 2023	None	Responsible for operational management of the engineering projects of our Group

For the biographical details of Prof. Yu, Mr. Zhou, Mr. Zhao Bin and Dr. Wang Jifu, Please see “— Directors — Executive Directors” in this section.

Mr. Duan Xingji (段星集), aged 41, is our chief technology officer.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Duan has approximately 15 years of experience in the technology field. He joined our Group in October 2019 and has successively served as the head of the product department and the R&D department, and as R&D vice president responsible for the product and R&D center. He was appointed as the chief technology officer in March 2026. Prior to joining our Group, Mr. Duan served at Beijing HollySys Co., Ltd. (北京和利時系統工程有限公司), a company that was formerly listed on the NASDAQ (stock code: HOLI) and has been privatized in July 2024, as technical supervisor responsible for the development of train automatic driving systems from May 2010 to September 2016. Mr. Duan worked at Southwest Jiaotong University Shengyang Technology Co., Ltd. (西南交大盛陽科技有限公司) as product manager responsible for product development management of train automatic protection systems from September 2016 to March 2018.

Throughout his career, Mr. Duan was awarded the Second Prize of the Scientific and Technological Invention Award (科學技術獎二等獎) by the China Intelligent Transportation Systems Association in October 2023.

Mr. Duan obtained a bachelor's degree in electrical engineering and automation from Shijiazhuang Tiedao College (石家莊鐵道學院) (now known as Shijiazhuang Tiedao University (石家莊鐵道大學)) in the PRC in June 2007, and a Master of Engineering degree in detection technology and automation equipment from Beihang University in the PRC in January 2010. Mr. Duan obtained the Senior Information System Project Manager (信息系統項目管理師) qualification awarded by the Beijing Municipal Human Resources and Social Security Bureau (北京市人力資源和社會保障局) in May 2015.

INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, none of our Directors and senior management had been a director of any public company the securities of which were listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this document. Save as disclosed herein, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no other matters with respect to the appointment of our Directors that need to be brought to the attention of the Shareholders, nor is there any information relating to our Directors that is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

JOINT COMPANY SECRETARIES

Ms. Zhu Meng (朱萌) has been appointed as our joint company secretary. Ms. Zhu joined our Group in May 2020, and has been serving as a senior legal counsel of our Company since then. Prior to joining our Group, Ms. Zhu served as a senior risk management manager at Beijing Zhonggang Jinyuan Financial Leasing Co., Ltd. (北京中港錦源融資租賃有限公司) from May 2015 to May 2019.

Ms. Zhu obtained a master's degree in law from Graduate School of Chinese Academy of Social Sciences (中國社會科學院研究生院) in the PRC in June 2015. She also obtained the National Legal Professional Qualification (國家法律職業資格證) issued by the Ministry of Justice of the PRC (中華人民共和國司法部) in April 2021.

Ms. Chan Yee Lam (陳綺藍) has been appointed as our joint company secretary. Ms. Chan is an executive of the listing services division at TMF Hong Kong Limited and is responsible for provision of corporate secretarial and compliance services to listed company clients. Ms. Chan is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

DIRECTORS AND SENIOR MANAGEMENT

Ms. Chan received a bachelor’s degree in corporate governance from Hang Seng University of Hong Kong in December 2020 and a master of corporate governance from The Hong Kong Polytechnic University in October 2025.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and members of senior management receive remuneration from our Company in the form of wages, salaries and bonuses, share-based compensation, pension obligations, housing funds, medical insurances, other social insurances and other benefits in kind. We determine the remuneration of our Directors and members of senior management based on their responsibilities, qualification, position and seniority.

The aggregate amount of remuneration of our Directors for the years ended December 31, 2023, 2024 and 2025 was RMB5.9 million, RMB5.0 million and RMB3.8 million, respectively.

The aggregate amount of remuneration we paid to the five highest paid individuals (including five, four and two Directors) for each of the years ended December 31, 2023, 2024 and 2025 was RMB5.9 million, RMB5.5 million and RMB4.8 million, respectively. The total emoluments for the remaining one and three individuals among the five highest paid individuals who are not Directors amounted to RMB1.0 million and RMB2.9 million for the years ended December 31, 2024 and 2025, respectively.

Further information on the remuneration of each Director and the five highest paid individuals during the Track Record Period is set out in Appendix I to this Document.

Under the arrangement currently in force, the total remuneration (including fees, wages and salaries, discretionary bonuses, social security costs, housing benefits and employee welfare and share-based compensation) payable to our Directors for the year ending December 31, 2026 is estimated to be RMB5.26 million. The actual remuneration of our Directors in 2026 may be different from the expected remuneration.

During the Track Record Period, no remuneration was paid to our Directors or any of the five highest paid individuals as an inducement to join, or upon joining, our Group. During the Track Record Period, no compensation was paid to, or receivable by, any of our Directors, former directors or the five highest paid individuals for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the Track Record Period.

Save as disclosed above, no other payments have been paid or are payable in respect of the Track Record Period to our Directors or the five highest paid individuals by our Group. For the details of the service contracts and letters of appointment that we have entered into with our Directors, see “Appendix VI — Statutory and General Information — Further Information about our Directors, Management and Substantial Shareholders — 3. Service Contracts.”

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will, following the [REDACTED], receive recommendation from our remuneration committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and senior management, and performance of our Group.

MANAGEMENT PRESENCE

We have applied for, and the Stock Exchange [has granted], a waiver from compliance with Rule 8.12 of the Listing Rules. See “Waivers from Strict Compliance with the Listing Rules.”

DIRECTORS AND SENIOR MANAGEMENT

CORPORATE GOVERNANCE

Board Committees

Our Board has established the audit committee, the remuneration committee, and the nomination committee, and delegated various responsibilities to these committees, which assist our Board in discharging its duties and overseeing particular aspects of our Group’s activities.

Audit Committee

We have established an audit committee (with effect from the [REDACTED]) with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. Our audit committee comprises three members, namely Ms. Chen Ying, Dr. Xin Weidong and Dr. Tong Shumeng. Ms. Chen Ying is the chairperson of our audit committee and an independent non-executive Director, who has appropriate accounting and related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the audit committee include, but are not limited to, the following:

- (i) making recommendations to our Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;
- (ii) monitoring integrity of the financial reports of our Company, and reviewing significant financial reporting judgments contained in them;
- (iii) reviewing our Company’s financial controls, risk management and internal control systems;
- (iv) considering major investigation findings on risk management and internal control matters;
- (v) ensuring coordination between the internal and external auditors, and ensuring that the internal audit function is adequately resourced and has appropriate standing within our Company, and reviewing and monitoring its effectiveness;
- (vi) reviewing our Group’s financial and accounting policies and practices; and
- (vii) performing other duties and responsibilities as assigned by our Board.

Remuneration Committee

We have established a remuneration committee (with effect from the [REDACTED]) with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. Our remuneration committee comprises three members, namely Dr. Tong Shumeng, Dr. Xin Weidong and Ms. Chen Ying. Dr. Tong Shumeng is the chairperson of our remuneration committee.

The primary duties of the remuneration committee include, but are not limited to, the following:

- (i) making recommendations to our Board on our Company’s policy and structure for all Directors’ and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) reviewing and approving the management’s remuneration proposals with reference to our Board’s corporate goals and objectives;

DIRECTORS AND SENIOR MANAGEMENT

- (iii) making recommendations to our Board on the remuneration packages of individual executive Directors and senior management;
- (iv) making recommendations to our Board on the remuneration of non-executive Directors;
- (v) considering the level of remuneration paid by comparable companies, the time commitment and responsibilities and employment conditions elsewhere in our Group;
- (vi) reviewing and approving compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (vii) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (viii) ensuring that no Director or any of their associates is involved in deciding the Director’s own remuneration; and
- (ix) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

Nomination Committee

We have established a nomination committee (with effect from the [REDACTED]) with written terms of reference in compliance with the Corporate Governance Code. Our nomination committee comprises three members, namely Prof. Yu Guizhen, Dr. Xin Weidong and Dr. Tong Shumeng. Prof. Yu Guizhen is the chairperson of our nomination committee.

The primary duties of the nomination committee, include, but are not limited to, the following:

- (i) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a board skills matrix, and make recommendations on any proposed changes to the Board to complement the issuer’s corporate strategy;
- (ii) identifying individuals suitably qualified to become a member of our Board and selecting or making recommendations to our Board on the selection of individuals nominated for directorships;
- (iii) assessing the independence of the independent non-executive Directors of our Company;
- (iv) making recommendations to our Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular, the chairperson of our Board and our chief executive officer; and
- (v) support the issuer’s regular evaluation of the Board’s performance.

Corporate Governance Code

We are committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, we expect to comply with the corporate governance requirements under the Corporate Governance Code after the [REDACTED].

DIRECTORS AND SENIOR MANAGEMENT

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Prof. Yu currently serves as our chairman and co-chief executive officer, with the assistance of Mr. Zhou, the chief executive officer of our Company. Our Board believes that vesting the roles of both chairman of our Board and co-chief executive officer in the same person has the benefit of (i) ensuring consistent leadership within our Group, (ii) enabling more effective and efficient overall strategic planning for our Group, and (iii) facilitating the flow of information between the management and our Board. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively.

BOARD DIVERSITY

We recognize and embrace the benefits of having a diverse Board and see increasing diversity at the Board level, including gender diversity, as an essential element in maintaining our competitive advantage and enhancing our ability to attract, retain and motivate employees from the widest possible pool of available talent. We have adopted a board diversity policy (the “**Board Diversity Policy**”) with the aim of achieving an appropriate level of diversity among Board members according to the circumstances of our Group from time to time.

Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director of our Company, our nomination committee would consider a range of diversity perspectives, including but not limited to, professional experience and qualifications, industry and regional experience, talents, skills, knowledge, cultural and education background, gender, age, ethnicity, length of service and other qualities. All Board appointments will be based on merit, in the content of the perspectives, talents, skills and experience our Board as a whole requires to be effective. After the [REDACTED], our nomination committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness and we will disclose the policy or a summary thereof in our corporate governance report on an annual basis.

Our Board has a balanced mix of experience and skills, including but not limited to, overall business management, research and development as well as finance and accounting. Our Board has a relatively wide range of ages. Furthermore, we have two female Directors. After due consideration, our Board believes that, based on the meritocracy of our Directors, the composition of our Board satisfies our Board Diversity Policy.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that, as of the Latest Practicable Date, he or she did not have any interest in any business (other than the business of our Group) which competes, or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in April 2026; and (ii) understands his or her obligations as a director of a [REDACTED] under the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors confirms (i) his/her independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Listing Rules; (ii) that he/she has no past or present financial or other interest in the business of our Company or our subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date; and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointment.

COMPLIANCE ADVISOR

We have appointed Maxa Capital Limited as our compliance advisor (the “**Compliance Advisor**”) pursuant to Rule 3A.19 of the Listing Rules. Our Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules, applicable Hong Kong laws and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Advisor will advise our Company, among others, in the following circumstances:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (c) where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this Document or where the business activities, developments or results of our Group deviate from any forecast, estimate, or other information in this Document; and
- (d) where the Stock Exchange makes an inquiry to our Company concerning unusual movements in the price or trading volume of its [REDACTED] securities or any other matters under Rule 13.10 of the Listing Rules.

The term of appointment of our Compliance Advisor shall commence on the [REDACTED] and end on the date on which our Group complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED] and such appointment may be subject to extension by mutual agreement.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

THE SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Prof. Yu is (i) directly interested in 11.7% of the total issued share capital of our Company; (ii) indirectly interested in 7.18% of our total issued share capital through Ningbo Tage by virtue of his role of the sole general partner of Ningbo Tage; (iii) controlling 0.71% of the voting rights in our Company held directly by Mr. Zhou, by virtue of the 2026 AIC Agreement with Mr. Zhou; and (iv) controlling 1.46% of the voting rights in our Company held directly by BUE Foundation, by virtue of the BUE AIC Agreement.

According to the 2026 AIC Agreement and BUE AIC Agreement, (i) when exercising all the Shareholders’ rights relating to the Company’s management, including but not limited to voting, proposing motions, nominating directors and convening shareholders’ meetings, Mr. Zhou and BUE Foundation shall act in concert by aligning their votes with Prof. Yu; and (ii) in the event of any disagreement among them, Prof. Yu’s final opinion shall prevail. In addition, Dalian Tage holds 59.77% interest in Ningbo Tage as its limited partner, and Mr. Zhou is the general partner of Dalian Tage. As such, Prof. Yu, Mr. Zhou, Ningbo Tage, Dalian Tage and BUE Foundation are the Single Largest Group of Shareholders of the Company, which directly and indirectly control 21.04% of the voting rights in our Company as of the Latest Practicable Date.

Immediately following the completion of the conversion of Domestic [REDACTED] Shares into H Shares and the [REDACTED] (assuming the [REDACTED] is not exercised), the Single Largest Group of Shareholders will, directly and indirectly, control [REDACTED]% of the voting rights in aggregate in our Company. Therefore, they will remain as the Single Largest Group of Shareholders upon [REDACTED].

INDEPENDENCE FROM THE SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently from the Single Largest Group of Shareholders and their respective close associates after the [REDACTED], taking into consideration the factors below.

Management Independence

Our business is managed and operated by our Board and senior management. Our Board consists of nine Directors, namely four executive Directors, two non-executive Directors and three independent non-executive Directors. Among the members of our Single Largest Group of Shareholders, Prof. Yu is our executive Director, chairman and co-chief executive officer, and Mr. Zhou is our executive Director and chief executive officer.

Our Directors consider that we are able to carry on our business independently from the Single Largest Group of Shareholders and their respective close associates from a management perspective for the following reasons:

- (a) Prof. Yu and Mr. Zhou currently respectively serve as the general partner of Ningbo Tage and Dalian Tage, our share incentive platforms and members of our Single Largest Group of Shareholders. Other than above, our executive Directors and senior management members do not hold any management position and/or directorship in our Single Largest Group of Shareholders as of the Latest Practicable Date;

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

- (b) our daily management and operations are carried out by a senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group. For details of the industry experience of our senior management team, see “Directors and Senior Management”;
- (c) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as our Director and his/her personal interests. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting;
- (d) we have three independent non-executive Directors with extensive experience in their respective areas of expertise to ensure that the decisions of our Board are made after due consideration of independent and impartial opinions and in the best interests of our Company and our Shareholders as a whole. Certain matters of our Company must always be referred to the independent non-executive Directors for review and approval; and
- (e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and the Single Largest Group of Shareholders which would support our independent management. See “— Corporate Governance.”

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Group independently from the Single Largest Group of Shareholders and their respective close associates after the [REDACTED].

Operational Independence

We do not rely on the Single Largest Group of Shareholders and their respective close associates for our business development, staffing, logistics, administration, finance, internal audit, information technology, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from the Single Largest Group of Shareholders and their respective close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

We have independent access to suppliers and customers and an independent management team to handle our day-to-day operations. We are also in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

Based on the above, our Directors believe that we are able to operate independently of the Single Largest Group of Shareholders and their respective close associates.

Financial Independence

We have an independent financial system and make financial decisions according to our Group’s own business needs. We have internal control and accounting systems and an independent finance department in charge of our treasury function. As such, our Company’s financial functions, such as cash and accounting management, invoices and bills, operate independently from each member of our Single Largest Group of Shareholders and their close associates.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Save as disclosed in Appendix I to this document, we do not have any loans or guarantees provided by, or granted to, our Single Largest Group of Shareholders or their respective close associates. All the outstanding guarantees provided by our Single Largest Group of Shareholders and/or their respective close associates to our Company will be terminated before the [REDACTED]. We do not expect to rely on the Single Largest Group of Shareholders and their respective close associates for financing after the [REDACTED] as we expect that our working capital will be funded by the cash, cash equivalent on hand as well as the [REDACTED] from the [REDACTED].

During the Track Record Period and as of the Latest Practicable Date, we had received a series of Pre-[REDACTED] Investments from third party investors independently. For details of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure.”

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on the Single Largest Group of Shareholders and their respective close associates after the [REDACTED].

NO COMPETITION

Save and except for the interest of our Single Largest Group of Shareholders in our Company, each of our Single Largest Group of Shareholders confirmed that as of the Latest Practicable Date, they did not have any interest in other business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code, which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in protection of our Shareholders’ interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and the Single Largest Group of Shareholders:

- (a) where a Board meeting is held for the matters in which any Director (including our Single Largest Group of Shareholders) has a material interest, such Director(s) shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;
- (b) where a Shareholders’ meeting is to be held for considering proposed transactions in which the Single Largest Group of Shareholders or any of their respective close associates has a material interest, the Single Largest Group of Shareholders will not vote on the resolutions and shall not be counted in the quorum in the voting;
- (c) as part of our preparation for the [REDACTED], we have amended our Articles of Association to comply with the Listing Rules which will become effective upon [REDACTED]. In particular, our Articles of Association provides that, a Director shall be abstained from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her close associates has a material interest nor shall such Director be counted in the quorum present at the Board meeting;

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

- (d) our Company has established internal control mechanisms to identify connected transactions. Upon [REDACTED], if our Company enters into connected transactions with the Single Largest Group of Shareholders or any of its associates, our Company will comply with the applicable Listing Rules;
- (e) we are committed that our Board shall include a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors). We have appointed three independent non-executive Directors, and we believe our independent non-executive Directors (i) possess sufficient experiences, (ii) are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment, and (iii) will be able to provide an impartial and external opinion to protect the interests of our Shareholders as a whole. For details of the independent non-executive Directors, see “Directors and Senior Management”;
- (f) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company’s expenses;
- (g) our independent non-executive Directors, individually and collectively, possess the requisite knowledge and experience. They are committed to providing impartial and professional advice to protect the interests of our minority Shareholders; and
- (h) we have appointed Maxa Capital Limited as our Compliance Advisor to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and the Single Largest Group of Shareholders, and to protect minority Shareholders’ interests after the [REDACTED].

SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the [REDACTED].

IMMEDIATELY BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered capital of our Company was RMB65,023,457, comprising 65,023,457 Shares of nominal value RMB1.00 each.

UPON COMPLETION OF THE [REDACTED]

Immediately following completion of the [REDACTED] and conversion of Domestic [REDACTED] Shares into H Shares, assuming the [REDACTED] is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
Domestic [REDACTED] Shares	[REDACTED]	[REDACTED]
H Shares converted from Domestic [REDACTED] Shares ⁽¹⁾	[REDACTED]	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

Immediately following completion of the [REDACTED] and conversion of Domestic [REDACTED] Shares into H Shares, assuming the [REDACTED] is fully exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
Domestic [REDACTED] Shares	[REDACTED]	[REDACTED]
H Shares converted from Domestic [REDACTED] Shares ⁽¹⁾	[REDACTED]	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the exercise of [REDACTED] in full	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

DOMESTIC [REDACTED] SHARES AND H SHARES

Upon completion of the [REDACTED] and conversion of our Domestic [REDACTED] Shares into H Shares, the Shares will consist of Domestic [REDACTED] Shares and H Shares. Domestic Shares and H Shares are all ordinary Shares in the share capital of our Company. Our H Shares may only be subscribed for and [REDACTED] in Hong Kong dollars. Our Domestic [REDACTED] Shares, on the other hand, may only be subscribed for and [REDACTED] in RMB. Apart from certain qualified

⁽¹⁾ For details of the identities of the Shareholders whose Shares will be converted into H Shares upon [REDACTED], see “History, Development and Corporate Structure — Capitalization of our Company.”

SHARE CAPITAL

domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities (such as our certain existing Shareholders the Domestic [REDACTED] Shares held by whom will be converted into H shares according to the approval of the CSRC), H Shares generally cannot be subscribed for by or [REDACTED] between legal or natural persons of the PRC.

The differences between the two classes of Shares and provisions on class rights, the dispatch of notices and financial reports to Shareholders, registration of Shares on different registers of Shareholders, the method of share transfer and appointment of dividend receiving agents are set out in the Articles of Association and summarized in “Appendix V — Summary of Articles of Association.” The rights conferred on any class of Shareholders may not be varied or abrogated unless approved by a special resolution of the general meeting of Shareholders and by the holders of Shares of that class at a separate meeting. The circumstances which shall be deemed to be a variation or abrogation of the rights of a class are listed in “Appendix V — Summary of Articles of Association.”

Except for the differences above, Domestic [REDACTED] Shares and H Shares will however rank *pari passu* with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Domestic [REDACTED] Shares will be paid in Renminbi. Other than cash, dividends can also be paid in the form of shares.

CONVERSION OF DOMESTIC [REDACTED] SHARES INTO H SHARES

If any of the Domestic [REDACTED] Shares are to be converted, [REDACTED] and [REDACTED] as H Shares on the Hong Kong Stock Exchange, such conversion, [REDACTED] and [REDACTED] will need the filing of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Hong Kong Stock Exchange.

Register with the CSRC and Full Circulation Application

In accordance with the Overseas Listing Trial Measures and related guidelines, H-share [REDACTED] companies which apply for the conversion of Domestic [REDACTED] Shares into H shares for and submit [REDACTED] and circulation on the Hong Kong Stock Exchange shall file with the CSRC materials on key compliance issues. An [REDACTED] domestic joint stock company may apply for “Full circulation” when applying for an overseas [REDACTED].

The Company applied for a “Full circulation” filing with the CSRC with respect to a total of [REDACTED] Shares held by our existing Shareholders (excluding the [REDACTED] Shares held by Jiuchuang Investment and [REDACTED] Shares held by BUAA Holdings), and submitted the filing reports, authorization documents of the Shareholders of Domestic [REDACTED] Shares which applied for the H-share “Full circulation”, undertaking on the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

The Company has received the filing notice from the CSRC dated [●] in relation to the registration of the overseas [REDACTED] and “Full circulation”, pursuant to which (1) the Company was approved to issue no more than [REDACTED] H Shares with a nominal value of RMB[1.00] each, which are all ordinary Shares, and the Company may be [REDACTED] on the [REDACTED] of the Hong Kong Stock Exchange; (2) a total of [REDACTED] Domestic [REDACTED] Shares held by certain Shareholders of the Company (the “Full Circulation Participating Shareholders”) were approved to be converted into H Shares, and the relevant Shares may be [REDACTED] on the Hong Kong Stock Exchange upon completion of the conversion.

SHARE CAPITAL

[REDACTED] Approval by the Hong Kong Stock Exchange

We have applied to the [REDACTED] of the Hong Kong Stock Exchange for the granting of the [REDACTED] of, and permission to [REDACTED], (i) our H Shares to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]); and (ii) the H Shares to be converted from [REDACTED] Domestic [REDACTED] Shares, which is subject to the approval by the Hong Kong Stock Exchange.

We will perform the following procedures for the conversion of the relevant Domestic [REDACTED] Shares into H Shares after receiving the approval of the Hong Kong Stock Exchange: (1) giving instructions to our [REDACTED] regarding relevant share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible securities by [REDACTED] for deposit, clearance and settlement in the [REDACTED].

Domestic Procedures

Pursuant to the relevant regulations, the Full Circulation Participating Shareholders may only [REDACTED] the Shares upon completion of the below arrangement procedures for the registration, deposit and transaction settlement in relation to the conversion and [REDACTED]:

1. We will appoint CSDC as the nominal holder to deposit the relevant securities at CSDC (Hong Kong), which will then deposit the securities at [REDACTED] in its own name. CSDC, as the nominal holder of the Full Circulation Participating Shareholders, shall handle all custody, maintenance of detailed records, cross-border settlement and corporate actions, etc. relating to the converted H Shares for the Full Circulation Participating Shareholders;
2. We will engage a domestic securities company (the “**Domestic Securities Company**”) to provide services such as sending orders for trading of the converted H Shares and receipt of transaction returns. The Domestic Securities Company will engage a Hong Kong securities company (the “**Hong Kong Securities Company**”) for settlement of share transactions. We will make an application to CSDC, Shenzhen Branch for the maintenance of a detailed record of the initial holding of the converted H Shares held by our Shareholders. Meanwhile, we will submit applications for a domestic transaction commission code and abbreviation, which shall be confirmed by CSDC, Shenzhen Branch as authorized by the Shenzhen Stock Exchange;
3. The Shenzhen Stock Exchange shall authorize Shenzhen Securities Communication Co., Ltd. to provide services relating to transmission of trading orders and transaction returns in respect of the converted H Shares between the Domestic Securities Company and the Hong Kong Securities Company, and the real-time market forwarding services of the H Shares;
4. According to the Notice of the SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), the Full Circulation Participating Shareholders shall complete the overseas shareholding registration with the local foreign exchange administration bureau before the Shares are sold, and after the overseas shareholding registration, open a specified bank account for the holding of overseas shares by domestic investors at a domestic bank with relevant qualifications and open a fund account for the H Share “Full Circulation” at the Domestic Securities Company. The Domestic Securities Company shall open a securities trading account for the H Share “Full Circulation” at the Hong Kong Securities Company; and

SHARE CAPITAL

5. The Full Circulation Participating Shareholders shall submit trading orders of the converted H Shares through the Domestic Securities Company. Trading orders of the Full Circulation Participating Shareholders for the relevant Shares will be submitted to the Hong Kong Stock Exchange through the securities trading account opened by the Domestic Securities Company at the Hong Kong Securities Company. Upon completion of the transaction, settlements between each of the Hong Kong Securities Company and CSDC (Hong Kong), CSDC (Hong Kong) and CSDC, CSDC and the Domestic Securities Company, and the Domestic Securities Company and the Full Circulation Participating Shareholders, will all be conducted separately.

As a result of the conversion, the shareholding of the relevant Full Circulation Participating Shareholders in our share capital registered shall be reduced by the number of Domestic [REDACTED] Shares converted and increased by the number of H Shares so converted.

A Shareholder holding Domestic [REDACTED] Shares not converted into H Shares can work with the Company according to the Articles of Association and follow the procedures set out in this document to convert the Domestic [REDACTED] Shares into H Shares after the [REDACTED] if they want, provided that such conversion of Domestic [REDACTED] Shares into and [REDACTED] and trading of H Shares will be subject to the approval of the relevant PRC regulatory authorities, including the CSRC, the approval of the Hong Kong Stock Exchange and the satisfaction of the public float requirement under the Listing Rules by the Company.

See “Risk Factors — Risks Relating to the [REDACTED].”

RESTRICTION ON TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

Under the PRC Company Law, Shares which have been in issue before we publicly issue Shares may not be transferred within one year from the date of [REDACTED] on a stock exchange. Accordingly, Shares issued by our Company prior to the [REDACTED] shall be subject to this statutory restriction and not be transferred within a period of one year from the [REDACTED].

Our Directors and members of the senior management of our Company shall declare their shareholdings in our Company and any changes in their shareholdings. Shares transferred by our Directors and such members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons held in our Company cannot be transferred within one year from the date on which the Shares are listed and traded, nor within half a year after they leave their positions in our Company. The Articles of Association may contain other restrictions or conditions on the transfer of the Shares held by our Directors and members of senior management of our Company and other Shareholders. For further details, see “Appendix V — Summary of Articles of Association.”

REGISTRATION OF SHARES NOT [REDACTED] ON AN OVERSEAS STOCK EXCHANGE

According to the Notice of Centralized Registration and Deposit of Non-overseas Listed Shares of Companies Listed on an Overseas Stock Exchange (《關於境外上市公司非境外上市股份集中登記存管有關事宜的通知》) issued by the CSRC, our Company is required to register and deposit our Shares that are not listed on the overseas stock exchange with the CSDC within 15 working days upon [REDACTED] and provide a written report to the CSRC regarding the centralized registration and deposit of our Shares that are not listed on the overseas stock exchange as well as the [REDACTED] and [REDACTED] of our H Shares.

SHARE CAPITAL

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of Shareholders, among others, increase its capital or decrease its capital or repurchase of shares. See “Appendix V — Summary of Articles of Association.”

SHAREHOLDERS’ APPROVAL FOR THE [REDACTED]

Approval from holders of the Shares is required for the Company to issue H Shares and seek the [REDACTED] of H Shares on the Hong Kong Stock Exchange. The Company has obtained such approval at the Shareholders’ general meeting held on May 8, 2026.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately upon [REDACTED], the following persons will have interests and/or short positions in the Shares or underlying Shares of our Company which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of our Company:

Name of Shareholder	Nature of Interest	Class and Number of Shares held upon completion of the [REDACTED]	Approximate percentage of shareholding in total share capital of our Company as of the Latest Practicable Date	Approximate percentage of shareholding in the relevant class of Shares immediately after the [REDACTED] ⁽¹⁾	Approximate percentage of shareholding in the total share capital of our Company immediately after the [REDACTED] ⁽¹⁾
			(%)	(%)	(%)
Prof. Yu ⁽²⁾⁽³⁾	Beneficial owner	[REDACTED] H Shares	11.70	[REDACTED]%	[REDACTED]%
	Interest in controlled corporation	[REDACTED] H Shares	7.18	[REDACTED]%	[REDACTED]%
	Interests held jointly with other person	[REDACTED] H Shares	2.17	[REDACTED]%	[REDACTED]%
Mr. Zhou ⁽²⁾⁽³⁾	Beneficial owner	[REDACTED] H Shares	0.71	[REDACTED]%	[REDACTED]%
	Interests held jointly with other person	[REDACTED] H Shares	20.34	[REDACTED]%	[REDACTED]%
Ningbo Tage ⁽³⁾	Beneficial owner	[REDACTED] H Shares	7.18	[REDACTED]%	[REDACTED]%
Dalian Tage ⁽³⁾	Interest in controlled corporation	[REDACTED] H Shares	7.18	[REDACTED]%	[REDACTED]%
BUE Foundation ⁽²⁾	Beneficial owner	[REDACTED] H Shares	1.46%	[REDACTED]%	[REDACTED]%
	Interests held jointly with other person	[REDACTED] H Shares	19.58%	[REDACTED]%	[REDACTED]%
Beijing CHN Energy	Beneficial owner	[REDACTED] H Shares	12.35%	[REDACTED]%	[REDACTED]%
CHN Energy Fund Management ⁽⁴⁾	Interest in controlled corporation	[REDACTED] H Shares	16.92%	[REDACTED]%	[REDACTED]%
Boton Investment	Beneficial owner	[REDACTED] H Shares	6.74%	[REDACTED]%	[REDACTED]%
Boton Technology ⁽⁵⁾	Interest in controlled corporation ⁽⁵⁾	[REDACTED] H Shares	8.29%	[REDACTED]%	[REDACTED]%
Jiuchuang Investment ⁽⁶⁾	Beneficial owner	[REDACTED] Domestic Shares	0.98%	[REDACTED]%	[REDACTED]%
BUAA Holding ⁽⁷⁾	Beneficial owner	[REDACTED] Domestic Shares	0.40%	[REDACTED]%	[REDACTED]%

SUBSTANTIAL SHAREHOLDERS

Notes:

- (1) All interests stated are long positions. The calculation is based on the total number of [REDACTED] Domestic [REDACTED] Shares in issue, [REDACTED] H Shares to be converted from Domestic [REDACTED] Shares in issue and [REDACTED] H Shares to be issued pursuant to the [REDACTED] (assuming the [REDACTED] is not exercised). Due to rounding adjustments, figures shown as total may not be an arithmetic aggregation of the figures preceding them.
- (2) Prof. Yu, Mr. Zhou and BUE Foundation have been acting in concert with respect to the exercising of voting rights in the general meeting of our Company according to the 2026 AIC Agreement and BUE AIC Agreement. As such, Prof. Yu, Mr. Zhou and BUE Foundation are deemed to be jointly interested in the Shares held by the parties acting in concert under the SFO.
- (3) As at the Latest Practicable Date, Prof. Yu is the sole general partner of Ningbo Tage, Dalian Tage holds 59.77% interest in Ningbo Tage and Mr. Zhou is the general partner of Dalian Tage, thus each of Prof. Yu, Mr. Zhou and Dalian Tage is deemed to be interested in the Shares held by Ningbo Tage under the SFO.
- (4) As at the Latest Practicable Date, CHN Energy Fund Management is the general partner of Beijing CHN Energy and Xinneng Sci-tech, thus is deemed to be interested in the Shares held by Beijing CHN Energy and Xinneng Sci-Tech under the SFO. See “History and Corporate Structure — Pre-[REDACTED] Investments.”
- (5) As at the Latest Practicable Date, Boton Investment is wholly owned by Boton Technology, which holds over one thirds equity of Boton Chentao as its limited partner. As such, Boton Technology is deemed to be interested in the Shares held by Boton Investment and Boton Chentao Under the SFO. See “History and Corporate Structure — Pre-[REDACTED] Investments.”
- (6) As at the Latest Practicable Date, Jiuchuang Investment is held by Anhui Jiukong State-owned Capital Investment Group Co., Ltd. as to 51.00%, which is therefore deemed to be interest in the Shares held by Jiuchuang Investment. See “History and Corporate Structure — Pre-[REDACTED] Investments.”
- (7) As at the Latest Practicable Date, BUAA Holding is a wholly-owned subsidiary of Beihang University, which is therefore deemed to be interest in the Shares held by BUAA Holding. See “History and Corporate Structure — Pre-[REDACTED] Investments.”

Save as disclosed herein, our Directors are not aware of any other person who will, immediately following the completion of the [REDACTED] (assuming (i) the [REDACTED] is not exercised and (ii) the Full Circulation Application of the Company are completed), have any interest and/or short positions in the Shares or underlying Shares of our Company which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company or any other member of our Group.

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You should read the following discussion and analysis in conjunction with our consolidated financial statements, included in the Accountant’s Report in Appendix I, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with the IFRS Accounting Standards.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this document, including the sections headed “Risk Factors” and “Business,” and elsewhere in this Document. For further details, see “Forward-Looking Statements.”

OVERVIEW

We are a pioneer and leader in mining autonomous driving transportation, driving the industry’s high-quality growth. Our vehicle-ground-cloud mining autonomous driving transportation system, KuangGu, is powered by our proprietary AI large model foundation specializing in end-to-end autonomous driving, multi-agent dispatch and control, and full-lifecycle equipment health management. We focus on delivering safe, sustainable, efficient and cost-effective mining autonomous driving transportation solutions to customers in closed-environment scenarios such as open-pit mines.

We are committed to the commercialization of autonomous driving application. Since our inception in 2016, we have been at the forefront of innovations in mining autonomous driving transportation. Our mining autonomous driving transportation solutions comprise (i) mining autonomous driving transportation solutions with Tage purpose-built trucks, (ii) mining autonomous driving transportation solutions for third-party trucks, and (iii) intelligent operations and other services. Customers can adopt the delivery model that best aligns with their operational capabilities and production requirements, including procuring new autonomous trucks or upgrading existing fleets. All three delivery models are supported by our mining autonomous driving transportation system, KuangGu.

BASIS OF PREPARATION

Our Historical Financial Information has been prepared in accordance with IFRS, which comprise all standards and interpretations approved by the International Accounting Standards Board (“IASB”). In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance. See Note 2 to the Accountants’ Report in Appendix I to this document for details of the basis of preparation of Historical Financial Information.

KEY FACTORS AFFECTING OUR PERFORMANCE

Our results of operations and financial condition have been, and will continue to be, materially affected by a number of factors, some of which are outside our control, including:

Our Ability to Expand and Commercialize Our Product and Solution Portfolio

Our revenue recorded substantial growth in 2025, which was largely driven by the strong contribution of our core products and the gradual expansion of our customer base. Specifically, we

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experienced steady growth in the revenue generated from mining autonomous driving transportation solutions with Tage purpose-built trucks and mining autonomous driving transportation solutions for third-party trucks, which became the primary driver of our overall revenue growth during the year.

As we continue to expand the sales of our solutions and further strengthen our brand recognition, we are able to develop and deliver solutions with enhanced capabilities, broader functionality and a higher degree of customization to address the needs of different categories of commercial vehicles. Looking ahead, we expect that the expansion of our operations will contribute to improved economies of scale, which may in turn support cost efficiencies and wider adoption of our products.

We price our solutions by taking into account factors such as prevailing market conditions, project complexity, scope of services and associated costs. Our future performance will depend, among other things, on our ability to expand our product and solution offerings in a cost-effective manner, while continuously improving the quality and operational efficiency of our existing solutions. Within each product and solution category, we offer multiple configurations to cater to diversified customer requirements. See “Business — Our Offerings.” Differences in pricing, raw material inputs and cost structures among these offerings may result in varying gross margins, and each product or solution is positioned with its own corresponding marketing strategy. As a result, our revenue mix and profitability are closely linked to the composition of our product and solution portfolio.

We believe that the increasing diversity of our portfolio enhances our ability to respond efficiently to evolving market conditions and customer preferences. In this context, we have been and will continue optimizing our product and solution portfolio with a view to supporting sustainable revenue growth and improving overall profitability.

Our Ability to Attract New Customers and Deepen Relationships with Existing Customers

We are committed to promoting the commercialization of mining autonomous driving transportation solutions and contributing to the broader autonomous driving value chain. We operate a project-based business model and provide a range of solutions, including (i) mining autonomous driving transportation solutions with Tage purpose-built trucks, (ii) mining autonomous driving transportation solutions for third-party trucks, and (iii) intelligent operations and other services. Customers may choose delivery models that align with their existing operational foundations and production requirements, such as purchasing new autonomous trucks or upgrading existing fleets through retrofit installations. According to CIC, in 2018, we retrofitted China’s first autonomous wide-body mining truck and first autonomous rigid mining truck. As of December 31, 2025, our sales team comprised 13 employees with extensive industry experience and deep expertise in our solutions.

Our ability to retain existing customers, attract new customers, and broaden the scope of solutions utilized by our customers is essential to our revenue growth. We expand our customer base through multiple channels. During the Track Record Period, we primarily engaged with our customers through public tenders, proactive outreach by our sales team and management based on customers’ business scope and market position, and participation in industry conferences. We prioritize partnerships with customers that have strong local presence, leveraging benchmark deployments to establish local reference sites and drive broader adoption of our solutions.

Mining transportation systems require exceptional safety, high uptime, and site-specific customization, making supplier replacement and operational risk costly. Our solutions are deeply integrated with vehicle hardware and, once deployed, become an essential part of daily operations. Consequently, our solutions typically achieve high retention and repeat purchase rates.

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As of December 31, 2025, we had served 31 intelligent open-pit mining projects in China, spanning Xinjiang, Inner Mongolia, Jiangxi, Guangdong and Heilongjiang. As of December 31, 2025, we had deployed 557 autonomous mining trucks, including 114 autonomous rigid mining trucks and 443 autonomous wide-body mining trucks, ranking among the top four in China, according to CIC.

Investment in Technology Leadership and Product Development

Our business operations rely heavily on our ability to continuously develop new technologies, design and commercialize new solutions, and enhance our existing offerings. Our financial performance is closely linked to our ability to maintain our competitive position in the mining autonomous driving transportation industry, which in turn depends on sustained investment in research and development. To remain competitive, we must consistently identify and respond to evolving customer requirements, introduce innovative solutions, refine existing functionalities, and support the formation of market demand for our offerings.

In this regard, we are committed to ongoing investment in technology development, broadening our product portfolio through the development of diversified autonomous mining truck solutions, and advancing the commercialization of new offerings in response to market trends. We possess comprehensive capabilities across intelligent driving solutions, which enable us to integrate multiple components and deliver diversified, customer-oriented solutions. Our offerings, which include mining autonomous driving transportation solutions with Tage purpose-built trucks, mining autonomous driving transportation solutions for third-party trucks, and intelligent operations and other services, allow us to engage with customers across the autonomous vehicle value chain, creating opportunities for cross-domain technological advancement and business development.

To sustain our position in technological innovation, we have built a talent pool with substantial experience and expertise in relevant technical fields. Skilled research and development personnel are essential to our ability to remain at the forefront of the commercial vehicle industry and are therefore critical to our long-term success. During the Track Record Period, we made significant investments in research and development, as we believe that our R&D capabilities will continue to be a key driver of our long-term competitiveness and business prospects. We incurred R&D expenses of RMB80.6 million, RMB70.2 million and RMB57.8 million in 2023, 2024 and 2025, respectively, representing 50.6%, 51.2% and 49.8% of our operating expenses for the respective period. As of December 31, 2025, our R&D team consisted of 72 members, representing 44.7% of our total employees as of the same date. Given the limited supply and strong market demand for experienced research and development talent, we intend to continue offering competitive remuneration and benefits to attract and retain such personnel, while also enhancing the professional development of our existing employees through internal training and career development opportunities.

Our Ability to Effectively Control Costs and Expenses and Improve Efficiency

Our ability to achieve and sustain profitability is closely tied to our effectiveness in managing costs and operating expenses. Such costs and expenses are influenced by various factors, including the costs of components, raw materials and other inputs, as well as our overall operational efficiency. We expect that, as the sales volume of our solutions continues to increase, we will benefit from economies of scale, which may result in a reduction of costs and operating expenses as a percentage of our total revenue. In addition, we seek to enhance our manufacturing capabilities by collaborating with contract manufacturers, enabling us to support mass production requirements while maintaining disciplined capital expenditure.

Our operating expenses have declined as a percentage of revenue from 90.0% in 2024 to 22.0% in 2025, reflecting improvements in our operational efficiency. We continuously pursue efficiency improvements across different aspects of our operations. For example, we have optimized our project management processes to improve research and development efficiency and shorten product time-to-

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market. Our sales team is equipped to identify and capture business opportunities based on customer needs and is able to provide targeted input on product design and delivery, thereby reducing the likelihood of subsequent modifications and rework during the production process. In addition, we have strengthened our administrative management practices to lower communication costs and enhance internal collaboration efficiency.

Our Ability to Manage Cash Flows Effectively

Effective cash flow management is an important factor affecting our results of operations. Cash flow is essential to supporting our ongoing operations, funding research and development activities and making investments in new technologies. Maintaining adequate liquidity and financial stability depends on the timing of cash inflows from customers relative to cash outflows associated with operating expenses, capital expenditures and payments to suppliers.

Our operating cash flows are influenced by our level of profitability, movements in working capital and the timing of cash receipts and payments. The efficient management of trade receivables, trade payables and inventory levels has a direct impact on our cash conversion cycle and our ability to generate positive operating cash flows. During periods of business growth, we may need to make substantial capital expenditures to keep pace with technological developments, which could place pressure on our cash resources. In such circumstances, we may seek external financing to support our capital requirements. The availability and terms of such financing, together with our ability to generate cash from operating activities, are key factors influencing our capacity to pursue growth opportunities and manage our capital structure.

Our net cash used in operating activities decreased from RMB204.5 million in 2023 to RMB177.3 million in 2024. We have recorded net cash generated from operating activities of RMB37.9 million in 2025, primarily due to (i) our business expansion, with revenue increasing from RMB152.2 million in 2024 to RMB526.9 million in 2025, resulting in a substantial increase in trade and notes payables; and enhanced credit management and collection initiatives, which led to the successful recovery of several payments in 2025.

General Factors

Our business and operating results are also affected by general factors affecting the commercial vehicle industry, which include: (i) market demand for mining autonomous driving transportation solutions, (ii) the evolution and market acceptance of intelligent driving technologies, (iii) the competitive landscape, and (iv) relevant laws and regulations, and governmental policies and initiatives.

MATERIAL ACCOUNTING POLICY INFORMATION

Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments relating to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and results of operations. Our management team continually evaluates such estimates, assumptions and judgments based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There has not been any material deviation between our management’s estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future. See Note 5 to the Accountants’ Report in Appendix I to this document for details of our material accounting policy information and key sources of estimation uncertainty, which are critical and/or involve the most important estimates and judgments we used in preparing our financial statements.

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

The following table sets forth a summary of our consolidated statements of profit or loss for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
<i>(RMB in thousands, except for percentage)</i>						
Revenue	190,189	100.0	152,175	100.0	526,875	100.0
Cost of sales	(237,367)	(124.8)	(221,388)	(145.5)	(501,578)	(95.2)
Gross (loss)/profit	(47,178)	(24.8)	(69,213)	(45.5)	25,297	4.8
Other income	7,447	3.9	4,357	2.9	6,816	1.3
Impairment losses (including reversals of impairment losses) on financial assets and others	(672)	(0.4)	(30,714)	(20.2)	(3,121)	(0.6)
Other gains and losses, net	(49,586)	(26.1)	(26,338)	(17.3)	19,828	3.8
Distribution and selling expenses	(26,879)	(14.1)	(29,179)	(19.2)	(15,634)	(3.0)
Administrative expenses	(51,745)	(27.2)	(37,629)	(24.7)	(42,534)	(8.1)
Research and development expenses	(80,604)	(42.4)	(70,176)	(46.1)	(57,799)	(11.0)
Other expenses	(1,484)	(0.8)	(7,537)	(5.0)	(7,459)	(1.4)
[REDACTED] expenses	—	—	—	—	(732)	(0.1)
Finance costs	(67,273)	(35.4)	(83,859)	(55.1)	(92,052)	(17.5)
Share of results of associates	5,278	2.8	5,716	3.8	3,773	0.7
Loss before tax	(312,696)	(164.4)	(344,572)	(226.4)	(163,617)	(31.1)
Income tax expense	—	—	(3)	(0.0)	(42)	(0.0)
Loss and total comprehensive expense for the year	<u>(312,696)</u>	<u>(164.4)</u>	<u>(344,575)</u>	<u>(226.4)</u>	<u>(163,659)</u>	<u>(31.1)</u>
Loss and total comprehensive expense for the year attributable to:						
Owners of the Company	(312,685)	(164.4)	(344,528)	(226.4)	(163,659)	(31.1)
Non-controlling interests	<u>(11)</u>	<u>(0.0)</u>	<u>(47)</u>	<u>(0.0)</u>	<u>—</u>	<u>—</u>

NON-IFRS FINANCIAL MEASURE

To supplement our consolidated financial statements, which are presented in accordance with IFRS Accounting Standards, we also use adjusted net loss (Non-IFRS Measure) as an additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We believe this non-IFRS measure facilitates comparisons of operating performance from year-to-year and company-to-company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measure that we presented may not be directly comparable to similar measures presented by

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other companies. The use of this non-IFRS measure should not be considered as a substitute for analysis of our results of operations or financial condition as reported under IFRS Accounting Standards.

We define adjusted net loss (Non-IFRS Measure) for the year as net loss for the year adjusted by adding back (i) interests on redemption liabilities, (ii) modification of redemption liabilities and (iii) [REDACTED] expenses. The following table reconciles our adjusted net loss (Non-IFRS Measure) for the year presented in accordance with IFRS Accounting Standards, which is net loss for the years:

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Loss for the year	(312,696)	(344,575)	(163,659)
Add:			
— Interests on redemption liabilities ⁽¹⁾	60,212	76,228	82,680
— Modification of redemption liabilities ⁽²⁾	(3,152)	—	(23,392)
— [REDACTED] expenses ⁽³⁾	—	—	732
Adjusted net loss (Non-IFRS Measure) for the year	<u>(255,636)</u>	<u>(268,347)</u>	<u>(103,639)</u>

Notes:

- (1) Interests on redemption liabilities represent the imputed interest expense arising from the accretion of redemption liabilities over time based on the effective interest method.
- (2) Modification of redemption liabilities represents the gain arising from the remeasurement of redemption liabilities due to changes in their contractual terms.
- (3) [REDACTED] expenses represent fees incurred in connection with the [REDACTED].

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we derived revenue from the (i) mining autonomous driving transportation solutions with Tage purpose-built trucks, (ii) mining autonomous driving transportation solutions for third-party trucks, and (iii) intelligent operations and other services.

The table below sets forth our revenue breakdown by solutions in absolute amounts and as percentages of our total revenue for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)					
Mining autonomous driving transportation solutions with Tage purpose-built trucks	66,002	34.7	63,506	41.7	376,239	71.4
Mining autonomous driving transportation solutions for third-party trucks	47,143	24.8	7,460	4.9	51,271	9.7
Intelligent operations and other services	77,044	40.5	81,209	53.4	99,365	18.9
Total	<u>190,189</u>	<u>100.0</u>	<u>152,175</u>	<u>100.0</u>	<u>526,875</u>	<u>100.0</u>

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Cost of sales

Our cost of sales amounted to RMB237.4 million, RMB221.4 million and RMB501.6 million in 2023, 2024 and 2025, respectively. During the Track Record Period, our cost of sales primarily consisted of (i) material, procurement and processing costs, (ii) depreciation and lease expenses, (iii) staff costs and outsourcing costs and (iv) others. The following table sets forth a breakdown of our cost of sales by nature in absolute amount and as a percentage of our total cost of sales for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Material, procurement and processing costs	178,893	75.4	131,781	59.5	364,583	72.7
Depreciation and lease expenses	31,386	13.2	47,378	21.4	53,597	10.7
Staff costs and outsourcing costs	18,779	7.9	25,500	11.5	67,121	13.4
Others	8,309	3.5	16,729	7.6	16,277	3.2
Total	<u>237,367</u>	<u>100.0</u>	<u>221,388</u>	<u>100.0</u>	<u>501,578</u>	<u>100.0</u>

The following table sets forth a breakdown of our cost of sales by business segment in absolute amount and as a percentage of our total cost of sales for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Mining autonomous driving transportation solutions with Tage purpose-built trucks	62,953	26.5	80,944	36.6	325,216	64.8
Mining autonomous driving transportation solutions for third-party trucks	70,515	29.7	31,637	14.3	58,705	11.7
Intelligent operations and other services	103,899	43.8	108,807	49.1	117,657	23.5
Total	<u>237,367</u>	<u>100.0</u>	<u>221,388</u>	<u>100.0</u>	<u>501,578</u>	<u>100.0</u>

FINANCIAL INFORMATION

Gross (Loss)/Profit and Gross (Loss)/Profit Margin

We recorded gross loss of RMB47.2 million in 2023 and RMB69.2 million in 2024, respectively. We recorded gross profit of RMB25.3 million in 2025. Our gross loss margin was 24.8% and 45.5% in 2023 and 2024. We recorded gross profit margin of 4.8% in 2025. The following table sets forth a breakdown of our gross (loss)/profit and gross (loss)/profit margin by business segment for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross profit/ (loss)	Gross margin	Gross profit/ (loss)	Gross margin	Gross profit/ (loss)	Gross margin
		(%)		(%)		(%)
<i>(RMB in thousands, except for percentage)</i>						
Mining autonomous driving transportation solutions with Tage purpose-built trucks	3,049	4.6	(17,438)	(27.5)	51,023	13.6
Mining autonomous driving transportation solutions for third-party trucks	(23,372)	(49.6)	(24,177)	(324.1)	(7,434)	(14.5)
Intelligent operations and other services	(26,855)	(34.9)	(27,598)	(34.0)	(18,292)	(18.4)
Total	(47,178)	(24.8)	(69,213)	(45.5)	25,297	4.8

Other Income

During the Track Record Period, our other income mainly included (i) interest income on bank deposits and contracts with significant financing components and (ii) government grants. The following table sets forth a breakdown of our other income for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Interest income on:						
— bank deposits	1,349	18.1	583	13.4	24	0.4
— contracts with significant financing components	325	4.4	220	5.0	248	3.6
Government grants	5,773	77.5	2,784	63.9	3,926	57.6
Sales of material	—	—	22	0.5	1,711	25.1
Others	—	—	748	17.2	907	13.3
Total	7,447	100.0	4,357	100.0	6,816	100.0

FINANCIAL INFORMATION

Other Gains and Losses, Net

During the Track Record Period, our other gains and losses, net mainly included (i) impairment losses recognized in respect of property, plant and equipment and investments in associates, (ii) (gain)/loss on disposal of property, plant and equipment, (iii) changes in fair value of financial assets and financial liabilities at FVTPL, and (iv) modification of redemption liabilities. The following table sets forth a breakdown of our other losses/(gains), net for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Impairment loss recognized in respect of:			
— property, plant and equipment	47,865	25,623	262
— investments in associates	—	400	109
(Gain)/loss on disposal of property, plant and equipment, net	—	(23)	1,832
Gain on early termination of leases	—	(892)	—
Changes in fair value of financial assets and financial liabilities at FVTPL	3,445	1,186	2,084
Modification of redemption liabilities	(3,152)	—	(23,392)
Others	1,428	44	(723)
Total	49,586	26,338	(19,828)

Impairment Losses (Including Reversals of Impairment Losses) on Financial Assets and Others

During the Track Record Period, our impairment losses on financial assets and others primarily included impairment losses recognized on (i) trade receivables, (ii) contract assets, (iii) amounts due from related parties of trade nature, (iv) amounts due from shareholders, (v) deposits and other receivables and (vi) financial guarantee contracts. The following table sets forth a breakdown of our impairment losses for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Impairment losses, net of reversal, recognized on:			
— Trade receivables	(79)	2,768	1,335
— Contract assets	2	—	1
— Amounts due from related parties of trade nature	30	16	13
— Amounts due from shareholders	—	13	(20)
— Deposits and other receivables	719	159	1,792
— Financial guarantee contracts	—	27,758	—
Total	672	30,714	3,121

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Research and Development Expenses

During the Track Record Period, our research and development expenses consisted of (i) staff costs, (ii) materials costs, (iii) depreciation and amortization, (iv) travel expenses, (v) technical services and outsourcing costs and (vi) others. Our research and development expenses amounted to RMB80.6 million, RMB70.2 million and RMB57.8 million in 2023, 2024 and 2025, respectively. Historically, we have made significant investments in our research and development activities. During the Track Record Period, we did not capitalize R&D expenses nor allocate them by products. The following table sets forth a breakdown of our research and development expenses in absolute amount and as a percentage of our total research and development expenses for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Staff costs	61,878	76.8	53,436	76.1	42,373	73.3
Materials costs	4,256	5.3	2,978	4.2	4,787	8.3
Depreciation and amortization	4,961	6.2	5,172	7.4	1,773	3.1
Travel expenses	4,521	5.6	3,968	5.7	2,370	4.1
Technical services and outsourcing costs	3,682	4.6	3,584	5.1	6,261	10.8
Others	1,306	1.6	1,038	1.5	235	0.4
Total	<u>80,604</u>	<u>100.0</u>	<u>70,176</u>	<u>100.0</u>	<u>57,799</u>	<u>100.0</u>

Distribution and Selling Expenses

During the Track Record Period, our distribution and selling expenses consisted of (i) staff costs, (ii) office expenses, (iii) professional and technical services, (iv) marketing and promotion expenses and (v) others. Our distribution and selling expenses amounted to RMB26.9 million, RMB29.2 million and RMB15.6 million in 2023, 2024 and 2025, respectively. The following table sets forth a breakdown of our distribution and selling expenses in absolute amount and as a percentage of our total selling expenses for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Staff costs	11,074	41.2	10,852	37.2	6,460	41.3
Office expenses	3,425	12.7	2,536	8.7	894	5.7
Professional and technical services	238	0.9	203	0.7	1,501	9.6
Marketing and promotion expenses	11,671	43.4	14,772	50.6	6,141	39.3
Others	471	1.8	816	2.8	638	4.1
Total	<u>26,879</u>	<u>100.0</u>	<u>29,179</u>	<u>100.0</u>	<u>15,634</u>	<u>100.0</u>

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Administrative Expenses

During the Track Record Period, our administrative expenses consisted of (i) staff costs, (ii) office expenses, (iii) depreciation and amortization, (iv) professional service fee, and (v) others. Our administrative expenses amounted to RMB51.7 million, RMB37.6 million and RMB42.5 million in 2023, 2024 and 2025, respectively. The following table sets forth a breakdown of our administrative expenses in absolute amount and as a percentage of our total administrative expenses for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
Staff costs	28,610	55.3	23,805	63.3	17,826	41.9
Office expenses	12,889	24.9	5,758	15.3	5,817	13.7
Depreciation and amortization	2,417	4.7	2,688	7.1	12,567	29.5
Professional service fee	5,659	10.9	3,301	8.7	5,043	11.9
Others	2,170	4.2	2,077	5.4	1,281	3.0
Total	51,745	100.0	37,629	100.0	42,534	100.0

Finance Costs

During the Track Record Period, our finance cost primarily included (i) interest on redemption liabilities, (ii) interests on borrowings, (iii) interests on payables for purchase of property, plant and equipment and (iv) interests on loans from third parties. The following table sets forth a breakdown of our finance costs for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	Amount	Amount	Amount
	<i>(RMB in thousands)</i>		
Interests on redemption liabilities	60,212	76,228	82,680
Interests on bank borrowings	3,494	5,657	7,704
Interests on payables for purchase of property, plant and equipment	2,062	1,521	626
Interests on loans from third parties	1,139	82	65
Interests on lease liabilities	366	111	324
Interests on bills discounted	—	260	166
Interest on amounts due to a shareholder	—	—	487
Finance costs	67,273	83,859	92,052

FINANCIAL INFORMATION

YEAR-TO-YEAR COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 compared with Year Ended December 31, 2024

Revenue

Our revenue increased by 246.2% from RMB152.2 million in 2024 to RMB526.9 million in 2025, primarily due to an increase in our sales of mining autonomous driving transportation solutions with Tage purpose-built trucks and mining autonomous driving transportation solutions for third-party trucks.

Mining autonomous driving transportation solutions with Tage purpose-built trucks

From 2024 to 2025, our revenue from mining autonomous driving transportation solutions with Tage purpose-built trucks increased significantly from RMB63.5 million to RMB376.2 million, primarily due to an increase in the number of customers and larger order sizes. This was supported by (i) the continued maturation of our autonomous mining wide-body trucks, which reduced the operating costs of autonomous mining operations to a level lower than that of manual operations, (ii) broader industry acceptance of autonomous mining wide-body trucks as vehicle models and related technologies became more mature, (iii) positive policy initiatives promoting intelligent mining transportation, and (iv) enhancements in our technological capabilities, which enabled large-scale operations, including the deployment and operation of fleets of over 100 autonomous mining wide-body trucks at a single mine site, thereby improving operational efficiency and stability and further strengthening customer acceptance.

Mining autonomous driving transportation solutions for third-party trucks

Our revenue from mining autonomous driving transportation solutions for third-party trucks increased significantly from RMB7.5 million in 2024 to RMB51.3 million in 2025. Revenue from this business segment is typically recognized upon project delivery and customer acceptance, and may therefore fluctuate between periods depending on the timing of project completion. The growth in 2025 was primarily attributable to the delivery and revenue recognition of certain large-scale projects during the year.

Intelligent operations and other services

Our revenue from intelligent operations and other services increased by 22.4% from RMB81.2 million in 2024 to RMB99.4 million in 2025, primarily attributable to the commencement of our Xinjiang Hami Baishihu Open-pit Coal Mine Project in 2025, which contributed significantly to mining transportation service revenue.

Cost of sales

Our cost of sales increased by 126.6% from RMB221.4 million in 2024 to RMB501.6 million in 2025, primarily attributable to the substantial expansion of our business scale and the corresponding increase in service and product delivery volume.

Mining autonomous driving transportation solutions with Tage purpose-built trucks

Our cost of sales from mining autonomous driving transportation solutions with Tage purpose-built trucks increased by 301.8% from RMB80.9 million in 2024 to RMB325.2 million in 2025. This increase was primarily in line with the rapid growth in sales volume of mining autonomous driving transportation solutions with Tage purpose-built trucks during the year.

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Mining autonomous driving transportation solutions for third-party trucks

Our cost of sales from mining autonomous driving transportation solutions for third-party trucks increased by 85.6% from RMB31.6 million in 2024 to RMB58.7 million in 2025, primarily due to the delivery and acceptance of several large-scale autonomous mining solution projects in 2025, which led to the recognition of related revenue and the corresponding cost of sales.

Intelligent operations and other services

Our cost of sales from intelligent operations and other services stayed relatively stable, increasing slightly from RMB108.8 million in 2024 to RMB117.7 million in 2025, primarily attributable to the commencement of the new transportation operation project at Xinjiang Hami Baishihu Open-pit Coal Mine Project in 2025.

Gross loss/profit and gross loss/profit margin

As a result of the foregoing, our gross loss changed from RMB69.2 million in 2024 to gross profit of RMB25.3 million in 2025. Our gross loss margin changed from 45.5% in 2024 to gross profit margin of 4.8% in 2025 primarily due to the optimization of our revenue mix, with revenue from higher-margin autonomous mining wide-body trucks increasing substantially both in absolute amount and as a percentage of total revenue.

Mining autonomous driving transportation solutions with Tage purpose-built trucks

Our gross loss of RMB17.4 million from mining autonomous driving transportation solutions with Tage purpose-built trucks in 2024 turned into a gross profit of RMB51.0 million in 2025, with the gross margin improving from a gross loss margin of 27.5% in 2024 to a gross profit margin of 13.6% in 2025. This improvement was primarily attributable to (i) the expansion of our business and increase in order volume, as the market gradually matured, which generated economies of scale and led to lower per-unit procurement costs across the supply chain, and (ii) ongoing technological iterations that optimized procurement costs across the supply chain and enhanced product standardization.

Mining autonomous driving transportation solutions for third-party trucks

Our gross loss from mining autonomous driving transportation solutions for third-party trucks decreased from RMB24.2 million in 2024 to a gross loss of RMB7.4 million in 2025, with the gross margin improving from a gross loss margin of 324.1% in 2024 to a gross loss margin of 14.5% in 2025. This was mainly due to the increasing maturity and standardization of our core algorithms and software platform, underpinned by our proprietary AI technologies, which significantly enhanced R&D efficiency, thereby shortening the delivery cycle and reducing both delivery costs and repetitive development expenses.

Intelligent operations and other services

Our gross loss from intelligent operations and other services decreased from RMB27.6 million in 2024 to RMB18.3 million in 2025, with the gross loss margin improving from 34.0% in 2024 to 18.4% in 2025. This improvement was primarily due to (i) economies of scale through higher operational volume, leading to lower per-vehicle operation and maintenance costs, and (ii) enhancements in autonomous driving technologies that reduced the frequency of manual intervention and improved operational efficiency.

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Other Income

Our other income increased by 56.4% from RMB4.4 million in 2024 to RMB6.8 million in 2025, primarily due to (i) an increase of income generated from sales of materials, which mainly comprised spare parts for autonomous driving equipment as well as scrap materials, and (ii) an increase in government grants received in 2025.

Other Gains and Losses, Net

We recorded other losses of RMB26.3 million in 2024 and other gains of RMB19.8 million in 2025, primarily due to the gain on modification of redemption liabilities, which arose from the substantial modification gain in 2025 resulting from the further deferral of the redemption rights exercise date, and the decrease in the impairment losses recognized on property, plant and equipment (net), as we found several impairment indications such as project underperformance in 2024, which resulted in larger impairment losses compared with those in 2025.

Impairment Losses on Financial Assets and Others

Our impairment losses on financial assets and others decreased significantly from RMB30.7 million in 2024 to RMB3.1 million in 2025. This substantial decrease was primarily attributable to the significant decrease in impairment losses recognized on financial guarantee contracts. The impairment loss of RMB27.8 million on the financial guarantee contract was recognized in 2024 following the occurrence of default events by the end customer. In 2025, no additional impairment loss was recognized because the loss allowance had already been fully provided in the prior year based on the expected credit loss assessment under IFRS 9, and there was no further deterioration in credit risk or new obligating events during the year. See Note 36 of the Appendix I to this document.

Research and Development Expenses

Our research and development expenses decreased by 17.6% from RMB70.2 million in 2024 to RMB57.8 million in 2025, primarily due to (i) a gradual shift toward commercialization and efficiency improvement, resulting in reduced expenses related to vehicle testing, debugging and product version validation, and (ii) the optimization of both our technological framework and R&D structure, which enhanced overall R&D efficiency and enabled us to streamline certain entry-level roles in preparation for the transition towards large model application.

Distribution and Selling Expenses

Our distribution and selling expenses decreased by 46.4% from RMB29.2 million in 2024 to RMB15.6 million in 2025, primarily due to (i) the growing market maturity and broader acceptance of our mining autonomous driving transportation solutions, which enabled us to adopt a more technology- and solution-driven sales approach and reduced the need for extensive marketing and promotional efforts, and (ii) our increased focus on key account customers and large-scale projects, which reduced the overall demand for marketing and sales resources.

Administrative Expenses

Our administrative expenses increased by 13.0% from RMB37.6 million in 2024 to RMB42.5 million in 2025, primarily due to the increase in depreciation and lease expenses, as we proactively scaled-down less profitable projects in 2024, resulting in some equipment becoming idle. The depreciation charges on these previously utilized assets continued to be recognized in 2025.

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Finance Costs

Our finance costs increased by 9.8% from RMB83.9 million in 2024 to RMB92.1 million in 2025, primarily due to an increase in interest expenses on redemption liabilities.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 52.5% from RMB344.6 million in 2024 to RMB163.7 million in 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue decreased by 20.0% from RMB190.2 million in 2023 to RMB152.2 million in 2024, primarily due to the decrease in the revenue generated from mining autonomous driving transportation solutions for third-party trucks as we proactively scaled down smaller-scale projects in 2024.

Mining autonomous driving transportation solutions with Tage purpose-built trucks

Our revenue from mining autonomous driving transportation solutions with Tage purpose-built trucks remained relatively stable at RMB66.0 million in 2023 and RMB63.5 million in 2024.

Mining autonomous driving transportation solutions for third-party trucks

From 2023 to 2024, our revenue from mining autonomous driving transportation solutions for third-party trucks decreased by 84.2% from RMB47.1 million to RMB7.5 million. This substantial decline was primarily due to our strategic adjustment in 2024, under which we reduced the number of smaller-scale projects and focused resources on larger-scale, flagship projects for major customers as well as continuous technology iteration, resulting in a lower volume of projects being delivered during the period.

Intelligent operations and other services

Our revenue from intelligent operations and other services increased by 5.4% from RMB77.0 million in 2023 to RMB81.2 million in 2024. This growth was primarily attributable to the addition of new technology and maintenance projects together with increased revenue from technology and maintenance services provided to our existing customers. We leveraged our accumulated operational experience and benchmark projects to secure more stable recurring revenue from intelligent operations services.

Cost of sales

Our cost of sales decreased by 6.7% from RMB237.4 million in 2023 to RMB221.4 million in 2024. This decrease was primarily due to our strategic adjustment, as we proactively scaled down smaller-scale projects in 2024, which led to a corresponding reduction in cost of sales.

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Mining autonomous driving transportation solutions with Tage purpose-built trucks

Our cost of sales from mining autonomous driving transportation solutions with Tage purpose-built trucks increased by 28.6% from RMB63.0 million in 2023 to RMB80.9 million in 2024. This increase was primarily due to higher per-unit costs associated with new projects, particularly the Xinjiang Hami Baishihu Open-pit Coal Mine Project delivered in 2024, which involved elevated expenses for technology validation, on-site debugging and initial operational ramp-up, despite a slight decline in revenue for the segment.

Mining autonomous driving transportation solutions for third-party trucks

Our cost of sales from mining autonomous driving transportation solutions for third-party trucks decreased by 55.1% from RMB70.6 million in 2023 to RMB31.6 million in 2024. This substantial decrease was primarily due to our proactive scaling-down of smaller-scale projects in 2024, resulting in lower project volume and corresponding cost reduction.

Intelligent operations and other services

Our cost of sales from intelligent operations and other services increased by 4.7% from RMB103.9 million in 2023 to RMB108.8 million in 2024. This increase was primarily attributable to the increase of the orders for our technology and maintenance service, as more projects entered the maintenance stage, which led to higher costs for operational maintenance and technology services.

Gross Loss and Gross Loss Margin

As a result of the foregoing, our gross loss increased by 46.7% from RMB47.2 million in 2023 to RMB69.2 million in 2024. Our gross loss margin increased from 24.8% in 2023 to 45.5% in 2024. This was mainly due to the 20.0% decline in revenue, which outpaced the 6.7% decrease in cost of sales from 2023 to 2024.

Mining autonomous driving transportation solutions with Tage purpose-built trucks

Our gross profit of RMB3.0 million from mining autonomous driving transportation solutions with Tage purpose-built trucks in 2023 turned into a gross loss of RMB17.4 million in 2024, with the gross margin decreasing from a gross profit margin of 4.6% in 2023 to a gross loss margin of 27.5% in 2024. This was primarily due to the higher on-site commissioning, customization and hardware costs incurred during the ramp-up phase of our initial large-scale delivery projects, as we prioritized successful project delivery over short-term profitability to achieve greater market penetration.

Mining autonomous driving transportation solutions for third-party trucks

Our gross loss from mining autonomous driving transportation solutions for third-party trucks increased from RMB23.4 million in 2023 to RMB24.2 million in 2024, with the gross loss margin widening from 49.6% in 2023 to 324.1% in 2024, primarily due to (i) the early stage of certain projects, which required a high degree of experimentation and customization, resulting in elevated costs, and (ii) certain projects remaining in the development and ramp-up stage, which incurred higher deployment costs prior to achieving revenue at scale.

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Intelligent operations and other services

Our gross loss from intelligent operations and other services remained relatively stable at RMB26.9 million in 2023 and RMB27.6 million in 2024, with the gross loss margin remaining relatively stable at 34.9% in 2023 and 34.0% in 2024.

Other Income

Our other income decreased by 41.5% from RMB7.4 million in 2023 to RMB4.4 million in 2024, primarily due to (i) the decrease in government grants, and (ii) the decrease in interest income on bank deposits.

Other Gains and Losses, Net

Our other losses (net) decreased by 46.9% from RMB49.6 million in 2023 and RMB26.3 million in 2024, primarily due to the decrease in impairment loss recognized in respect of property, plant and equipment. In 2023, we recorded significant impairments on long-term assets, as we found several impairment indications such as project underperformance.

Impairment Losses (including reversals of impairment losses) on Financial Assets and Others

Our impairment losses (including reversals of impairment losses) on financial assets and others increased significantly from RMB0.7 million in 2023 to RMB30.7 million in 2024, respectively, primarily due to an increase in impairment losses recognized on financial guarantee contracts in connection with guarantees provided by us.

Research and Development Expenses

Our research and development expenses decreased by 12.9% from RMB80.6 million in 2023 to RMB70.2 million in 2024, primarily due to (i) the optimization of both our technological framework and R&D structure, which enhanced overall R&D efficiency and enabled us to streamline certain entry-level roles in preparation for the transition towards large model application, and (ii) a gradual shift toward commercialization and efficiency improvement, resulting in reduced costs related to vehicle testing, debugging and product version validation.

Distribution and Selling Expenses

Our distribution and selling expenses increased by 8.6% from RMB26.9 million in 2023 to RMB29.2 million in 2024, primarily due to a higher level of marketing activities and a larger sales and marketing team in 2024 to support our business expansion and market penetration, together with enhanced brand promotion efforts.

Administrative Expenses

Our administrative expenses decreased by 27.3% from RMB51.7 million in 2023 to RMB37.6 million in 2024, primarily due to our enhanced management efficiency and strengthened cost control measures, which reduced unnecessary administrative expenditures.

Finance Costs

Our finance costs increased by 24.7% from RMB67.3 million in 2023 to RMB83.9 million in 2024, primarily due to (i) an increase in interest expenses on redemption liabilities, and (ii) an increase in interest on bank borrowings driven by increased borrowings to support business growth and working capital needs.

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Loss for the Year

As a result of the foregoing, our loss for the year increased by 10.2% from RMB312.7 million in 2023 to RMB344.6 million in 2024.

DISCUSSION OF KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Non-current assets			
Property, plant and equipment	83,238	68,373	36,693
Right-of-use assets	6,725	2,629	19,905
Intangible assets	17,403	15,637	13,155
Investments in associates	33,111	36,837	38,512
Financial assets at FVTPL	4,944	3,810	1,446
Trade and notes receivables	3,267	1,279	—
Prepayments, deposits and other receivables	10,123	9,894	7,705
Contract assets	475	—	3,265
Amounts due from related parties	1,100	2,182	—
Time deposits	20,000	—	—
Total non-current assets	180,386	140,641	120,681
Current Assets			
Inventories	53,075	92,610	56,135
Trade and notes receivables	76,136	46,781	349,355
Contract assets	2,872	3,586	1,352
Prepayments, deposits and other receivables	23,429	23,746	38,122
Notes receivables measured at fair value through other comprehensive income (“FVTOCI”)	—	198	—
Amounts due from related parties	6,456	12,045	17,038
Amounts due from shareholders	721	1,962	—
Financial assets at FVTPL	—	—	20,000
Restricted bank deposits	23,035	4,386	61,035
Cash and cash equivalents	91,670	2,855	121,914
Total current assets	277,394	188,169	664,951

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	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Current Liabilities			
Trade and notes payables	57,562	47,181	391,451
Other payables and accruals	58,942	94,573	82,260
Amounts due to related parties	7,405	13,391	16,304
Amounts due to shareholders	49	682	7,527
Contract liabilities	7,571	24,308	11,095
Lease liabilities	5,190	1,261	10,583
Redemption liabilities	—	1,054,064	—
Bank borrowings	99,002	156,292	138,148
Provisions	3,547	29,316	33,058
Financial liabilities at FVTPL	—	—	25
Deferred income	333	333	70
Total current liabilities	239,601	1,421,401	690,521
Non-current liabilities			
Other payables and accruals	25,147	2,642	2,500
Contract liabilities	—	1,209	28,673
Lease liabilities	759	1,230	599
Redemption liabilities	977,836	—	—
Bank borrowings	—	32,747	31,312
Deferred income	333	—	83
Financial liabilities at FVTPL	253	305	—
Total non-current liabilities	1,004,328	38,133	63,167
Net (Liabilities) Assets	(786,149)	(1,130,724)	31,944

Property, Plant and Equipment

Our property, plant and equipment primarily consisted of production vehicles, machinery and equipment, office equipment, computers and others, motor vehicles, construction in progress and leasehold improvements. The following table sets forth a breakdown of the net book value of our property, plant and equipment as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Production vehicles	50,487	61,973	27,134
Office equipment, computers and others	6,209	4,106	2,192
Machinery and equipment	893	864	639
Motor vehicles	2,160	1,430	762
Leasehold improvement	831	—	—
Construction in progress	22,658	—	5,966
Total	83,238	68,373	36,693

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Our property, plant and equipment decreased by 17.9% from RMB83.2 million as of December 31, 2023 to RMB68.4 million as of December 31, 2024. This decrease was primarily due to (i) impairment losses recognized on certain property, plant and equipment as impairment indicators were identified for some of our projects in 2024; and (ii) ongoing depreciation charges on our existing assets, partially offset by additions mainly for the purchase of vehicles to support our business operations. Our property, plant and equipment further decreased by 46.3% from RMB68.4 million as of December 31, 2024 to RMB36.7 million as of December 31, 2025, primarily due to a significant decrease in our production vehicles, resulting from (i) depreciation of vehicles and (ii) the disposal of certain aged and idle vehicles for asset optimization purposes.

Right-of-use Assets

Our right-of-use assets primarily consisted of leased properties, leasehold lands and production vehicles. The following table sets forth a breakdown of the carrying amount of the right-of-use assets as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Leased properties	5,449	2,629	1,507
Leasehold lands	—	—	7,810
Production vehicles	1,276	—	10,588
Total	6,725	2,629	19,905

Our right-of-use assets decreased by 60.9% from RMB6.7 million as of December 31, 2023 to RMB2.6 million as of December 31, 2024, primarily due to the decrease in leased properties and production vehicles. The decrease in leased properties was driven by the internal cost-efficiency measures, while production vehicles under lease were converted to self-owned vehicles upon the expiration of prior lease agreements. Our right-of-use assets further increased significantly from RMB2.6 million as of December 31, 2024 to RMB19.9 million as of December 31, 2025, primarily due to the addition of leasehold lands and newly leased production vehicles to support new projects in line with our business expansion.

Intangible Assets

Our intangible assets primarily consisted of software and patent. Our intangible assets decreased from RMB17.4 million as of December 31, 2023 to RMB15.6 million as of December 31, 2024 and further decreased to RMB13.2 million as of December 31, 2025, primarily due to continuous amortization. The following table sets forth a breakdown of the carrying amount of the intangible assets as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Software	2,946	2,376	1,641
Patent	14,457	13,261	11,514
Total	17,403	15,637	13,155

FINANCIAL INFORMATION

Investments in Associates

Our investments in associates consisted of investments in associates in technology service area. Our investments in associates amounted to RMB33.1 million, RMB36.8 million and RMB38.5 million as of December 31, 2023, 2024 and 2025, respectively. The increase from 2023 to 2025 was primarily attributable to the growth in profits of our associates during the same period. See Note 22 of the Appendix I to this document.

Trade and Notes Receivables

Our trade and notes receivables primarily represented (i) trade receivables, and (ii) notes receivables. The following table sets forth a breakdown of our trade and notes receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Trade receivables	72,648	38,345	348,919
Notes receivables	6,791	12,519	4,575
Less: allowance for credit losses	(36)	(2,804)	(4,139)
Total	79,403	48,060	349,355

The following table sets out an aging analysis of our trade receivables as of the date indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Within 1 year	72,648	35,558	344,952
1–2 years	—	2,787	3,160
Over 2 years	—	—	807
Total	72,648	38,345	348,919

We typically set forth the trading terms with our customers in the relevant sales contracts. During the Track Record Period, we usually grant our customers credit terms of up to 180 days. For certain projects, we have provided longer credit terms or installment-based payment arrangements for certain key customers. We seek to maintain strict control over our outstanding receivables and strictly adhere to the payment terms stipulated in the contracts. Our finance and risk control departments are responsible for minimizing credit risks. Overdue balances are reviewed regularly by senior management. To manage risks associated with trade receivables, we maintain frequent communications with our customers to ensure effective credit control. We believe that the credit risk inherent in our outstanding trade receivable balances is low.

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The following table sets forth our trade receivables turnover days for the years indicated:

	Year ended December 31,		
	2023	2024	2025
Trade receivables turnover days ⁽¹⁾	128.9	133.1	134.1

Note:

- (1) Trade receivables turnover days are calculated using the average of opening balance and closing balance of trade receivables (excluding provision for impairment) for a year divided by revenue for the relevant year and multiplied by 365 days.

Our trade receivables turnover days remained relatively stable in the Track Record Period, which were 128.9, 133.1 and 134.1 in the respective years.

As of March 31, 2026, RMB251.4 million, or 72.0% of our trade receivables as of December 31, 2025, had been settled subsequent to December 31, 2025.

Financial Assets at FVTPL

Our financial assets at FVTPL primarily consisted of unquoted equity shares and financial products issued by a bank. Our financial assets at FVTPL decreased by 22.9% from RMB4.9 million as of December 31, 2023 to RMB3.8 million as of December 31, 2024, primarily due to a decrease in the fair value of our unquoted equity shares. Our financial assets at FVTPL increased from RMB3.8 million as of December 31, 2024 to RMB21.4 million as of December 31, 2025, primarily due to changes in the scale of our operations and adjustments in cash management strategies, resulting in an increased allocation of funds to bank-issued financial products during the year.

Contract Assets

As of December 31, 2023, 2024 and 2025, our contract assets increased from RMB3.3 million to RMB3.6 million and further increased to RMB4.6 million, primarily due to an increasing number of completed projects, under which retention money is withheld in accordance with contract terms during the warranty period.

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Prepayments, Deposits and Other Receivables

Our prepayments, deposits and other receivables primarily consisted of (i) prepayments made to suppliers, (ii) other receivables, (iii) prepaid expenses, and (iv) VAT. The following table sets out a breakdown of our prepayments and other receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Current:			
Other receivables			
— Deposits	6,572	6,338	15,610
— Refunds receivable from a supplier	2,000	—	—
— Loans and advances to third parties	500	500	450
— Deferred issue cost	—	—	130
— Others	328	580	254
Less: allowance for credit losses	(3,537)	(3,690)	(5,532)
Prepayments to suppliers	783	1,361	10,496
Prepaid expenses	150	86	—
Deductible input value-added tax (“VAT”)	16,633	18,571	16,714
Subtotal	23,429	23,746	38,122
Non-current:			
Other receivables			
— Deposits	9,359	9,977	5,014
Less: allowance for credit losses	(94)	(100)	(50)
Prepayments for property, plant and equipment	858	17	2,741
Subtotal	10,123	9,894	7,705
Total	33,552	33,640	45,827

Our prepayments, deposits and other receivables remained relatively stable at RMB33.6 million as of December 31, 2023 and RMB33.6 million as of December 31, 2024. Our prepayments, deposits and other receivables further increased by 36.2% from RMB33.6 million as of December 31, 2024 to RMB45.8 million as of December 31, 2025, primarily due to the increase in prepayments to suppliers in line with our business expansion.

As of March 31, 2026, RMB2.7 million, or 5.9% of our prepayments, deposits and other receivables as of December 31, 2025, had been settled.

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Inventories

Our inventories primarily consisted of raw materials and contract fulfillment costs. The following table sets out a breakdown of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Raw materials	16,055	23,926	18,171
Contract fulfillment costs	50,830	89,434	39,012
Less: allowance for write-down	<u>(13,810)</u>	<u>(20,750)</u>	<u>(1,048)</u>
Total	<u>53,075</u>	<u>92,610</u>	<u>56,135</u>

Our inventories increased by 74.5% from RMB53.1 million as of December 31, 2023 to RMB92.6 million as of December 31, 2024, primarily due to (i) the increase in procurement of raw materials, including building up inventory in advance to ensure timely project delivery and supply; and (ii) an increase in projects under execution but not yet reaching revenue recognition milestones, resulting in the accumulation of related project implementation costs within inventories. Our inventories decreased by 39.4% from RMB92.6 million as of December 31, 2024 to RMB56.1 million as of December 31, 2025, primarily due to (i) the gradual consumption of inventories accumulated in prior periods, (ii) certain projects reaching revenue recognition milestones, which led to the transfer of the corresponding contract fulfillment costs out of inventories to cost of sales and (iii) our enhanced inventory management, including optimized inventory allocation, refined procurement cycle management and demand-driven purchasing, which collectively improved our inventory turnover.

The following table sets forth our inventory turnover days for the years indicated:

	Year ended December 31,		
	2023	2024	2025
Inventory turnover days ⁽¹⁾	94.4	148.6	62.1

Note:

- (1) Inventory turnover days are calculated using the average of opening balance and closing balance of inventories (excluding the allowance for write-down) for a year divided by cost of sales for the relevant year and multiplied by 365 days.

Our inventory turnover days increased from 94.4 days in 2023 to 148.6 days in 2024, primarily due to (i) advance procurement of certain raw materials to support the delivery of large-scale autonomous driving projects for open-pit mines amid business expansion, and (ii) longer on-site implementation and acceptance cycles for certain projects which involved a high degree of experimentation and customization, resulting in a higher inventory balance at year end. Our inventories turnover days decreased from 148.6 days in 2024 to 62.1 days in 2025, primarily due to our enhanced inventory management, including optimized inventory allocation, refined procurement cycle management and demand-driven purchasing, as well as improved delivery and acceptance efficiency following the maturation and standardization of our technical solutions.

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The following table sets forth an aging analysis of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Within one year	53,508	78,561	32,522
Over one year but less than two years	12,076	23,411	13,598
Over two years	1,301	11,388	11,063
Total	66,885	113,360	57,183

At the end of each period of the Track Record Period, we review whether individual inventory items are obsolete or stagnant and whether their net realizable value is lower than their cost. The impairment of inventory is based on the assessment of the inventory’s merchantability and its net realizable value. We have made proper inventory provision in the Track Record Period and fully considered the subsequent sales.

As of March 31, 2026, RMB3.9 million, or 7.0% of our inventories as of December 31, 2025, had been consumed or sold.

Cash and cash Equivalents

Our cash and cash equivalents decreased from RMB91.7 million as of December 31, 2023 to RMB2.9 million as of December 31, 2024. Our cash and cash equivalents increased from RMB2.9 million as of December 31, 2024 to RMB121.9 million as of December 31, 2025, primarily due to the completion of a new round of financing and the receipt of the related funds during the year, as well as the collection of payments from certain customers at the end of 2025. See “— Liquidity and Capital Resources — Cash Flow.”

Trade and Notes Payables

Our trade and notes payables primarily consisted of notes payables and trade payables, mainly representing our obligation to pay for goods or services that have been purchased from suppliers in the ordinary course of business. The following table sets out a breakdown of our trade and note payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Trade payables	47,267	47,181	368,706
Notes payables	10,295	—	22,745
Total	57,562	47,181	391,451

Our trade and notes payables decreased by 18.0% from RMB57.6 million as of December 31, 2023 to RMB47.2 million as of December 31, 2024, primarily due to the decrease in notes payables as no bank acceptance notes were issued in 2024. Our trade and notes payables increased significantly from RMB47.2 million as of December 31, 2024 to RMB391.5 million as of December 31, 2025, primarily due to a substantial increase in orders from our customers in line with our business expansion, which led to a significant rise in procurement of autonomous mining vehicles.

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The following table sets out an aging analysis of our trade payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Within 1 year	47,257	38,990	365,549
1–2 years	6	8,182	2,683
Over 2 years	4	9	474
Total	47,267	47,181	368,706

The following table sets forth our trade payables turnover days for the Track Record Period:

	Year ended December 31,		
	2023	2024	2025
Trade payables turnover days ⁽¹⁾	87.4	77.9	151.3

Note:

- (1) Trade payables turnover days are calculated using the average of opening balance and closing balance of trade payables for a year divided by cost of sales used for the relevant year and multiplied by 365 days.

Our trade payables turnover days decreased from 87.4 days in 2023 to 77.9 days in 2024, primarily because we have settled a portion of trade payables accumulated in prior periods and resulted in a lower outstanding balance of trade payables. Our trade payables turnover days increased from 77.9 days in 2024 to 151.3 days in 2025, primarily due to the rapid growth in our business volume, which resulted in higher procurement of autonomous mining vehicles, a significant portion of which was concentrated toward the end of 2025, together with more flexible payment terms granted by suppliers that did not require full upfront payments, thereby lengthening our average payment period.

As of March 31, 2026, RMB231.2 million, or 62.7% of our trade payables as of December 31, 2025, had been settled.

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Other Payables and Accruals

Our other payables and accruals primarily consisted of (i) staff costs payable, (ii) other taxes payables, (iii) payables for purchases of property, plant and equipment, (iv) payables for services fee and other expenses, (v) endorsed notes receivables that have not been derecognized and not yet due, and (vi) loans from third parties. The following table sets out a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Current:			
Staff costs payable	17,032	16,142	15,207
Other taxes payables	3,323	5,390	13,080
Payables for purchases of property, plant and equipment	24,025	53,632	35,085
Payables for services fee and other expenses	6,882	7,345	7,070
Endorsed notes receivables that have not been derecognized and not yet due	—	9,099	2,739
Loans from third parties	6,579	1,440	5,026
Accrued [REDACTED] expenses	—	—	732
Accrued issue cost	—	—	130
Others	1,101	1,525	3,191
Subtotal	58,942	94,573	82,260
Non-Current:			
Payables for purchases of property, plant and equipment	23,712	2,642	—
Loans from third parties	1,435	—	2,500
Subtotal	25,147	2,642	2,500
Total	84,089	97,215	84,760

Our other payables and accruals increased by 15.6% from RMB84.1 million as of December 31, 2023 to RMB97.2 million as of December 31, 2024. This increase was primarily due to (i) higher payables for purchases of property, plant and equipment, as we expanded our production and R&D facilities to support business growth, and (ii) an increase in endorsed notes receivable that had not been derecognized and not yet due, which arose from our increased use of notes receivable for settlement with suppliers amid higher procurement activities. Our other payables and accruals decreased by 12.8% from RMB97.2 million as of December 31, 2024 to RMB84.8 million as of December 31, 2025, primarily due to a significant reduction in payables for purchases of property, plant and equipment following the settlement of related payments, as well as the payment of other accrued expenses accumulated from prior periods.

As of March 31, 2026, RMB33.8 million, or 39.8% of our other payables and accruals as of December 31, 2025, had been settled.

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Contract Liabilities

Our contract liabilities primarily represented advance payments from our customers, which are payments collected before service is delivered. Our contract liabilities increased significantly by 237.0% from RMB7.6 million as of December 31, 2023 to RMB25.5 million as of December 31, 2024, primarily due to an increase in project orders, which led to a substantial growth in advance payments received from customers in accordance with contract terms. Our contract liabilities increased by 55.8% from RMB25.5 million as of December 31, 2024 to RMB39.8 million as of December 31, 2025, primarily due to the increase in large-scale orders, with customer advance payments increasing.

As of March 31, 2026, nil of our contract liabilities as of December 31, 2025 had been settled.

Provision

Our provisions mainly comprised litigation provisions, product warranty provisions, provisions for onerous contracts and obligation of financial guarantee contract. Litigation provisions were primarily recognized in respect of certain legal proceedings and represented our best estimate of the probable outflows arising from such matters. Product warranty provisions were recognized to cover the expected costs of after-sales services, including repairs and replacements, that may arise during the warranty period following project delivery, with the amount determined based on our historical warranty cost ratio and the value of projects completed during the relevant periods. Provisions for onerous contracts were recognized in respect of contracts where the costs of fulfilling contractual obligations exceeded the expected economic benefits to be received, and the amount provided represented the lower of the cost of fulfilling the contract and the penalties or compensation payable upon termination, being the minimum net cost of exiting such contracts. See Note 36 of the Appendix I to this Document. We recorded provision of RMB3.5 million, RMB29.3 million and RMB33.1 million as of December 31, 2023, 2024 and 2025, respectively, generally in line with our sales growth during the Track Record Period.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the years indicated:

	As of/For the year ended December 31,		
	2023	2024	2025
Revenue growth (%)	133.8	(20.0)	246.2
Gross (loss)/profit margin (%) ⁽¹⁾	(24.8)	(45.5)	4.8
Adjusted net loss margin (Non-IFRS Measure) (%) ⁽²⁾	(134.4)	(176.3)	(19.7)

Notes:

- (1) Gross (loss)/profit margin equals gross (loss)/profit divided by revenue and multiplied by 100%.
- (2) Adjusted net loss margin (Non-IFRS Measure) equals adjusted net loss (Non-IFRS Measure) for the year divided by revenue for the year and multiplied by 100%. The use of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for or superior to, the analysis of our results of operations or financial condition as reported under the IFRS Accounting Standards.

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LIQUIDITY AND CAPITAL RESOURCES

We have historically funded our cash requirements principally from proceeds from bank borrowings and capital contribution from shareholders. After the [REDACTED], we intend to finance our future capital requirements through the net [REDACTED] from the [REDACTED]. We do not anticipate any changes to the availability of financing to fund our operations in the future.

Cash Flow

The following table sets forth a summary of our cash flows for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Operating cash flows before movements in working capital	(164,846)	(166,477)	(60,761)
Net cash generated (used in)/from operating activities	(204,483)	(177,283)	37,881
Net cash generated (used in)/from investing activities	(125,028)	10,276	(108,601)
Net cash generated from financing activities	357,526	78,192	189,779
Net increase (decrease) in cash and cash equivalents	28,015	(88,815)	119,059
Cash and cash equivalents at beginning of year	63,655	91,670	2,855
Cash and cash equivalents at end of year	91,670	2,855	121,914

Net Cash Flows (Used in)/from Operating Activities

In 2025, we had net cash generated from operating activities of RMB37.9 million, which represents our loss before income tax of RMB163.6 million, as adjusted by (i) non-cash and non-operating items, primarily comprising of finance costs of RMB92.1 million and depreciation of property, plant and equipment of RMB35.1 million, and (ii) changes in working capital, primarily comprising of increase in trade and notes payables of RMB344.3 million and increase in contract liabilities of RMB14.3 million, partially offset by increase in trade and notes receivables of RMB302.4 million and increase in prepayments, deposits and other receivables of RMB11.7 million.

In 2024, we had net cash used in operating activities of RMB177.3 million, which represents our loss before tax of RMB344.6 million, as adjusted by (i) non-cash and non-operating items, primarily comprising of finance costs of RMB83.9 million and depreciation of property, plant and equipment of RMB14.4 million, and (ii) changes in working capital, primarily comprising of increase in inventories of RMB46.5 million and increase in amounts due from related parties of RMB5.3 million, partially offset by decrease in trade and notes receivables of RMB28.8 million and increase in contract liabilities of RMB17.9 million.

In 2023, we had net cash used in operating activities of RMB204.5 million, which represents our loss before income tax of RMB312.7 million, as adjusted by (i) non-cash and non-operating items, primarily comprising of finance costs of RMB67.3 million and depreciation of property, plant and equipment of RMB23.0 million, and (ii) changes in working capital, primarily comprising of decrease in trade and notes payables of RMB8.8 million and increase in prepayments, deposits and other receivables of RMB5.9 million, partially offset by increase in other payables and accruals of RMB12.0 million.

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Net Cash Flows Generated (Used in)/from Investing Activities

In 2025, we had net cash used in investing activities of RMB108.6 million, which was primarily attributable to purchase of financial assets at FVTPL of RMB20.0 million, purchase of property, plant and equipment of RMB30.1 million and placement of restricted bank deposits of RMB61.0 million, partially offset by withdrawal of restricted bank deposits of RMB4.4 million.

In 2024, our net cash flows generated from investing activities was RMB10.3 million, which was primarily attributable to withdrawal of restricted bank deposits of RMB23.0 million and collection of time deposits of RMB20.0 million, partially offset by purchase of property, plant and equipment of RMB28.2 million and placement of restricted bank deposits of RMB4.4 million.

In 2023, our net cash flows used in investing activities was RMB125.0 million, which was primarily attributable to purchase of property, plant and equipment of RMB98.5 million and placement of restricted bank deposits of RMB23.0 million and purchases of time deposits of RMB10.0 million, partially offset by proceeds on disposal of financial assets at FVTPL of RMB5.1 million.

Net Cash Flows Generated from Financing Activities

In 2025, we had net cash generated from financing activities of RMB189.8 million, which was primarily attributable to (i) new bank borrowings raised of RMB154.9 million, (ii) proceeds from series C+ investors before the Company converted into joint stock limited liability company of RMB132.5 million, (iii) proceeds from series C+ investors after the Company converted into joint stock limited liability company of RMB50.0 million, (iv) proceeds from series D investors of RMB27.3 million and (v) loans from shareholders of RMB85.5 million, partially offset by (i) repayment of bank borrowings of RMB176.3 million and (ii) repayment of loans from shareholders of RMB78.6 million.

In 2024, our net cash flows generated from financing activities were RMB78.2 million, primarily attributable to (i) new bank borrowings raised of RMB213.3 million and (ii) loans from related parties of RMB4.5 million, partially offset by (i) repayment of bank borrowings of RMB123.5 million and (ii) repayment of loans from third parties of RMB6.7 million.

In 2023, our net cash flows generated from financing activities were RMB357.5 million, primarily attributable to (i) proceeds from series C+ investors before the Company converted into joint stock limited liability company of RMB333.2 million, (ii) new bank borrowings raised of RMB119.7 million and (iii) proceeds from series C investors of RMB15.0 million, partially offset by (i) repayment of bank borrowings of RMB92.7 million and (ii) payment of issue costs related to redemption liabilities of RMB8.2 million.

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Net Current Assets

The following table sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current assets				
Inventories	53,075	92,610	56,135	91,014
Trade and notes receivables	76,136	46,781	349,355	188,155
Contract assets	2,872	3,586	1,352	1,102
Prepayments, deposits and other receivables	23,429	23,746	38,122	85,318
Notes receivables measured at FVTOCI	—	198	—	—
Amounts due from related parties	6,456	12,045	17,038	3,690
Amounts due from shareholders	721	1,962	—	—
Financial assets at FVTPL	—	—	20,000	—
Restricted bank deposits	23,035	4,386	61,035	62,988
Cash and cash equivalents	91,670	2,855	121,914	132,088
Total current assets	277,394	188,169	664,951	564,355
Current liabilities				
Trade and notes payables	57,562	47,181	391,451	190,757
Other payables and accruals	58,942	94,573	82,260	97,288
Amounts due to related parties	7,405	13,391	16,304	4,738
Amounts due to shareholders	49	682	7,527	—
Contract liabilities	7,571	24,308	11,095	12,346
Lease liabilities	5,190	1,261	10,583	7,405
Redemption liabilities	—	1,054,064	—	—
Bank borrowings	99,002	156,292	138,148	140,511
Provisions	3,547	29,316	33,058	32,578
Financial liabilities at FVTPL	—	—	25	—
Deferred income	333	333	70	67
Total current liabilities	239,601	1,421,401	690,521	485,690
Net current assets/(liabilities)	37,793	(1,233,232)	(25,570)	78,665

Our net current assets of RMB37.8 million as of December 31, 2023 changed to net current liabilities of RMB1,233.2 million as of December 31, 2024, primarily due to a substantial increase in our current liabilities, in particular redemption liabilities, bank borrowings, contract liabilities, other payables and accruals, and provisions. Such decrease was partially offset by the increase in certain current assets, mainly attributable to higher inventories and higher amounts due from related parties, despite a notable decrease in cash and cash equivalents and restricted bank deposits.

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Our net current liabilities of RMB1,233.2 million as of December 31, 2024 decreased to RMB25.6 million as of December 31, 2025, primarily due to a significant increase in our current assets, in particular trade and notes receivables, prepayments, deposits and other receivables, financial assets at FVTPL, restricted bank deposits and cash and cash equivalents. Such improvement was partially offset by the increase in trade and notes payables, despite notable decreases in redemption liabilities, other payables and accruals, bank borrowings and contract liabilities.

Our net current liabilities of RMB25.6 million as of December 31, 2025 changed to net current assets of RMB78.7 million as of March 31, 2026, primarily due to a significant decrease in our current liabilities, in particular trade and notes payables, amounts due to related parties and amounts due to shareholders. Such improvement was partially offset by the decrease in certain current assets, mainly trade and notes receivables, financial assets at FVTPL and amounts due from related parties, despite increases in prepayments, deposits and other receivables, and inventories.

INDEBTEDNESS

As of December 31, 2023, 2024 and 2025 and March 31, 2026, our indebtedness included bank borrowings, lease liabilities, redemption liabilities, amounts due to related parties of non trade nature, and amounts due to shareholders and other payables and accruals with interest bearing.

The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current				
Bank borrowings	99,002	156,292	138,148	140,511
Lease liabilities	5,190	1,261	10,583	7,405
Redemption liabilities	—	1,054,064	—	—
Amounts due to related parties				
— non trade	358	4,650	4,766	4,645
Amounts due to shareholders				
— non trade	49	682	7,527	—
Other payables and accruals with interest bearing	27,077	21,978	4,699	2,000
Non-current				
Bank borrowings	—	32,747	31,312	33,327
Lease liabilities	759	1,230	599	753
Redemption liabilities	977,836	—	—	—
Other payables and accruals with interest bearing	24,615	2,642	2,500	2,000
Total	1,134,886	1,275,546	200,134	190,641

Except for our indebtedness as disclosed above as of December 31, 2023, 2024 and 2025 and March 31, 2026, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), or acceptance credits, which were either guaranteed or unguaranteed, secured or unsecured.

FINANCIAL INFORMATION

Bank Borrowings

As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had borrowings of RMB99.0 million, RMB189.0 million, RMB169.5 million and RMB173.8 million, respectively, mainly representing bank loans primarily to supplement our working capital. Our borrowings are all denominated in Renminbi. The effective interest rate on our bank loans ranged from 2.7% to 5.2% during the Track Record Period. As of March 31, 2026, our committed unutilized facilities from banks and other financial institutions amounted to RMB95.6 million. The following table sets forth our interest-bearing borrowings as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
				(unaudited)
				(RMB in thousands)
Non-current bank borrowings	—	32,747	31,312	33,327
Current bank borrowings	99,002	156,292	138,148	140,511
Total borrowings	99,002	189,039	169,460	173,838

Our Directors confirm that, there was no material covenant on any of our outstanding debt as of the Latest Practicable Date, and there was no breach of any covenants during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that we did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Lease Liabilities

As of December 31, 2023, 2024 and 2025 and March 31, 2026, our total lease liabilities (including current and non-current portions) amounted to RMB5.9 million, RMB2.5 million, RMB11.2 million and RMB8.2 million, respectively.

Our total lease liabilities decreased by 58.1% from RMB5.9 million as of December 31, 2023 to RMB2.5 million as of December 31, 2024, primarily in relation to the expiration of certain leased properties. Our total lease liabilities further increased significantly by 348.9% from RMB2.5 million as of December 31, 2024 to RMB11.2 million as of December 31, 2025, primarily due to addition of leased production vehicles in line with our business expansion. Our total lease liabilities decreased from RMB11.2 million to RMB8.2 million, respectively, as of December 31, 2025 to March 31, 2026.

Redemption Liabilities

The redemption rights granted to the investors constitute as our obligations to repurchase our own equity instruments. These obligations were recognized as redemption liabilities which are initially measured at fair value and subsequently measured at amortized cost. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our total redemption liabilities (including current and non-current portions) amounted to RMB977.8 million, RMB1,054.1 million, nil and nil, respectively. See Note 34 to the Accountants’ Report in Appendix I to this document.

FINANCIAL INFORMATION

Amounts due to related parties — non trade

Our amounts due to related parties (non trade) primarily represent advance from related parties. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our amounts due to related parties amounted to RMB0.4 million, RMB4.7 million, RMB4.8 million and RMB4.6 million, respectively. The increase during the Track Record Period was mainly attribute to the increased funding requirement during the period of business expansion. See Note 46 to the Accountants’ Report in Appendix I to this document.

Amounts due to shareholders — non trade

Our amounts due to shareholders (non trade) primarily represent temporary funding support or advances provided by our shareholders. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our amounts due to shareholders amounted to RMB0.05 million, RMB0.7 million, RMB7.5 million and nil, respectively. The increase during the Track Record Period was mainly attribute to the increased funding requirement during the period of business expansion. The amounts have been settled in 2026. See Note 46 to the Accountants’ Report in Appendix I to this document.

Other payables and accruals with interest bearing

As of December 31, 2023, 2024 and 2025 and March 31, 2026, our other payables and accruals with interest bearing (including current and non-current portions) amounted to RMB51.7 million, RMB24.6 million, RMB7.2 million and RMB4.0 million, respectively. Our other payables and accruals with interest bearing decreased by 52.4% from RMB51.7 million as of December 31, 2023 to RMB24.6 million as of December 31, 2024, primarily due to the continued repayment of interest-bearing payables, in particular loans from third parties and certain payables for purchases of property, plant and equipment as they fell due. Such balance further decreased significantly by 70.8% from RMB24.6 million as of December 31, 2024 to RMB7.2 million as of December 31, 2025, primarily attributable to the further repayment of the remaining interest-bearing payables for purchases of property, plant and equipment, as our capital expenditures moderated and related payables were substantially settled during the year. Our other payables and accruals with interest bearing further decreased by 44.4% from RMB7.2 million as of December 31, 2025 to RMB4.0 million as of March 31, 2026, mainly due to the continued repayment of the residual interest-bearing payables.

No Other Outstanding Indebtedness

Save as disclosed above, we did not have outstanding indebtedness or any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance leases or hire purchase commitments, guarantees or other contingent liabilities or any covenant in connection therewith as of March 31, 2026, being our indebtedness statement date. After due and careful consideration, our Directors confirm that, up to the date of this document, there has been no material change in our indebtedness since March 31, 2026.

CONTINGENT LIABILITIES

Save as disclosed above, as of December 31, 2023, 2024, 2025 and March 31, 2026, we did not have any material contingent liabilities.

FINANCIAL INFORMATION

CAPITAL EXPENDITURES

During the Track Record Period, our capital expenditures primarily consisted of purchase of property, plant and equipment, purchase of intangible assets and payments for right-of-use assets. The table below sets forth our capital expenditure for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Purchase of property, plant and equipment	(98,545)	(28,216)	(30,078)
Purchase of intangible assets	(1,971)	(524)	—
Payments for right-of-use assets	—	—	(7,849)
Total	<u>(100,516)</u>	<u>(28,740)</u>	<u>(37,927)</u>

In 2023, 2024 and 2025, our capital expenditures were RMB100.5 million, RMB28.7 million and RMB37.9 million, respectively. We funded these expenditures mainly with cash generated from our financing activities.

Following the [REDACTED], we will continue to incur capital expenditures to grow our business. We plan to fund our planned capital expenditures primarily with cash flows generated from bank borrowings, and the net [REDACTED] received from the [REDACTED]. See “Future Plans and Use of [REDACTED].” We may adjust our capital expenditures for any given year according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CAPITAL COMMITMENTS

During the Track Record Period, we had capital commitments of nil, nil and RMB22.7 million as of December 31, 2023, 2024 and 2025, respectively.

RELATED PARTY TRANSACTIONS

For details about our related party transactions during the Track Record Period, see Note 46 of the Accountant’s Report included in Appendix I to this document.

Our Directors are of the view that each of the related party transactions set out in Note 46 to the Accountant’s Report included in Appendix I to this document was conducted in the ordinary course of business on an arm’s-length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or make our historical results not reflective of our future performance.

FINANCIAL INFORMATION

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners’ equity. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or research and development services with us.

FINANCIAL RISKS MANAGEMENT

We are exposed to a variety of financial risks, including market risk, credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. See Note 43 of the Accountant’s Report included in Appendix I to this document.

DIVIDENDS

No dividend was paid or declared by our Company or other entities comprising our Group during the Track Record Period and as of the date of this document. 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. 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.

WORKING CAPITAL CONFIRMATION

Our Directors are of the opinion that, taking into account the net [REDACTED] from the [REDACTED] and the financial resources available to us, including our future operating cash flows in respective years, cash and cash equivalents, financial assets at FVTPL, time deposits, restricted bank deposits and available equity financing, we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this document. Our Directors confirm that we had no material defaults on trade and non-trade payables and borrowings, nor did we breach any covenants during the Track Record Period and up to the date of this document.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

FINANCIAL INFORMATION

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] commissions and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] expenses will be approximately RMB[REDACTED] (assuming no exercise of the [REDACTED]), representing [REDACTED] of the gross [REDACTED] (assuming that the [REDACTED] is not exercised) of the [REDACTED]. During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED], of which RMB[REDACTED] was charged to the consolidated statements of profit or loss, while the remaining amount of RMB[REDACTED] is directly attributable to the issuance of Shares and will be charged to equity upon completion of the [REDACTED]. We expect to incur [REDACTED] expenses of approximately RMB[REDACTED], of which approximately RMB[REDACTED] is expected to be recognized in the consolidated statements of profit or loss and approximately RMB[REDACTED] is expected to be recognized as a deduction in equity directly upon the [REDACTED]. Our Directors do not expect such expenses to materially impact our results of operations in 2025. By nature, our [REDACTED] expenses are comprised of (i) [REDACTED] related expenses of approximately RMB[REDACTED], and (ii) non-[REDACTED] related expenses of approximately RMB[REDACTED], which consist of fees and expenses of legal advisors and Reporting Accountants of approximately RMB[REDACTED] and other fees and expenses of approximately RMB[REDACTED].

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix II — Unaudited [REDACTED] Financial Information.”

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since December 31, 2025, that would materially affect the information as set out in the Accountant’s Report in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

See “Business — Our Strategies” in this document for a detailed description of our future plans.

USE OF [REDACTED]

Assuming that the [REDACTED] is not exercised, after deducting the [REDACTED] commissions and other estimated [REDACTED] expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED]. We intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for the further development of our R&D over the next five years, including:
 - (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to further strengthen our core AI large model algorithm capabilities, with an aim to deepen our technological moat and maintain our industry-leading product competitiveness and technological advantage. Specifically, we plan to (i) develop our end-to-end autonomous driving large model: continuously exploring new algorithmic approaches to enhance end-to-end autonomous driving algorithm performance, achieve large-scale mixed fleet operations and address long-tail scenarios arising from harsh operating environments and complex traffic conditions in mining areas, thereby comprehensively ensuring safety; (ii) develop our cloud-based multi-agent intelligent scheduling large model: achieving coverage of new business scenarios by our cloud scheduling large model algorithm and continuously enhancing algorithm performance, enabling real-time dynamic scheduling and predictive traffic flow management for large-scale fleets, reducing road congestion and intersection queuing, maintaining optimal truck-to-shovel ratios, reducing vehicle idle input and improving operational efficiency; and (iii) develop our equipment full-lifecycle health management large model: achieving diagnostic coverage for an increasing range of vehicle components and gradually extending full-lifecycle health management to various types of mining and engineering equipment, thereby improving equipment utilization and reducing customer operating costs. In addition, we will further strengthen our core AI large model algorithm R&D team by recruiting high-end algorithm talent, including experienced end-to-end algorithm and large language model algorithm R&D personnel and collaborating with leading domestic universities and research institutions on cutting-edge algorithm research.
 - (ii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to invest in application scenario expansion development, with an aim to provide in-depth customization development and technical services for domestic and international customers, enhance our products’ adaptability across different application scenarios and vehicle models, and comprehensively improve customer satisfaction. Specifically, we plan to (i) deepen our mine application scenario R&D: continuously enhancing the system’s adaptability to mining scenarios, improving collaboration efficiency between autonomous vehicles and other equipment, enhancing operational fluidity at loading and unloading points, upgrading autonomous driving kits, developing more reliable positioning and communication technologies to adapt to different operational processes and extreme working conditions in domestic and international mining areas; and developing all-terrain self-learning vehicle control algorithms to reduce fuel consumption and tire wear, thereby lowering customer operating costs; (ii)

FUTURE PLANS AND USE OF [REDACTED]

adapt and develop for new off-mine business scenarios, such as migrating our autonomous mining transportation solutions to off-mine application scenarios, developing new transportation operation coordination technologies, vehicle-infrastructure cooperative management solutions, and adapting autonomous driving kits and algorithms for new vehicle models; and (iii) develop our intelligent operation and maintenance system: developing large model-based AI operation and maintenance platforms and training systems, providing customers with comprehensive training and intelligent assistance for production management, scheduling and operation and maintenance, thereby improving system ease-of-use. In addition, we will upgrade our deep customization R&D team by recruiting high-end talent with extensive engineering experience in product design, software development, hardware integration, product design and vehicle design.

- (iii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to develop our fundamental R&D support technologies. Specifically, we plan to (i) collaborate with OEMs in the joint design of bidirectional cab-less autonomous mining trucks, enabling operations in ultra-narrow working areas, transforming mining production processes and substantially improving operational efficiency; (ii) conduct functional safety development and certification: performing system safety design and development in accordance with functional safety and safety of the intended functionality standards, and conducting process and product safety certification based on the requirements of different domestic and international customers; (iii) build high-fidelity, digital twin-based full-condition simulation and validation platforms to substantially shorten algorithm testing and validation cycles; and (iv) upgrade AI development toolchains, build data closed-loop systems and automated testing frameworks to enhance software development efficiency and quality. In addition, we will upgrade our fundamental R&D support technology team by recruiting high-end talent with expertise in simulation development, data closed-loop development and vehicle design.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for improving our commercialization capabilities in China and overseas and further strengthening our cooperation with domestic and global customers, including:
 - (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to establish localized teams in selected overseas markets, including Central Asia, Africa and Australia, to advance our international expansion strategy. Specifically, we plan to (i) expand overseas sales channels and networks through the recruitment of experienced local sales professionals, (ii) form localized overseas service teams covering functions such as operations, engineering, delivery and on-site technical support, to facilitate the integration of vehicles, technologies and operation and maintenance, (iii) invest in overseas public relations and marketing activities to support brand promotion and market expansion, and (iv) pursue product and technology certification and intellectual property certification.
 - (ii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to enhance our sales, marketing and delivery capabilities in the PRC. Specifically, we plan to (i) recruit experienced sales and marketing professionals to strengthen our teams and expand our sales and service network, deepen our presence in core regions such as Inner Mongolia and Xinjiang while expanding into emerging mining regions such as Shaanxi and Qinghai to improve service quality and product customization capabilities; (ii) increase our participation in exhibitions, forums and other branding activities to enhance market awareness; and (iii) recruit solution

FUTURE PLANS AND USE OF [REDACTED]

technology experts to strengthen pre-sales integration and ensure our technical support capabilities scale in line with business growth and meet the deployment requirements of our large-scale projects.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for potential investment, and merger and acquisition opportunities aimed at further integrating upstream and downstream resources in our industry chain. We will strategically seek appropriate investment and M&A opportunities to expand our business both upstream and downstream within the industry chain, with a view to effectively integrating our business resources, ensuring supply chain stability and enhancing our delivery capabilities across various application scenarios. Our potential investment and acquisition targets include (i) upstream suppliers with robust R&D and production capabilities in core sensors, wire-controlled chassis and other key hardware and software components for autonomous driving, and (ii) downstream service operators with strong delivery capabilities in mining autonomous driving operations. Through such strategic investments and acquisitions, we aim to secure key technologies, broaden our business scope and further integrate our business resources. According to CIC, as our potential targets span across upstream and downstream value-chain segments, such broad market landscape provides us with a diversified pool of opportunities for strategic collaborations, investments or acquisitions. However, the implementation of any such plans will be subject to, among others, market conditions, the availability of suitable targets and the outcome of commercial negotiations. As of the Latest Practicable Date, we had not identified any particular acquisition target.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be employed as working capital and for general corporate uses.

If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the high-end of the [REDACTED] range stated in this document), we will receive additional net [REDACTED] of approximately HK\$[REDACTED]. If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the low-end of the [REDACTED] range stated in this document), the net [REDACTED] will be reduced by approximately HK\$[REDACTED]. To the extent our net [REDACTED] are either more or less than expected, we will adjust our allocation of the net [REDACTED] for the above purposes on a pro-rata basis.

The additional net [REDACTED] that we would receive if the [REDACTED] were exercised in full would be approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share). The additional amount raised will be applied to the above areas of use of [REDACTED] on a pro rata basis.

To the extent that the net [REDACTED] from the [REDACTED] are either more or less than expected, we will adjust our allocation of the net [REDACTED] for the above purposes on a pro rata basis.

To the extent that the net [REDACTED] of the [REDACTED] are not immediately used for the above purposes, we will only deposit the net [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would hinder the development of any of our projects, or the occurrence of force majeure events, the Directors will carefully evaluate the situation and may reallocate the net [REDACTED] from the [REDACTED].

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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STRUCTURE OF THE [REDACTED]

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[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report set out on pages I-1 to I-[94], received from the Company’s reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.



ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF TAGE IDRIVER TECHNOLOGY CO., LTD. AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Tage iDriver Technology Co., Ltd. (踏歌智行科技股份有限公司, the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-[3] to I-[94], which comprises the consolidated statements of financial position of the Group as at December 31, 2023, 2024 and 2025, the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the three years ended December 31, 2025 (the “Track Record Period”) and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-[3] to [I-94] forms an integral part of this report, which has been prepared for inclusion in this Document of the Company dated [●], 2026 (the “Document”) in connection with the initial [REDACTED] of shares of the Company on the [REDACTED] of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company (the “Directors”) are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the Directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants. This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also

APPENDIX I**ACCOUNTANTS’ REPORT**

included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the Group’s financial position as at December 31, 2023, 2024 and 2025, of the Company’s financial position as at December 31, 2023, 2024 and 2025 and of the Group’s financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance***Adjustments***

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[3] have been made.

Dividends

We refer to Note 17 to the Historical Financial Information which states that no dividend was declared or paid by the Company and its subsidiaries in respect of the Track Record Period.

[Deloitte Touche Tohmatsu]
Certified Public Accountants
Hong Kong
[Date]

APPENDIX I

ACCOUNTANTS’ REPORT

HISTORICAL FINANCIAL INFORMATION OF THE GROUP**Preparation of Historical Financial Information**

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by International Accounting Standards Board (the “IASB”) and were audited by us in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (the “Underlying Financial Statements”).

The Historical Financial Information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended December 31,		
		2023	2024	2025
	Notes	RMB’000	RMB’000	RMB’000
Revenue	6	190,189	152,175	526,875
Cost of sales		(237,367)	(221,388)	(501,578)
Gross (loss) profit		(47,178)	(69,213)	25,297
Other income	7	7,447	4,357	6,816
Impairment losses (including reversals of impairment losses) on financial assets and others	8	(672)	(30,714)	(3,121)
Other gains and losses, net	9	(49,586)	(26,338)	19,828
Distribution and selling expenses		(26,879)	(29,179)	(15,634)
Administrative expenses		(51,745)	(37,629)	(42,534)
Research and development expenses		(80,604)	(70,176)	(57,799)
Other expenses	10	(1,484)	(7,537)	(7,459)
[REDACTED] expenses		—	—	(732)
Finance costs	11	(67,273)	(83,859)	(92,052)
Share of results of associates	22	5,278	5,716	3,773
Loss before tax		(312,696)	(344,572)	(163,617)
Income tax expense	12	—	(3)	(42)
Loss and total comprehensive expense for the year	13	<u>(312,696)</u>	<u>(344,575)</u>	<u>(163,659)</u>
Loss and total comprehensive expense for the year attributable to:				
Owners of the Company		(312,685)	(344,528)	(163,659)
Non-controlling interests		<u>(11)</u>	<u>(47)</u>	<u>—</u>
		<u>(312,696)</u>	<u>(344,575)</u>	<u>(163,659)</u>
Loss per share				
Basic (RMB)	16	(20.62)	(21.97)	(8.97)
Diluted (RMB)	16	<u>(20.62)</u>	<u>(21.97)</u>	<u>(8.97)</u>

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at December 31,		
		2023	2024	2025
	Notes	RMB'000	RMB'000	RMB'000
Non-current Assets				
Property, plant and equipment	18	83,238	68,373	36,693
Right-of-use assets	19	6,725	2,629	19,905
Intangible assets	20	17,403	15,637	13,155
Investments in associates	22	33,111	36,837	38,512
Financial assets at fair value through profit or loss (“FVTPL”)	28	4,944	3,810	1,446
Trade and notes receivables	24	3,267	1,279	—
Prepayments, deposits and other receivables	27	10,123	9,894	7,705
Contract assets	26	475	—	3,265
Amounts due from related parties	46	1,100	2,182	—
Time deposits	29	20,000	—	—
		180,386	140,641	120,681
Current Assets				
Inventories	23	53,075	92,610	56,135
Trade and notes receivables	24	76,136	46,781	349,355
Contract assets	26	2,872	3,586	1,352
Prepayments, deposits and other receivables	27	23,429	23,746	38,122
Notes receivables measured at fair value through other comprehensive income (“FVTOCI”)		—	198	—
Amounts due from related parties	46	6,456	12,045	17,038
Amounts due from shareholders	46	721	1,962	—
Financial assets at FVTPL	28	—	—	20,000
Restricted bank deposits	29	23,035	4,386	61,035
Cash and cash equivalents	29	91,670	2,855	121,914
		277,394	188,169	664,951

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	<i>Notes</i>	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Current Liabilities				
Trade and notes payables	30	57,562	47,181	391,451
Other payables and accruals	31	58,942	94,573	82,260
Amounts due to related parties	46	7,405	13,391	16,304
Amounts due to shareholders	46	49	682	7,527
Contract liabilities	32	7,571	24,308	11,095
Lease liabilities	33	5,190	1,261	10,583
Redemption liabilities	34	—	1,054,064	—
Bank borrowings	35	99,002	156,292	138,148
Provisions	36	3,547	29,316	33,058
Financial liabilities at FVTPL		—	—	25
Deferred income		333	333	70
		<u>239,601</u>	<u>1,421,401</u>	<u>690,521</u>
Net Current Assets (Liabilities)		<u>37,793</u>	<u>(1,233,232)</u>	<u>(25,570)</u>
Total Assets less Current Liabilities		<u>218,179</u>	<u>(1,092,591)</u>	<u>95,111</u>
Non-current Liabilities				
Other payables and accruals	31	25,147	2,642	2,500
Contract liabilities	32	—	1,209	28,673
Lease liabilities	33	759	1,230	599
Redemption liabilities	34	977,836	—	—
Bank borrowings	35	—	32,747	31,312
Deferred income		333	—	83
Financial liabilities at FVTPL		253	305	—
		<u>1,004,328</u>	<u>38,133</u>	<u>63,167</u>
Net (Liabilities) Assets		<u>(786,149)</u>	<u>(1,130,724)</u>	<u>31,944</u>
Capital and Reserves				
Paid-in capital/share capital	37	58,201	58,201	61,831
Reserves		<u>(844,273)</u>	<u>(1,188,801)</u>	<u>(29,763)</u>
(Deficits) Equity attributable to:				
Owners of the Company		(786,072)	(1,130,600)	32,068
Non-controlling interests		<u>(77)</u>	<u>(124)</u>	<u>(124)</u>
Total (Deficits) Equity		<u>(786,149)</u>	<u>(1,130,724)</u>	<u>31,944</u>

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STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at December 31,		
		2023	2024	2025
	Notes	RMB'000	RMB'000	RMB'000
Non-current Assets				
Property, plant and equipment	18	37,864	41,338	16,083
Right-of-use assets	19	6,305	2,364	11,934
Intangible assets	20	17,335	15,585	13,117
Investments in associates	22	33,111	36,837	38,512
Interests in subsidiaries	48	—	—	10,000
Financial assets at FVTPL	28	4,944	3,810	1,446
Trade and notes receivables	24	3,267	1,279	—
Contract assets	26	475	—	3,265
Prepayments, deposits and other receivables	27	4,132	5,381	5,180
Amounts due from related parties	46	1,100	2,182	—
Time deposits	29	20,000	—	—
		128,533	108,776	99,537
Current Assets				
Inventories	23	44,999	79,773	51,680
Trade and notes receivables	24	23,616	25,584	338,775
Contract assets	26	1,455	1,780	937
Prepayments, deposits and other receivables	27	12,869	7,098	16,063
Notes receivables measured at FVTOCI		—	198	—
Amounts due from related parties	46	6,456	3,826	4,399
Amounts due from shareholders	46	719	1,962	—
Financial assets at FVTPL	28	—	—	20,000
Restricted bank deposits	29	23,035	2,383	60,925
Cash and cash equivalents	29	75,970	1,572	89,760
		189,119	124,176	582,539

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		As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
	Notes			
Current Liabilities				
Trade and notes payables	30	34,702	33,171	391,127
Other payables and accruals	31	29,783	55,645	56,528
Amounts due to related parties	46	7,047	—	2,797
Amounts due to a subsidiary	46	—	2,253	2,253
Amounts due to shareholders	46	—	657	7,527
Contract liabilities	32	7,571	24,308	11,095
Lease liabilities	33	5,038	1,157	10,486
Redemption liabilities	34	—	1,054,064	—
Bank borrowings	35	98,502	156,292	128,148
Provisions	36	1,996	26,911	28,847
Financial liabilities at FVTPL		—	—	25
Deferred income		—	—	67
		<u>184,639</u>	<u>1,354,458</u>	<u>638,900</u>
Net Current Assets (Liabilities)		<u>4,480</u>	<u>(1,230,282)</u>	<u>(56,361)</u>
Total Assets less Current Liabilities		<u>133,013</u>	<u>(1,121,506)</u>	<u>43,176</u>
Non-current Liabilities				
Other payables and accruals	31	1,435	—	2,500
Contract liabilities	32	—	1,209	28,673
Lease liabilities	33	557	1,133	599
Redemption liabilities	34	977,836	—	—
Bank borrowings	35	—	32,747	31,312
Deferred income		—	—	83
Financial liabilities at FVTPL		<u>253</u>	<u>305</u>	<u>—</u>
		<u>980,081</u>	<u>35,394</u>	<u>63,167</u>
Net Liabilities		<u>(847,068)</u>	<u>(1,156,900)</u>	<u>(19,991)</u>
Capital and Reserves				
Paid-in capital/share capital	37	58,201	58,201	61,831
Reserves	49	<u>(905,269)</u>	<u>(1,215,101)</u>	<u>(81,822)</u>
Total Deficits		<u>(847,068)</u>	<u>(1,156,900)</u>	<u>(19,991)</u>

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company						Non-controlling interests	Total
	Paid-in capital	Share capital	Shares held under share incentive plan	Capital and other reserves	Accumulated losses	Subtotal		
	RMB’000 (Note i)	RMB’000 (Note 37)	RMB’000 (Note 38)	RMB’000 (Note ii)	RMB’000	RMB’000	RMB’000	RMB’000
As at January 1, 2023	49,009	—	(5,828)	(19,985)	(497,715)	(474,519)	—	(474,519)
Loss and total comprehensive expense for the year	—	—	—	—	(312,685)	(312,685)	(11)	(312,696)
Capital injection by ordinary shareholders	1,066	—	—	—	—	1,066	—	1,066
Capital injection from a share incentive platform	1,781	—	(1,781)	—	—	—	—	—
Capital injection by series C investments (Note 34)	292	—	—	14,708	—	15,000	—	15,000
Capital injection by series C+ investments (Note 34)	6,053	—	—	342,183	—	348,236	—	348,236
Recognition of redemption liabilities for the redemption rights newly granted to series C and series C+ investors (Note 34)	—	—	—	(363,236)	—	(363,236)	—	(363,236)
Transfer shares of a subsidiary to non-controlling interests	—	—	—	66	—	66	(66)	—
As at December 31, 2023	58,201	—	(7,609)	(26,264)	(810,400)	(786,072)	(77)	(786,149)
Loss and total comprehensive expense for the year	—	—	—	—	(344,528)	(344,528)	(47)	(344,575)
As at December 31, 2024	58,201	—	(7,609)	(26,264)	(1,154,928)	(1,130,600)	(124)	(1,130,724)
Loss and total comprehensive expense for the year	—	—	—	—	(163,659)	(163,659)	—	(163,659)
Transfer of treasury shares to an external investor (Note iii)	—	—	1,280	3,120	—	4,400	—	4,400
Capital injection by series C+ investments before the Company converted into joint stock limited liability company (Note 34)	2,303	—	—	130,197	—	132,500	—	132,500
Recognition of redemption liabilities for the redemption rights newly granted to series C+ investors (Note 34)	—	—	—	(132,500)	—	(132,500)	—	(132,500)
Transfer of redemption liabilities to equity and restructure the Company into a joint stock limited company (Note 34)	(60,504)	60,504	—	582,043	662,609	1,244,652	—	1,244,652
Issue shares for series C+ investments after the Company converted into joint stock limited liability company (Note 34)	—	869	—	49,131	—	50,000	—	50,000
Issue shares for series D investments (Note 34)	—	458	—	26,817	—	27,275	—	27,275
As at December 31, 2025	—	61,831	(6,329)	632,544	(655,978)	32,068	(124)	31,944

Notes:

- To the Historical Financial Information, the paid-in capital of the Group represents the paid-in capital of the Company before it was converted into joint stock limited liability company.
- Capital and other reserves include share premium and other reserves arising from the recognition of redemption liabilities for the redemption rights and the transfer of shares of a subsidiary to non-controlling interests.
- During the year ended December 31, 2025, the Company transferred 1,280,000 shares at RMB1 per unit held under share incentive plan to an external investor with the consideration of RMB4,400,000, with RMB3,120,000 recognized in capital and other reserves.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Operating activities			
Loss before tax	(312,696)	(344,572)	(163,617)
Adjustments for:			
Interest income	(1,674)	(803)	(272)
Finance costs	67,273	83,859	92,052
Depreciation of property, plant and equipment	22,979	14,439	35,130
Depreciation of right-of-use assets	6,781	5,517	7,182
Amortization of intangible assets	1,034	2,290	2,482
(Gain) loss on disposal of property, plant and equipment, net	—	(23)	1,832
Gain on early termination of leases	—	(892)	—
Share of results of associates	(5,278)	(5,716)	(3,773)
Impairment losses (including reversals of impairment losses) on financial assets and others	672	30,714	3,121
Impairment loss recognized on property, plant and equipment	47,865	25,623	262
Impairment loss on investments in associates	—	400	109
Write-down (reversal of write-down) of inventories	3,477	6,940	(19,702)
Additional provisions provided in the year	4,428	4,371	5,741
Changes in fair value of financial assets and financial liabilities at FVTPL	3,445	1,186	2,084
Modification of redemption liabilities (<i>Note 34</i>)	(3,152)	—	(23,392)
Transfer of construction in progress to cost of sales	—	10,190	—
Operating cash flows before movements in working capital	(164,846)	(166,477)	(60,761)
(Increase) decrease in inventories	(10,668)	(46,475)	56,040
(Increase) decrease in trade and notes receivables	(12,308)	28,795	(302,382)
Increase in prepayments, deposits and other receivables	(5,863)	(1,088)	(11,743)
Increase in contract assets	(2,351)	(239)	(1,032)
Increase in amounts due from related parties	(6,409)	(5,327)	(4,184)
(Increase) decrease financial assets at FVTOCI	—	(198)	198
Decrease in deferred income	(2,753)	(333)	(180)
(Decrease) increase in contract liabilities	(544)	17,946	14,251
(Decrease) increase in trade and notes payables	(8,826)	(10,381)	344,270
Increase in other payables and accruals	11,981	11,163	2,648
Decrease in provisions	(1,323)	(6,360)	(1,999)
(Decrease) increase in amounts due to related parties	(573)	1,694	2,797
Cash (used in) generated from operations	(204,483)	(177,280)	37,923
Income taxes paid	—	(3)	(42)
Net cash (used in) from operating activities	(204,483)	(177,283)	37,881

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	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Investing activities			
Interest received	1,349	583	24
Purchase of financial assets at FVTPL	—	—	(20,000)
Proceeds on disposal of financial assets at FVTPL	5,110	—	—
Placement of restricted bank deposits	(23,035)	(4,386)	(61,035)
Withdrawal of restricted bank deposits	—	23,035	4,386
Purchases of time deposits	(10,000)	—	—
Collection of time deposits	—	20,000	—
Purchase of property, plant and equipment	(98,545)	(28,216)	(30,078)
Proceeds from disposal of property, plant and equipment	—	808	620
Purchases of intangible assets	(1,971)	(524)	—
Payments for right-of-use assets	—	—	(7,849)
Dividends received from an associate	2,785	1,590	1,989
Loans to shareholders	(749)	(1,256)	—
Collection of loans to shareholders	28	2	1,982
Advance to related parties	—	(1,360)	—
Repayment of advance to related parties	—	—	1,360
Net cash (used in) from investing activities	(125,028)	10,276	(108,601)
Financing activities			
Repayment of loans from third parties	(2,673)	(6,722)	(1,954)
New loans from third parties	2,992	66	7,975
Proceeds from series C investors	15,000	—	—
Proceeds from series C+ investors before the Company converted into joint stock limited liability company	333,246	—	132,500
Payment of issue costs related to redemption liabilities	(8,222)	—	(1,200)
Proceeds from series C+ investors after the Company converted into joint stock limited liability company	—	—	50,000
Transfer of treasury shares to an external investor	—	—	4,400
Proceeds from series D investors	—	—	27,275
New bank borrowings raised	119,740	213,321	154,877
Repayment of bank borrowings	(92,710)	(123,496)	(176,257)
Increase in discounted unmaturred bills	—	—	1,836
Interests paid on bank borrowing	(3,351)	(5,445)	(7,739)
Interests paid on bills discounted	—	(260)	(166)
Repayment of lease liabilities	(7,562)	(4,197)	(8,242)
Issue shares for ordinary shareholders	1,066	—	—
Interests paid on amounts due to a shareholder	—	—	(487)
Loans from shareholders	—	707	85,457
Repayment of loans from shareholders	—	(74)	(78,612)
Loans from related parties	—	4,500	120
Repayment of loans from related parties	—	(208)	(4)
Net cash from financing activities	357,526	78,192	189,779
Net increase (decrease) in cash and cash equivalents	28,015	(88,815)	119,059
Cash and cash equivalents at beginning of the year	63,655	91,670	2,855
Cash and cash equivalents at end of the year	91,670	2,855	121,914

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NOTES TO HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was established as a limited liability company in the People’s Republic of China (the “PRC”) on October 12, 2016, and converted into a joint-stock company with limited liability under the Company Law of the PRC on December 31, 2025. The addresses of the registered office and the principal place of business of the Company are set out in the section headed “Corporate Information” to this Document.

The Group are primarily engaged in providing mining autonomous driving transportation solutions with Tage purpose-built trucks, mining autonomous driving transportation solutions for third-party trucks, provision of intelligent operations and other services.

The Historical Financial Information is presented in RMB, which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared based on the accounting policies which conform with IFRS Accounting Standards issued by the IASB. In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The Group recorded loss during the Track Record Period and the Group had net current liabilities of RMB25,570,000 as at December 31, 2025. Based on the working capital forecast of the Group for the next twelve months, taking into account the financial resources available to the Group, including anticipated cash flow, existing cash and cash equivalents, unused bank facilities, potential extension of current bank borrowings and assets that can be pledged for borrowings, the Directors believe that the Group will have sufficient cash resources to satisfy its future working capital in the next twelve months from the date of this report. Accordingly, the Directors consider that it is appropriate that the Historical Financial Information is prepared on a going concern basis.

3. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

For the purpose of preparing the Historical Financial Information for the Track Record Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the accounting period beginning on January 1, 2025, throughout the Track Record Period.

New and Amendments to IFRS Accounting Standards in issue but not yet effective

At the date of this report, the following new and amendments to IFRS Accounting Standards have been issued which are not yet effective:

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards IFRS 18	Annual Improvements to IFRS Accounting Standards — Volume 11 ² Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined

² Effective for annual periods beginning on or after January 1, 2026

³ Effective for annual periods beginning on or after January 1, 2027

Except for the new IFRS Accounting Standard mentioned below, the Directors anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the Historical Financial Information of the Group in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be

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disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7 *Financial Instruments: Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial statements. Additional disclosures required for the Group’s MPMs will be disclosed in a separate note to the consolidated financial statements. The Group will continue to assess the impact of IFRS 18 on the Group’s consolidated financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the Track Record Period are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group’s equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Investments in subsidiaries

Investments in subsidiaries are stated in the statements of financial position of the Company at cost less accumulated impairment losses, if any. Cost includes direct attributable costs of investment. The results of the subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

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Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the year the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee’s net assets including goodwill.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in the Historical Financial Information using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group’s share of the profit or loss and other comprehensive income of the associates. When the Group’s share of losses of an associate exceeds the Group’s interest in that associate (which includes any long-term interests that, in substance, form part of the Group’s net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are provided for, and a liability is recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognized in the Historical Financial Information only to the extent of interests in the associate that are not related to the Group.

Revenue from contracts with customers

Information about the Group’s accounting policies relating to contracts with customers is provided in Note 6.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases of certain vehicles, properties and office equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

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Right-of-use assets

The cost of right-of-use assets includes:

- the amounts of the initial measurement of the lease liabilities; and
- any lease payments made at or before the commencement date, less any lease incentives received.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

Lease liabilities

At the commencement date of a lease, the Group recognizes and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including the interest rates agreed in the lease agreements and the Loan Prime Rate published by the People’s Bank of China.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statements of financial position.

Borrowing costs

All borrowing costs not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the consolidated statements of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable. Such grants are presented under “other income”.

Employee benefits

Retirement benefits costs

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

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Short-term employee benefits

Short-term employee benefits are recognized at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognized as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognized for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve. For share options that vest immediately at the date of grant, the fair value of the shares granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognized in share-based payment reserve will be transferred to accumulated losses. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share-based payments reserve will be transferred to accumulated losses.

Modification to the terms and conditions of the share-based payment arrangements

When the terms and conditions of an equity-settled share-based payment arrangement are modified, the Group recognizes, as a minimum, the services received measured at the grant date fair value of the equity instruments granted, unless those equity instruments do not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date. In addition, if the Group modifies the vesting conditions (other than a market condition) in a manner that is beneficial to the employees, for example, by reducing the vesting period, the Group takes the modified vesting conditions into consideration over the remaining vesting period.

The incremental fair value granted, if any, is the difference between the fair value of the modified equity instruments and that of the original equity instruments, both estimated as at the date of modification.

If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognized for services received over the period from modification date until the date when the modified equity instruments are vested, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognized over the remainder of the original vesting period.

If the modification reduces the total fair value of the share-based arrangement, or is not otherwise beneficial to the employee, the Group continues to account for the original equity instruments granted as if that modification had not occurred.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

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The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit/(loss) before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognizes the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognized in profit or loss.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Construction in progress is carried at cost, less any recognized impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related asset is functioning properly and, for qualifying assets, borrowing costs capitalized in accordance with the Group’s accounting policy. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the cost of assets other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

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Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization for intangible assets with finite useful lives is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment on property, plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated according to the carrying amount of each asset in the unit or the group of cash-generating units on a pro-rata basis. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

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Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories are determined on a weighted average method. Net realizable value represents the estimated selling price for inventories less the estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale, including costs to be incurred in marketing, selling and distribution.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions for the expected cost of assurance-type warranty obligations under the relevant contracts with customers are recognized at the date of sale of the relevant products, at the directors’ best estimate of the expenditure required to settle the Group’s obligation.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the net cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

When assessing whether a contract is onerous or loss-making, the Group includes costs that relate directly to the contract, consisting of both the incremental costs (to specify, e.g. direct labour and materials) and an allocation of other costs (to specify, e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract) that relate directly to fulfilling contracts.

Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 *Revenue from Contracts with Customers*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

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All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a designated and effective hedging instrument.

(i) Amortized cost and interest income

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Impairment of financial assets and other items subject to impairment assessment under IFRS 9

The Group performs impairment assessment under ECL model on financial assets (including trade and notes receivables, deposits and other receivables, amounts due from related parties, amounts due from shareholders, notes receivables measured at FVTOCI, time deposits, restricted bank deposits and cash and cash equivalents) and other items (contract assets and financial guarantee contracts) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of past events and current conditions at the reporting date as well as the forecast of future economic conditions.

The Group always recognizes lifetime ECL for trade receivables, contract assets and amounts due from related parties of trade nature.

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For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor’s ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor’s ability to meet its debt obligations.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;

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- (b) a breach of contract, such as a default;
 - (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
 - (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs earlier. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognized in profit or loss.

- (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and forward looking information, including time value of money where appropriate, that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Lifetime ECL for certain trade receivables, contract assets and amounts due from related parties of trade nature are considered on a collective basis taking into consideration debtors’ aging and relevant credit information such as forward looking macroeconomic information.

The grouping is regularly reviewed by the management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables and deposits and other receivables where the corresponding adjustment is recognized through a loss allowance account.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

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Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at amortized cost

Financial liabilities including trade and notes payables, other payables and accruals, amounts due to related parties, amounts due to shareholders, redemption liabilities and bank borrowings are subsequently measured at amortized cost, using the effective interest method.

Redemption liabilities

A contract that contains an obligation to purchase the Group’s equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount, even if the Group’s obligations to purchase is conditional on the counterparty exercising a right to redeem. The redemption liabilities are initially recognized as financial liabilities at the present value of the redemption amount, with the corresponding amount charged against capital and other reserves within equity. Subsequently, the redemption liabilities are measured at amortized cost with interest charged in finance costs. If the Group’s obligation to purchase is terminated, the carrying amount of the financial liability is reclassified to equity.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount initially recognized less, where appropriate, cumulative amortization recognized over the guarantee period.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Modification of financial liabilities

When the contractual terms of a debt instrument are modified, such as extending the tenure, change in redemption price, the revised terms would result in a substantial modification from the original terms, after taking into account all relevant facts and circumstances including qualitative factors, such modification is accounted for as derecognition of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of financial liability derecognized and the fair value of consideration paid or payable, including any liabilities assumed, is recognized in profit or loss.

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, which are described in Note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated impairment of property, plant and equipment

Property, plant and equipment are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at December 31, 2023, 2024 and 2025, impairment losses of RMB47,865,000, RMB25,623,000 and RMB262,000 in respect of property, plant and equipment that have been recognized respectively. Details of the impairment of property, plant and equipment are disclosed in Note 18.

Net realizable value of inventories

The Group’s inventories are measured at the lower of cost and net realizable value. The net realizable value of inventories is based on estimated selling prices less any estimation costs to be incurred to completion and costs necessary to make the sale. These estimates, based on the current market condition and the historical experience in selling goods of a similar nature. Changes in these estimates will affect the carrying value of inventories and profit in subsequent years. The Group reassesses the estimation at the end of each reporting period. The carrying amount of inventories is detailed in Note 23.

Provision of ECL for trade receivables and contract assets

Provision of ECL for trade receivables and contract assets was estimated based on provision matrix-debtors aging, based on shared credit risk characteristics by reference to repayment histories of respective trade receivables and contract assets. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. At each reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL on the Group’s trade receivables and contract assets are disclosed in Note 43.

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6. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

During the Track Record Period, the Group’s revenue which represents the amount received and receivable, net of discounts and sales related taxes, from sales of mining autonomous driving transportation solutions with Tage purpose-built trucks, mining autonomous driving transportation solutions for third-party trucks, provision of intelligent operations and other services, are as follows:

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Types of goods or service			
Mining autonomous driving transportation solutions with Tage purpose-built trucks	66,002	63,506	376,239
Mining autonomous driving transportation solutions for third-party trucks	47,143	7,460	51,271
Intelligent operations and other services	77,044	81,209	99,365
Total	190,189	152,175	526,875
Timing of revenue recognition			
A point in time	114,890	71,000	427,640
Over time	75,299	81,175	99,235
Total	190,189	152,175	526,875

(ii) Performance obligations for contracts with customers and revenue recognition policies

Mining autonomous driving transportation solutions with Tage purpose-built trucks and for third-party trucks

In providing mining autonomous driving transportation solutions with Tage purpose-built trucks and for third-party trucks, the Group (i) sells to customers fully-equipped autonomous mining wide-body trucks integrated with autonomous driving systems, and revenue from such sales is recognized at the point in time when control of the trucks has been transferred to the customer, generally upon product delivery and acceptance; and (ii) offers autonomous mining solutions that seamlessly integrate bespoke system components (including vehicles, platforms, control systems and supporting equipment) to meet specific customer requirements for third-party trucks. Following the completion of deployment, customers assume full responsibility for the day-to-day operation of the systems, and revenue from the provision of these solutions is recognized at the point in time when control of the solutions has been transferred to the customer, generally upon acceptance of the deployed solutions.

Revenue is recognized when it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers only the customer’s ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the Group will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

Sales-related warranties are not sold separately and serve as an assurance that the products sold comply with agreed-upon specifications. The Group accounts for these warranties in accordance with IAS 37 *Provisions, Contingent Liabilities, and Contingent Assets*. The warranty provision is based on historical experience and management’s best estimate and is updated at each reporting period.

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Intelligent operations and other services

Intelligent operations and other services consisted of operational maintenance and technology services, and intelligent transportation services.

In providing mining transportation services, the Group owns and operates a fleet of autonomous mining vehicles to deliver related autonomous transportation services to customers. As the customer simultaneously receives and consumes the benefits derived from the mining transportation services throughout the provision period, revenue from such services is recognized over the service period using the output method, which is generally tied to the volume of materials transported; and pricing is typically calculated on a per cubic meter or per ton basis.

The Group provides technology and maintenance services to its customers. Certain technology services are recognized at a point in time when control of the deliverables has been transferred to the customer, typically upon acceptance of such deliverables. Other technology services for autonomous mining driving system development and all maintenance services are recognized over time using the output method, based on the volume of materials transported during the service period, as the customer simultaneously receives and consumes the benefits derived from the services throughout the provision period.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at December 31, 2023, 2024 and 2025 and the expected timing of recognizing revenue are as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Within one year	—	22,268	11,095
More than one year but within two years	5,531	1,209	—
More than two years	2,040	2,040	28,673
	<u>7,571</u>	<u>25,517</u>	<u>39,768</u>

(iv) Segment information

Information reported to the board of directors, being the chief operating decision makers, for the purposes of resource allocation and assessment focuses on the Group’s results and financial position as a whole. Hence, the Group has only one operating and reportable segment, and no further analysis of this single segment is presented.

No geographic information is presented, as the Group’s non-current assets are mainly located in mainland China of the PRC and the Group’s revenue is predominantly derived from mainland China of the PRC.

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(v) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Customer I	46,467	N/A (Note)	N/A (Note)
Customer II	32,136	N/A (Note)	N/A (Note)
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限公司)	31,858	N/A (Note)	N/A (Note)
Customer III	25,999	32,503	N/A (Note)
Customer IV	25,049	40,286	N/A (Note)
Customer V	N/A (Note)	30,743	N/A (Note)
Shuiquan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限公司水泉露天煤礦)	N/A (Note)	21,509	N/A (Note)
Customer VI	N/A (Note)	N/A (Note)	213,407
Customer VII	N/A (Note)	N/A (Note)	132,301
Customer VIII	N/A (Note)	N/A (Note)	52,856

Note: The corresponding revenue did not contribute over 10% of the total revenue of the Group.

* English name is for identification purpose only.

7. OTHER INCOME

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Interest income on:			
— bank deposits	1,349	583	24
— contracts with significant financing components	325	220	248
Government grants (Note)	5,773	2,784	3,926
Sales of material	—	22	1,711
Others	—	748	907
	<u>7,447</u>	<u>4,357</u>	<u>6,816</u>

Note: The amounts represented subsidies received from the local governments for supporting the development of the Group. There were no specific conditions attached to these government grants at the end of each of the reporting period during the Track Record Period.

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ACCOUNTANTS’ REPORT

8. IMPAIRMENT LOSSES (INCLUDING REVERSALS OF IMPAIRMENT LOSSES) ON FINANCIAL ASSETS AND OTHERS

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Impairment losses, net of reversal, recognized on:			
— Trade receivables	(79)	2,768	1,335
— Contract assets	2	—	1
— Amounts due from related parties of trade nature	30	16	13
— Amounts due from shareholders	—	13	(20)
— Deposits and other receivables	719	159	1,792
— Financial guarantee contracts (<i>Note 36</i>)	—	27,758	—
Total	672	30,714	3,121

Details of impairment assessment are set out in Note 43.

9. OTHER GAINS AND LOSSES, NET

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Impairment loss recognized in respect of:			
— property, plant and equipment	47,865	25,623	262
— investments in associates	—	400	109
(Gain) loss on disposal of property, plant and equipment, net	—	(23)	1,832
Gain on early termination of leases	—	(892)	—
Changes in fair value of financial assets and financial liabilities at FVTPL	3,445	1,186	2,084
Modification of redemption liabilities (<i>Note 34</i>)	(3,152)	—	(23,392)
Others	1,428	44	(723)
Total	49,586	26,338	(19,828)

10. OTHER EXPENSES

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Provision for onerous contract	1,416	2,503	1,637
Penalty losses, accident compensation and liquidated damages	68	3,740	2,630
Litigation expenses	—	802	1,453
Cost of sales of material	—	—	1,173
Others	—	492	566
	1,484	7,537	7,459

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11. FINANCE COSTS

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Interests on redemption liabilities	60,212	76,228	82,680
Interests on bank borrowings	3,494	5,657	7,704
Interests on payables for purchase of property, plant and equipment	2,062	1,521	626
Interests on loans from third parties	1,139	82	65
Interests on lease liabilities	366	111	324
Interests on bills discounted	—	260	166
Interest on amounts due to a shareholder	—	—	487
	<u>67,273</u>	<u>83,859</u>	<u>92,052</u>

12. INCOME TAX EXPENSE

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the statutory tax rate of the PRC subsidiaries is 25% during the Track Record Period.

The Company is entitled to a preferential income tax rate of 15% for the years ended December 31, 2023, 2024 and 2025, as the Company was qualified as a High-New Technology Enterprises (the “HNTE”) since 2018. The HNTE qualification was approved and valid for 3 years from 2021 to 2024 and was further renewed in 2024 and extended to 2027.

In addition, pursuant to the announcements of the State Taxation Administration of the PRC in September 2022 and March 2023, enterprises engaging in research and development activities were entitled to claim 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for the relevant year (“Super Deduction”).

Certain subsidiaries of the Company in the PRC are small and micro-sized enterprises. During the Track Record Period, annual taxable profit not exceeding RMB3 million is reduced to 25% of the taxable income and calculated at tax rate of 20%.

The income tax expense for the Track Record Period can be reconciled to the loss before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Loss before tax	<u>(312,696)</u>	<u>(344,572)</u>	<u>(163,617)</u>
Tax at PRC statutory income tax rate of 25%	(78,174)	(86,143)	(40,904)
Income tax at concessionary rate	—	(59)	(949)
Tax effect of expenses not deductible for tax purposes (<i>Note</i>)	15,908	19,176	24,814
Tax effect of share of results of associates	(1,320)	(1,429)	(943)
Super Deduction	(17,659)	(14,051)	(10,790)
Tax effect of income not taxable for tax purpose	(788)	—	(5,848)
Utilization of tax losses previously not recognized	—	(1,184)	(2,032)
Tax effect of tax losses not recognized	68,502	72,216	41,023
Utilization of deductible temporary differences previously not recognized	(61)	(3,592)	(5,891)
Tax effect of deductible temporary differences not recognized	<u>13,592</u>	<u>15,069</u>	<u>1,562</u>
Income tax expense for the year	<u>—</u>	<u>3</u>	<u>42</u>

Note: Amounts mainly represented the effect of interests on redemption liabilities and other miscellaneous expenses that are not eligible for tax deductible purpose during the Track Record Period.

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13. LOSS FOR THE YEAR

The Group’s loss for the year has been arrived at after charging:

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Depreciation of property, plant and equipment	22,979	14,439	35,130
Depreciation of right-of-use assets	6,781	5,517	7,182
Amortization of intangible assets	1,034	2,290	2,482
Total depreciation and amortization	30,794	22,246	44,794
Capitalized in inventories	(216)	(345)	(109)
	30,578	21,901	44,685
Staff costs (including directors’ emoluments as set out in Note 14)			
— Salaries, bonuses, allowance and other benefits	99,753	83,133	64,172
— Retirement benefits scheme	14,657	13,511	9,972
— Employee welfare	2,368	2,750	742
Total staff costs	116,778	99,394	74,886
Capitalized in inventories	(5,350)	(8,889)	(8,205)
	111,428	90,505	66,681
Cost of inventories recognized as an expense (including write-down of inventories amounting to RMB5,792,000, RMB6,940,000 and RMB29,000 during the Track Record Period)	191,378	166,634	397,060
Auditor’s remuneration	731	710	660

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14. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND SUPERVISORS

The emoluments paid or payable to the Directors, chief executive and supervisors of the Company during the Track Record Period are as follows:

	For the year ended December 31, 2023			
	Salaries, allowance, welfare and other benefits	Performance- based bonuses	Retirement benefits scheme	Total
	RMB’000	RMB’000 (Note i)	RMB’000	RMB’000
Executive directors:				
Mr. Yu Guizhen (Note ii)	857	224	—	1,081
Mr. Zhou Huasheng (Note ii)	857	216	50	1,123
Ms. Zhang Yan (Note ii)	857	218	50	1,125
Mr. Hu Tuanjie (Note iii)	713	625	63	1,401
Mr. Wu Haijie (Note iv)	917	236	63	1,216
Mr. Hong Weigang (Note ii, ix)	—	—	—	—
Mr. Gao Canhong (Note ii, ix)	—	—	—	—
Mr. Chen Xinghua (Note ii, ix)	—	—	—	—
Sub-total	4,201	1,519	226	5,946
Supervisors:				
Mr. Liu Zhao (Note v)	434	120	53	607
Ms. Cai Fangfang (Note vi)	192	25	26	243
Mr. Duan Xingji (Note vii)	626	144	63	833
Mr. Zhang Qi (Note vi, ix)	—	—	—	—
Mr. Yu Guangda (Note vi, ix)	—	—	—	—
Mr. Jiang Dengming (Note vi, ix)	—	—	—	—
Sub-total	1,252	289	142	1,683
Total	5,453	1,808	368	7,629

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	For the year ended December 31, 2024			
	Salaries, allowance, welfare and other benefits	Performance- based bonuses	Retirement benefits scheme	Total
	RMB’000	RMB’000 (Note i)	RMB’000	RMB’000
Executive directors:				
Mr. Yu Guizhen (Note ii)	842	224	—	1,066
Mr. Zhou Huasheng (Note ii)	712	254	41	1,007
Ms. Zhang Yan (Note ii)	926	336	51	1,313
Mr. Wu Haijie (Note iv)	698	296	61	1,055
Mr. Liu Zhao (Note v)	254	170	45	469
Mr. Zhao Bin (Note viii)	64	16	6	86
Mr. Hu Tuanjie (Note iii)	36	—	—	36
Mr. Hong Weigang (Note ii, ix)	—	—	—	—
Mr. Gao Canhong (Note ii, ix)	—	—	—	—
Mr. Chen Xinghua (Note ii, ix)	—	—	—	—
Sub-total	3,532	1,296	204	5,032
Supervisors:				
Mr. Liu Zhao (Note v)	150	—	22	172
Ms. Cai Fangfang (Note vi)	188	52	34	274
Ms. Xu Wanqing (Note vi)	547	218	66	831
Mr. Duan Xingji (Note vii)	648	304	66	1018
Mr. Zhang Qi (Note vi, ix)	—	—	—	—
Mr. Yu Guangda (Note vi, ix)	—	—	—	—
Mr. Jiang Dengming (Note vi, ix)	—	—	—	—
Sub-total	1,533	574	188	2,295
Total	5,065	1,870	392	7,327

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	For the year ended December 31, 2025			
	Salaries, allowance, welfare and other benefits	Performance- based bonuses	Retirement benefits scheme	Total
	RMB’000	RMB’000 (Note i)	RMB’000	RMB’000
Executive directors:				
Mr. Yu Guizhen (Note ii)	594	140	—	734
Mr. Zhou Huasheng (Note ii)	326	205	68	599
Ms. Zhang Yan (Note ii)	696	92	68	856
Mr. Liu Zhao (Note v)	359	154	68	581
Mr. Zhao Bin (Note viii)	769	217	68	1,054
Mr. Hong Weigang (Note ii, ix)	—	—	—	—
Mr. Gao Canhong (Note ii, ix)	—	—	—	—
Mr. Chen Xinghua (Note ii, ix)	—	—	—	—
Mr. Gong Yu (Note viii, ix)	—	—	—	—
Mr. Zhou Hui (Note viii, ix)	—	—	—	—
Sub-total	2,744	808	272	3,824
Supervisors:				
Ms. Cai Fangfang (Note vi)	176	61	34	271
Ms. Xu Wanqing (Note vi)	485	252	68	805
Mr. Duan Xingji (Note vi)	578	301	68	947
Mr. Zhang Qi (Note vi, ix)	—	—	—	—
Mr. Jiang Dengming (Note vi, ix)	—	—	—	—
Mr. Yu Guangda (Note vi, ix)	—	—	—	—
Sub-total	1,239	614	170	2,023
Total	3,983	1,422	442	5,847

Notes:

- i. Performance-based bonuses are determined based on the Group’s performance and performance of the relevant individuals within the Group.
- ii. Mr. Yu Guizhen was appointed as an executive director since February 2017.

Mr. Zhou Huasheng was appointed as an executive director since April 2018.

Ms. Zhang Yan was appointed as an executive director since September 2018.

Mr. Hong Weigang was appointed as an executive director since May 2023.

Mr. Gao Canhong was appointed as an executive director since January 2023.

Mr. Chen Xinghua was appointed as an executive director since July 2023.
- iii. Mr. Hu Tuanjie was appointed as an executive director in January 2023 and resigned in January 2024.
- iv. Mr. Wu Haijie was appointed as an executive director in August 2023 and resigned in November 2024.

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- v. Mr. Liu Zhao was appointed as an supervisor in January 2022 and resigned in April 2024. He was appointed as an executive director with effect from April 2024.
- vi. Ms. Cai Fangfang, Mr. Zhang Qi and Mr. Yu Guangda were appointed as supervisors since January 2022.
Mr. Jiang Dengming was appointed as a supervisor since May 2023.
Ms. Xu Wanqing was appointed as a supervisor since April 2024.
- vii. Mr. Duan Xingji was appointed as a supervisor since May 2023 and resigned in December 2025.
- viii. Mr. Zhao Bin was appointed as an executive director since December 2024.
Mr. Gong Yu was appointed as an executive director since February 2025.
Mr. Zhou Hui was appointed as an executive director since December 2025.
- ix. These directors were appointed by external investors and no remuneration was paid by the Group.

The emoluments of executive directors and supervisors shown above were mainly for their services in connection with the management of affairs of the Company and the Group.

During the Track Record Period, certain directors and supervisors were granted share options in respect of their services to the Group. Details are set out in Note 38 to the Historical Financial Information.

There was no arrangement under which a director, supervisor or chief executive of the Company waived or agreed to waive any remuneration during the Track Record Period.

15. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the Track Record Period included 5, 5 and 3 directors and (or) supervisors for the years ended December 31, 2023, 2024 and 2025, respectively, details of whose remuneration are set out in Note 14 above. Details of the remuneration for the remaining Nil, Nil and 2 individual who are not a director or supervisor for the Track Record Period were as follows:

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Salaries, allowance, welfare and other benefits	—	—	1,317
Performance-based bonuses	—	—	573
Retirement benefits scheme	—	—	51
	—	—	1,941

The number of the highest paid employees who are not the directors, supervisors or chief executive of the Company whose remuneration fell within the following bands is as follows:

	For the year ended December 31,		
	2023	2024	2025
	Number of employees	Number of employees	Number of employees
Hong Kong dollars (“HKD”) 500,000 to HKD1,000,000	—	—	1
HKD1,000,001 to HKD1,500,000	—	—	1
Total	—	—	2

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During the Track Record Period, no emoluments were paid by the Group to any of the directors, supervisors, chief executive of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

16. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Loss:			
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	(312,685)	(344,528)	(163,659)
	For the year ended December 31,		
	2023	2024	2025
	’000	’000	’000
Number of shares:			
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	15,161	15,682	18,249

The Company was converted into a joint stock limited liability company and issued 60,503,788 shares at par value of RMB1 each on December 31, 2025. The weighted average number of shares for the purpose of calculating basic and diluted loss per share during the Track Record Period has been determined on the assumptions that the Company’s conversion into joint stock limited liability company had been completed on/effective since January 1, 2023.

The computation of diluted loss per share for the years ended December 31, 2023, 2024 and 2025 has not taken into consideration the exercise of redemption option and share options as the effect is anti-dilutive.

17. DIVIDENDS

No dividend was declared or paid by the Group in respect of the Track Record Period. No dividend has been proposed since the end of the Track Record Period.

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18. PROPERTY, PLANT AND EQUIPMENT

The Group

	Production vehicles	Office equipment, computers and others	Machinery and equipment	Motor vehicles	Leasehold improvement	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST							
As at January 1, 2023	51,422	8,064	47	2,961	1,432	—	63,926
Additions	70,025	4,307	921	955	523	22,658	99,389
Transfer from right-of-use assets	1,938	—	—	—	—	—	1,938
As at December 31, 2023	123,385	12,371	968	3,916	1,955	22,658	165,253
Additions	34,618	597	181	102	—	575	36,073
Transfer from right-of-use assets	99	—	—	—	—	—	99
Transfer from construction in progress	13,043	—	—	—	—	(13,043)	—
Transfer to cost of sales	—	—	—	—	—	(10,190)	(10,190)
Disposals	(769)	(303)	—	(177)	(1,955)	—	(3,204)
As at December 31, 2024	170,376	12,665	1,149	3,841	—	—	188,031
Additions	—	59	—	2	—	5,966	6,027
Transfer from inventories	—	137	—	—	—	—	137
Disposals	(9,027)	(3,983)	—	(348)	—	—	(13,358)
As at December 31, 2025	161,349	8,878	1,149	3,495	—	5,966	180,837
DEPRECIATION AND IMPAIRMENT							
At January 1, 2023	(5,780)	(3,548)	(12)	(1,041)	(790)	—	(11,171)
Provided for the year	(19,253)	(2,614)	(63)	(715)	(334)	—	(22,979)
Impairment loss recognized in profit or loss	(47,865)	—	—	—	—	—	(47,865)
As at December 31, 2023	(72,898)	(6,162)	(75)	(1,756)	(1,124)	—	(82,015)
Provided for the year	(10,613)	(2,617)	(210)	(732)	(267)	—	(14,439)
Impairment loss recognized in profit or loss	(25,623)	—	—	—	—	—	(25,623)
Eliminated on disposals	731	220	—	77	1,391	—	2,419
As at December 31, 2024	(108,403)	(8,559)	(285)	(2,411)	—	—	(119,658)
Provided for the year	(32,720)	(1,578)	(225)	(607)	—	—	(35,130)
Impairment loss recognized in profit or loss	(262)	—	—	—	—	—	(262)
Eliminated on disposals	7,170	3,451	—	285	—	—	10,906
As at December 31, 2025	(134,215)	(6,686)	(510)	(2,733)	—	—	(144,144)
CARRYING AMOUNTS							
As at December 31, 2023	50,487	6,209	893	2,160	831	22,658	83,238
As at December 31, 2024	61,973	4,106	864	1,430	—	—	68,373
As at December 31, 2025	27,134	2,192	639	762	—	5,966	36,693

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The above items of property, plant and equipment other than construction in progress, after taking into account the residual value, are depreciated on a straight-line basis at the following rates per annum:

Production vehicles	11.88% – 39.31%
Office equipment, computers and others	19.00% – 33.33%
Machinery and equipment	9.50% – 19.00%
Motor vehicles	23.75%
Leasehold improvement	37.50% – 44.44%

As at December 31, 2023 and 2025, the carrying amount of property, plant and equipment of RMB2,285,000 and RMB5,725,000, respectively, are pledged to other financial institutions as collaterals for the Group’s other payables relating to a sale-and-leaseback transaction.

Impairment assessment

The management of the Group concluded there was an indication of impairment when the financial performance of the cash generating unit (“CGU”) or the utilization of the production vehicles was not in accordance with expectation. The Group estimated the recoverable amounts of the CGUs to which the asset belongs when it is not possible to estimate the recoverable amount individually, including allocation of corporate assets when reasonable and consistent basis can be established.

The recoverable amounts of the production vehicles have been determined by the management of the Group based on their fair value less costs of disposal. The management of the Group estimated the fair value less costs of disposal of the assets based on the recent transaction prices for similar assets adjusted for nature, location and conditions of the assets. The fair value measurement is categorized into Level 3 fair value hierarchy. Impairment losses of RMB47,865,000, RMB25,623,000 and RMB262,000 were recognized against the carrying amount of property, plant and equipment during the Track Record Period.

No impairment losses were recognized for right-of-used assets and intangible assets during the Track Record Period.

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The Company

	Production vehicles	Office equipment, computers and others	Machinery and equipment	Motor vehicles	Leasehold improvement	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST							
As at January 1, 2023	21,039	7,167	47	114	1,432	—	29,799
Additions	32,921	1,978	—	—	523	9,889	45,311
Transfer from right-of-use assets	1,938	—	—	—	—	—	1,938
Disposals	(21,239)	—	—	—	—	—	(21,239)
As at December 31, 2023	34,659	9,145	47	114	1,955	9,889	55,809
Additions	35,348	504	—	—	—	3,154	39,006
Transfer from right-of-use assets	99	—	—	—	—	—	99
Transfer from construction in progress	13,043	—	—	—	—	(13,043)	—
Disposals	(769)	(263)	—	—	(1,955)	—	(2,987)
As at December 31, 2024	82,380	9,386	47	114	—	—	91,927
Additions	—	59	—	—	—	—	59
Transfer from inventories	—	137	—	—	—	—	137
Disposals	(8,053)	(3,224)	—	(114)	—	—	(11,391)
As at December 31, 2025	74,327	6,358	47	—	—	—	80,732
DEPRECIATION AND IMPAIRMENT							
At January 1, 2023	(5,666)	(3,305)	(12)	(108)	(790)	—	(9,881)
Provided for the year	(7,124)	(2,088)	(5)	—	(334)	—	(9,551)
Impairment loss recognized in profit or loss	(803)	—	—	—	—	—	(803)
Eliminated on disposals	2,290	—	—	—	—	—	2,290
As at December 31, 2023	(11,303)	(5,393)	(17)	(108)	(1,124)	—	(17,945)
Provided for the year	(7,109)	(1,914)	(5)	—	(267)	—	(9,295)
Impairment loss recognized in profit or loss	(25,664)	—	—	—	—	—	(25,664)
Eliminated on disposals	731	193	—	—	1,391	—	2,315
As at December 31, 2024	(43,345)	(7,114)	(22)	(108)	—	—	(50,589)
Provided for the year	(22,559)	(1,012)	(5)	—	—	—	(23,576)
Impairment loss recognized in profit or loss	(262)	—	—	—	—	—	(262)
Eliminated on disposals	6,876	2,794	—	108	—	—	9,778
As at December 31, 2025	(59,290)	(5,332)	(27)	—	—	—	(64,649)
CARRYING AMOUNTS							
As at December 31, 2023	23,356	3,752	30	6	831	9,889	37,864
As at December 31, 2024	39,035	2,272	25	6	—	—	41,338
As at December 31, 2025	15,037	1,026	20	—	—	—	16,083

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The above items of property, plant and equipment other than construction in progress, after taking into account the residual value, are depreciated on a straight-line basis at the following rates per annum:

Production vehicles	23.75% – 39.31%
Office equipment, computers and others	19.00% – 31.67%
Machinery and equipment	9.50%
Motor vehicles	23.75%
Leasehold improvement	37.50% – 44.44%

As at December 31, 2023, 2024 and 2025, the carrying amount of property, plant and equipment of RMB2,285,000, Nil and RMB5,725,000, respectively, are pledged to other financial institutions as collaterals for the Company’s other payables relating to a sale-and-leaseback transaction.

19. RIGHT-OF-USE ASSETS

The Group

	Leased properties	Leasehold lands	Production vehicles	Total
	RMB’000	RMB’000	RMB’000	RMB’000
Carrying values				
At January 1, 2023	2,757	—	4,737	7,494
Additions	8,038	—	—	8,038
Termination of leases	—	—	(88)	(88)
Transfer to property, plant and equipment	—	—	(1,938)	(1,938)
Depreciation charge	(5,346)	—	(1,435)	(6,781)
At December 31, 2023	5,449	—	1,276	6,725
Additions	2,581	—	—	2,581
Early termination of leases	(1,061)	—	—	(1,061)
Transfer to property, plant and equipment	—	—	(99)	(99)
Depreciation charge	(4,340)	—	(1,177)	(5,517)
At December 31, 2024	2,629	—	—	2,629
Additions	269	7,849	16,340	24,458
Depreciation charge	(1,391)	(39)	(5,752)	(7,182)
At December 31, 2025	<u>1,507</u>	<u>7,810</u>	<u>10,588</u>	<u>19,905</u>

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The Group

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Expense relating to short-term leases	3,232	17,330	17,119
Total cash outflow for leases	<u>10,794</u>	<u>21,527</u>	<u>33,210</u>

The Company

	Leased properties	Production vehicles	Total
	RMB’000	RMB’000	RMB’000
Carrying values			
At January 1, 2023	2,318	4,737	7,055
Additions	7,938	—	7,938
Early termination of leases	—	(88)	(88)
Transfer to property, plant and equipment	—	(1,938)	(1,938)
Depreciation charge	<u>(5,227)</u>	<u>(1,435)</u>	<u>(6,662)</u>
At December 31, 2023	5,029	1,276	6,305
Additions	2,581	—	2,581
Early termination of leases	(1,061)	—	(1,061)
Transfer to property, plant and equipment	—	(99)	(99)
Depreciation charge	<u>(4,185)</u>	<u>(1,177)</u>	<u>(5,362)</u>
At December 31, 2024	2,364	—	2,364
Additions	269	16,340	16,609
Depreciation charge	<u>(1,287)</u>	<u>(5,752)</u>	<u>(7,039)</u>
At December 31, 2025	<u>1,346</u>	<u>10,588</u>	<u>11,934</u>

The Company

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Expense relating to short-term leases	2,275	7,459	16,862
Total cash outflow for leases	<u>9,652</u>	<u>11,544</u>	<u>22,182</u>

For the years ended December 31, 2023, 2024 and 2025, the Group leased various offices and production vehicles for its operations. Lease contracts were entered into for fixed terms of 12 months to 3 years. Lease terms were negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group applies judgement to determine the lease term for lease contracts in which it is a lessee that include renewal option, specifically, the leases relating to production vehicles. The assessment of whether the Group is reasonably certain to exercise renewal options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized. Reassessment is performed upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Group and that affects the assessment.

The Group’s lease agreements do not contain any variable lease payments nor any extension or purchase option for lessee.

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Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group regularly entered into short-term leases for certain vehicles, properties, office equipment, computers and others. As at December 31, 2023, 2024 and 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense is disclosed above.

Details of impairment assessment are set out in Note 18.

Restrictions or covenants on leases

In addition, lease liabilities of RMB5,949,000, RMB2,491,000 and RMB11,182,000 are recognized with related right-of-use assets of RMB6,725,000, RMB2,629,000 and RMB12,095,000 as at December 31, 2023, 2024 and 2025, respectively for the Group.

Lease liabilities of RMB5,595,000, RMB2,290,000 and RMB11,085,000 are recognized with related right-of-use assets of RMB6,305,000, RMB2,364,000 and RMB11,934,000 as at December 31, 2023, 2024 and 2025, respectively for the Company.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessors. Leased assets may not be used as security for borrowing purposes.

20. INTANGIBLE ASSETS

The Group

	Software	Patent	Total
	RMB’000	RMB’000	RMB’000
COST			
At January 1, 2023	1,984	542	2,526
Additions	1,971	—	1,971
Transfer from an external investor as consideration of series C+ investments	—	14,990	14,990
Transfer to inventories	(288)	—	(288)
At December 31, 2023	3,667	15,532	19,199
Additions	222	302	524
At December 31, 2024 and 2025	3,889	15,834	19,723
AMORTIZATION			
At January 1, 2023	(387)	(394)	(781)
Charge for the year	(353)	(681)	(1,034)
Transfer to inventories	19	—	19
At December 31, 2023	(721)	(1,075)	(1,796)
Charge for the year	(792)	(1,498)	(2,290)
At December 31, 2024	(1,513)	(2,573)	(4,086)
Charge for the year	(735)	(1,747)	(2,482)
At December 31, 2025	(2,248)	(4,320)	(6,568)
CARRYING AMOUNTS			
At December 31, 2023	2,946	14,457	17,403
At December 31, 2024	2,376	13,261	15,637
At December 31, 2025	1,641	11,514	13,155

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The Company

	Software	Patent	Total
	RMB’000	RMB’000	RMB’000
COST			
At January 1, 2023	1,984	542	2,526
Additions	1,896	—	1,896
Transfer from an external investor as consideration of series C+ investments	—	14,990	14,990
Disposals	(288)	—	(288)
At December 31, 2023	3,592	15,532	19,124
Additions	222	302	524
At December 31, 2024 and 2025	3,814	15,834	19,648
AMORTIZATION			
At January 1, 2023	(387)	(394)	(781)
Charge for the year	(346)	(681)	(1,027)
Eliminated on disposals	19	—	19
At December 31, 2023	(714)	(1,075)	(1,789)
Charge for the year	(776)	(1,498)	(2,274)
At December 31, 2024	(1,490)	(2,573)	(4,063)
Charge for the year	(721)	(1,747)	(2,468)
At December 31, 2025	(2,211)	(4,320)	(6,531)
CARRYING AMOUNTS			
At December 31, 2023	2,878	14,457	17,335
At December 31, 2024	2,324	13,261	15,585
At December 31, 2025	1,603	11,514	13,117

The Group and the Company

The above intangible assets have finite useful lives and are amortized on a straight-line basis over the following periods:

Patent	5–20 years
Software	5 years

As at December 31, 2023, the carrying amount of intangible assets of RMB1,006,000 are pledged to other financial institutions as collaterals for the Company’s borrowings.

Details of impairment assessment are set out in Note 18.

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21. DEFERRED TAX ASSETS/LIABILITIES

The Group

Deferred tax assets have not been recognized in respect of the following items:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Tax losses	819,303	1,100,973	1,256,937
Deductible temporary differences	69,046	114,953	97,638
	<u>888,349</u>	<u>1,215,926</u>	<u>1,354,575</u>

No deferred tax asset has been recognized in relation to such deductible temporary difference and tax losses due to the unpredictability of future profit streams.

The unutilized tax losses incurred by the qualified HNTE can be utilized in 10 years from the year of loss.

Unrecognized tax losses with expiry dates are disclosed in the following table.

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
2024	193	—	—
2025	3,914	358	—
2026	4,892	4,084	—
2027	27,003	26,149	22,462
2028	67,732	65,948	65,948
2029	53,100	145,744	145,744
2030	73,802	73,802	103,944
2031	141,396	141,396	141,396
2032	218,436	218,436	218,436
2033	228,835	228,835	228,835
2034	—	196,221	196,221
2035	—	—	133,951
	<u>819,303</u>	<u>1,100,973</u>	<u>1,256,937</u>

The Company

Deferred tax assets have not been recognized in respect of the following items:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Tax losses	740,709	936,930	1,070,881
Deductible temporary differences	208,589	305,331	340,819
	<u>949,298</u>	<u>1,242,261</u>	<u>1,411,700</u>

No deferred tax asset has been recognized in relation to such deductible temporary difference and tax losses due to the unpredictability of future profit streams.

The unutilized tax losses incurred by the qualified HNTE can be utilized in 10 years from the year of loss.

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Unrecognized tax losses with expiry dates are disclosed in the following table.

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
2027	2,582	2,582	2,582
2028	22,557	22,557	22,557
2029	53,101	53,101	53,101
2030	73,802	73,802	73,802
2031	141,396	141,396	141,396
2032	218,436	218,436	218,436
2033	228,835	228,835	228,835
2034	—	196,221	196,221
2035	—	—	133,951
	<u>740,709</u>	<u>936,930</u>	<u>1,070,881</u>

22. INVESTMENTS IN ASSOCIATES

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Cost of investments in associates	22,589	22,589	22,589
Share of post-acquisition losses, net of dividends received	10,522	14,648	16,432
Impairment loss recognized	—	(400)	(509)
	<u>33,111</u>	<u>36,837</u>	<u>38,512</u>

The details of the investments in associates as at December 31, 2023, 2024 and 2025 are as follows:

Name of entities	Country of incorporation/ registration	Proportion of ownership interest and voting rights held by the Group as at			Principal activity
		December 31, 2023	December 31, 2024	December 31, 2025	
Shanghai Baoli Zhixing Technology Co., Ltd.* (上海寶力智行技術有限公司) (“Shanghai Baoli”) (Note i)	The PRC	19.89%	19.89%	19.89%	Technology Service
Beijing Baotou Steel Xinyuan Technology Co., Ltd.* (北京包鋼新源科技有限公司) (“Baotou Steel Xinyuan”) (Note ii)	The PRC	16.67%	16.67%	16.67%	Technology Service
Erdos Intelligent Network Technology Co., Ltd.* (鄂爾多斯市智慧網聯科技有限責任公司) (“Erdos Intelligent Network”) (Note iii)	The PRC	13.12%	13.12%	13.12%	Technology Service

* English name is for identification purpose only.

Notes:

- The Group is able to exercise significant influence over Shanghai Baoli because it has the right to appoint one out of the five directors of Shanghai Baoli under the articles of association of Shanghai Baoli.

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- ii. The Group is able to exercise significant influence over Baotou Steel Xinyuan because it has the right to appoint one out of the three directors of Baotou Steel Xinyuan under the articles of association of Baotou Steel Xinyuan.
- iii. The Group is able to exercise significant influence over Erdos Intelligent Network because it has the right to appoint one out of the nine directors of Erdos Intelligent Network under the articles of association of Erdos Intelligent Network.

Summarized financial information of material associates

Summarized financial information in respect of each of the Group’s material associates is set out below. The summarized financial information below represents amounts in associates’ financial statements prepared in accordance with IFRS Accounting Standards. The associates is accounted for using the equity method in these consolidated financial statements.

Shanghai Baoli

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Current assets	2,242	1,974	536
Non-current assets	133,750	154,596	165,172
Current liabilities	—	(28)	(30)
Non-current liabilities	—	—	—
	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Profit and total comprehensive income for the year	25,928	28,543	19,135
Dividends received from an associate during the year	2,785	1,590	1,989

Reconciliation of the above summarized financial information to the carrying amount of the interest in the associate recognized in the consolidated financial statements:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Net assets of Shanghai Baoli	135,992	156,542	165,678
Proportion of the Group’s ownership interest in Shanghai Baoli	19.89%	19.89%	19.89%
The Group’s share of net assets and carrying amount of interest in Shanghai Baoli	27,049	31,136	32,953

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Aggregate information of associates that are not individually material

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
The Group’s share of profit (loss) and total comprehensive income (expense) for the year	121	39	(33)
Aggregate carrying amount of the Group’s interests in these associates	6,062	5,701	5,559

23. INVENTORIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Raw materials	16,055	23,926	18,171
Contract fulfillment costs	50,830	89,434	39,012
Less: allowance for write-down	(13,810)	(20,750)	(1,048)
Total	53,075	92,610	56,135

As at December 31, 2023, 2024 and 2025, inventories of RMB30,081,000, RMB28,148,000 and RMB1,912,000 are expected to be recovered after more than 12 months, respectively.

As at December 31, 2023, the carrying amount of inventories of RMB2,350,000 are pledged to a wide-body products supplier as collaterals for the Group’s payment of the purchase amount.

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Raw materials	15,263	23,511	17,760
Contract fulfillment costs	43,546	76,602	34,559
Less: allowance for write-down	(13,810)	(20,340)	(639)
Total	44,999	79,773	51,680

As at December 31, 2023, 2024 and 2025, inventories of RMB15,173,000, RMB13,028,000 and RMB1,382,000 are expected to be recovered after more than 12 months, respectively.

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24. TRADE AND NOTES RECEIVABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Trade receivables	72,648	38,345	348,919
Notes receivables	6,791	12,519	4,575
Less: allowance for credit losses	(36)	(2,804)	(4,139)
Total	<u>79,403</u>	<u>48,060</u>	<u>349,355</u>
Analyzed as:			
Non-current (<i>Note</i>)	3,267	1,279	—
Current	<u>76,136</u>	<u>46,781</u>	<u>349,355</u>
	<u>79,403</u>	<u>48,060</u>	<u>349,355</u>

Note: Non-current portion of trade receivables represent receivables from certain contracts which are to be collected in three instalments over the next thirty-six months. In the opinion of the Directors, such non-current trade receivables are disclosed as being within one year of age, as they have not been past due.

As at January 1, 2023, trade and notes receivables from contracts with customers net of allowance for credit losses amounted to RMB66,691,000.

The Group primarily allows a credit period within 180 days, except for certain credit worthy customers, where the credit periods are extended to a longer period. The following is an aged analysis of trade receivables before netting of allowance for credit losses based on dates of delivery of goods or provision of services at the end of each reporting period.

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Within 1 year	72,648	35,558	344,952
1–2 years	—	2,787	3,160
Over 2 years	—	—	807
Total	<u>72,648</u>	<u>38,345</u>	<u>348,919</u>

As at December 31, 2023, 2024 and 2025, included in the Group’s trade receivable balances are debtors with an aggregate carrying amount of RMB3,389,000, RMB7,679,000 and RMB8,950,000 respectively which are past due as at the reporting date. Out of the past due balances, RMB510,000, RMB6,810,000 and RMB8,550,000 has been past due 90 days or more and is not considered as in default as there has not been a significant change in credit quality and the amounts are considered recoverable.

Details of impairment assessment of trade and notes receivables during the Track Record Period are set out in Note 43.

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The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Trade receivables	21,103	22,107	336,103
Notes receivables	5,791	7,552	4,493
Less: allowance for credit losses	(11)	(2,796)	(1,821)
Total	<u>26,883</u>	<u>26,863</u>	<u>338,775</u>
Analyzed as:			
Non-current (<i>Note</i>)	3,267	1,279	—
Current	<u>23,616</u>	<u>25,584</u>	<u>338,775</u>
	<u>26,883</u>	<u>26,863</u>	<u>338,775</u>

Note: Non-current portion of trade receivables represent receivables from certain contracts which are to be collected in three instalments over the next thirty-six months. In the opinion of the Directors, such non-current trade receivables are disclosed as being within one year of age, as they have not been past due.

As at January 1, 2023, net carrying amount of trade and notes receivables from contracts with customers amounted to RMB12,909,000.

The following is an aged analysis of trade receivables before netting of allowance for credit losses based on dates of delivery or rendering of services at the end of each reporting period.

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Within 1 year	21,103	19,320	334,449
1–2 years	—	2,787	847
Over 2 years	—	—	807
Total	<u>21,103</u>	<u>22,107</u>	<u>336,103</u>

25. TRANSFERS OF FINANCIAL ASSETS

The Group

(i) *Transferred financial assets that are derecognized in their entirety*

As at December 31, 2023, 2024 and 2025, the Group endorsed certain notes receivable accepted by banks to certain of its suppliers (“Derecognized Notes”), with a carrying amount in aggregate of Nil, RMB15,006,000 and RMB17,432,000, respectively. The Derecognized Notes had a maturity of one to twelve months as at December 31, 2023, 2024 and 2025. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognized Notes may exercise the right of recourse against any, several or all of the persons liable for the Derecognized Notes, including the Group, in disregard of the order of precedence. In the opinion of the Directors, the risk of the Group being claimed by the holders of the Derecognized Notes is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognized Notes. Accordingly, it has derecognized the full carrying amounts of the Derecognized Notes and the associated trade payables.

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(ii) *Transferred financial assets that are not derecognized in their entirety*

As part of its normal business, the Group endorsed certain notes receivable accepted by banks in mainland China (the “Endorsed Notes”) with a carrying amount of Nil, RMB9,099,000 and RMB2,739,000 as at December 31, 2023, 2024 and 2025, respectively. In the opinion of the Directors, the Group has retained the substantial risks and rewards relating to such Endorsed Notes, which include the default risks of the aforementioned notes, and accordingly, it continued to recognize the full carrying amounts of the Endorsed Notes and recognized other payables. Subsequent to the endorsing, the Group did not retain any rights on the use of the Endorsed Notes, including the sale, transfer or pledge of such bills to any other third parties.

The Company

(i) *Transferred financial assets that are derecognized in their entirety*

As at December 31, 2023, 2024 and 2025, the Company endorsed certain notes receivable accepted by banks to certain of its suppliers (“Derecognized Notes”), with a carrying amount in aggregate of Nil, RMB12,409,000 and RMB7,697,000, respectively. The Derecognized Notes had a maturity of one to twelve months as at December 31, 2023, 2024 and 2025. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognized Notes may exercise the right of recourse against any, several or all of the persons liable for the Derecognized Notes, including the Company, in disregard of the order of precedence. In the opinion of the Directors, the risk of the Company being claimed by the holders of the Derecognized Notes is remote in the absence of a default of the accepted banks. The Company has transferred substantially all risks and rewards relating to the Derecognized Notes. Accordingly, it has derecognized the full carrying amounts of the Derecognized Notes and the associated trade payables.

(ii) *Transferred financial assets that are not derecognized in their entirety*

As part of its normal business, the Company endorsed certain notes receivable accepted by banks in mainland China (the “Endorsed Notes”) with a carrying amount of Nil, RMB5,626,000 and RMB2,657,000 as at December 31, 2023, 2024 and 2025, respectively. In the opinion of the Directors, the Company has retained the substantial risks and rewards relating to such Endorsed Notes, which include the default risks of the aforementioned notes, and accordingly, it continued to recognize the full carrying amounts of the Endorsed Notes and recognized other payables. Subsequent to the endorsing, the Group did not retain any rights on the use of the Endorsed Notes, including the sale, transfer or pledge of such bills to any other third parties.

26. CONTRACT ASSETS

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Carrying amount	3,350	3,589	4,621
Less: allowance for credit losses	(3)	(3)	(4)
Total	<u>3,347</u>	<u>3,586</u>	<u>4,617</u>
Analyzed as:			
Non-current	475	—	3,265
Current	<u>2,872</u>	<u>3,586</u>	<u>1,352</u>
	<u>3,347</u>	<u>3,586</u>	<u>4,617</u>

Contract assets are generally the final payments of revenue contracts which are due at the end of the quality assurance period of one year to two years. Contract assets are recorded as the Group has no unconditional right on these amounts of consideration when the revenue is recognized.

As at January 1, 2023, net carrying amount of contract assets amounted to RMB998,000.

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Details of impairment assessment of contract assets during the Track Record Period are set out in Note 43.

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Carrying amount	1,932	1,782	4,205
Less: allowance for credit losses	(2)	(2)	(3)
Total	<u>1,930</u>	<u>1,780</u>	<u>4,202</u>
Analyzed as:			
Non-current	475	—	3,265
Current	<u>1,455</u>	<u>1,780</u>	<u>937</u>
	<u>1,930</u>	<u>1,780</u>	<u>4,202</u>

Contract assets are generally the final payments of revenue contracts which are due at the end of the quality assurance period of one year to two years. Contract assets are recorded as the company has no unconditional right on these amounts of consideration when the revenue is recognized.

As at January 1, 2023, net carrying amount of contract assets amounted to RMB998,000.

Details of impairment assessment of contract assets during the Track Record Period are set out in Note 43.

27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Current:			
Other receivables			
— Deposits	6,572	6,338	15,610
— Refunds receivable from a supplier	2,000	—	—
— Loans and advances to third parties	500	500	450
— Deferred issue cost	—	—	130
— Others	328	580	254
Less: allowance for credit losses	<u>(3,537)</u>	<u>(3,690)</u>	<u>(5,532)</u>
	<u>5,863</u>	<u>3,728</u>	<u>10,912</u>
Prepayments to suppliers	783	1,361	10,496
Prepaid expenses	150	86	—
Deductible input value-added tax (“VAT”)	<u>16,633</u>	<u>18,571</u>	<u>16,714</u>
Current total	<u>23,429</u>	<u>23,746</u>	<u>38,122</u>

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	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Non-current:			
Other receivables			
— Deposits	9,359	9,977	5,014
Less: allowance for credit losses	(94)	(100)	(50)
	<u>9,265</u>	<u>9,877</u>	<u>4,964</u>
Prepayments for property, plant and equipment	<u>858</u>	<u>17</u>	<u>2,741</u>
Non-current total	<u>10,123</u>	<u>9,894</u>	<u>7,705</u>
Total	<u><u>33,552</u></u>	<u><u>33,640</u></u>	<u><u>45,827</u></u>

Details of impairment assessment of other receivables during the Track Record Period are set out in Note 43.

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Current:			
Other receivables			
— Deposits	6,476	4,193	13,558
— Refunds receivable from suppliers	2,000	—	—
— Loans and advances to third parties	500	500	450
— Deferred issue cost	—	—	130
— Others	208	144	111
Less: allowance for credit losses	(3,514)	(3,630)	(3,495)
	<u>5,670</u>	<u>1,207</u>	<u>10,754</u>
Prepayments to suppliers	<u>661</u>	<u>713</u>	<u>5,309</u>
Deductible input VAT	<u>6,538</u>	<u>5,178</u>	<u>—</u>
Current total	<u>12,869</u>	<u>7,098</u>	<u>16,063</u>
Non-current:			
Other receivables			
— Deposits	3,327	5,438	2,976
Less: allowance for credit losses	(53)	(74)	(49)
	<u>3,274</u>	<u>5,364</u>	<u>2,927</u>
Prepayments for property, plant and equipment	<u>858</u>	<u>17</u>	<u>2,253</u>
Non-current total	<u>4,132</u>	<u>5,381</u>	<u>5,180</u>
Total	<u><u>17,001</u></u>	<u><u>12,479</u></u>	<u><u>21,243</u></u>

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28. FINANCIAL ASSETS AT FVTPL

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Unquoted equity shares (<i>Note i</i>)	4,944	3,810	1,446
Financial products issued by a bank (<i>Note ii</i>)	—	—	20,000
	<u>4,944</u>	<u>3,810</u>	<u>21,446</u>
Analyzed as:			
Non-current	4,944	3,810	1,446
Current	—	—	20,000
	<u>4,944</u>	<u>3,810</u>	<u>21,446</u>

Notes:

- i. As at December 31, 2023, 2024 and 2025, the investments in unquoted equity shares represented the unquoted equity interests in two companies incorporated in the PRC, in which the Group has no right to appoint any director. The Directors consider that the Group cannot exercise control nor significant influence on these investments.
- ii. As at December 31, 2025, the financial products issued by a bank are short-term investments denominated in RMB20,000,000 with no predetermined or guaranteed return and are not principal protected.

29. CASH AND CASH EQUIVALENTS/RESTRICTED BANK DEPOSITS/TIME DEPOSITS

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Cash and cash equivalents			
— Bank balances (<i>Note i</i>)	<u>91,670</u>	<u>2,855</u>	<u>121,914</u>
Restricted bank deposits (<i>Note ii</i>)	<u>23,035</u>	<u>4,386</u>	<u>61,035</u>
Time deposits (<i>Note iii</i>)	<u>20,000</u>	<u>—</u>	<u>—</u>

Notes:

- i. As at December 31, 2023, 2024 and 2025, bank balances of the Group carried interest at market rates ranging from 0.1% to 0.35%, 0.1% to 0.35% and 0.05% to 0.15% per annum, respectively.
- ii. As at December 31, 2023, restricted bank deposits amounting to RMB10,530,000, which carried interest at a rate of 1.8% were pledged as collateral for a short-term bank loan and the remaining that carried interest at a rate of 0.2% were placed as security deposits for bank acceptances and short-term bank letters of guarantee.

As at December 31, 2024, restricted bank deposits that carried interest at a rate of 0.1% to 2% were placed as security deposits for bank acceptances and short-term bank letters of guarantee.

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As at December 31, 2025, restricted bank deposits amounting to RMB3,877,000 were placed as security deposits for short-term bank acceptances and letters of guarantee, restricted bank deposits amounting to RMB29,883,000 were restricted for litigation purposes and restricted bank deposits amounting to RMB27,275,000 related to capital contributions from a shareholder, which were subject to joint supervision by both parties. As at December 31, 2025, the restricted bank deposits carried interest at a rate of 0.05% to 1.20%.

- iii. As at December 31, 2023, bank balances of RMB20,000,000 represented time deposits with an original maturity of 36 months, carrying fixed interest rates ranging from 3.10% to 3.30% per annum.

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Cash and cash equivalents			
— Bank balances (<i>Note i</i>)	75,970	1,572	89,760
Restricted bank deposits (<i>Note ii</i>)	23,035	2,383	60,925
Time deposits (<i>Note iii</i>)	20,000	—	—

Notes:

- i. As at December 31, 2023, 2024 and 2025, bank balances of the Company carried interest at market rates ranging from 0.1% to 0.2%, 0.1% to 0.2% and 0.05% to 0.15% per annum, respectively.
- ii. As at December 31, 2023, restricted bank deposits amounting to RMB10,530,000 which carried interest at a rate of 1.8% were pledged as collateral for a short-term bank loan and the remaining that carried interest at a rate of 0.2% were placed as security deposits for bank acceptances and short-term bank letters of guarantee.

As at December 31, 2024, restricted bank deposits that carried interest at a rate of 0.1% to 2% were placed as security deposits for bank acceptances and letters of guarantee.

As at December 31, 2025, restricted bank deposits amounting to RMB3,877,000 were placed as security deposits for bank acceptances and letters of guarantee, restricted bank deposits amounting to RMB29,773,000 were restricted for litigation purposes and restricted bank deposits amounting to RMB27,275,000 related to capital contributions from a shareholder, which were subject to joint supervision by both parties. As at December 31, 2025, the restricted bank deposits carried interest at a rate of 0.05% to 1.20%.

- iii. As at December 31, 2023, bank balances of RMB20,000,000 represented time deposits with an original maturity of 36 months, carrying fixed interest rates ranging from 3.10% to 3.30% per annum.

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30. TRADE AND NOTES PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Trade payables	47,267	47,181	368,706
Notes payables (<i>Note</i>)	10,295	—	22,745
Total	57,562	47,181	391,451

Trade payables are non-interest bearing and the majority are with a credit term of 30 to 180 days. An aged analysis of the Group’s trade payables, as at the end of each reporting period, based on the dates of acceptance of goods or services, is as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Within 1 year	47,257	38,990	365,549
1–2 years	6	8,182	2,683
Over 2 years	4	9	474
	47,267	47,181	368,706

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Trade payables	24,407	33,171	368,382
Notes payables (<i>Note</i>)	10,295	—	22,745
Total	34,702	33,171	391,127

Trade payables are non-interest bearing and the majority are with a credit term of 30 to 180 days. An aged analysis of the Company’s trade payables, as at the end of each reporting period, based on the invoice date, is as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Within 1 year	24,400	31,696	365,510
1–2 years	3	1,468	2,636
Over 2 years	4	7	236
	24,407	33,171	368,382

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Note: These relate to trade payables in which the Group and the Company have issued notes to the relevant suppliers for settlement of trade payables. The suppliers can obtain the invoice amounts from the bank on the maturity date of the notes. The Group and the Company continue to recognize these notes payables as the Group and the Company are obliged to make payments to the relevant banks on due dates of the notes, under the same conditions as agreed with the suppliers without further extension. In the Historical Financial Information, settlements of these notes by the Group and the Company are included within operating cash flows based on the nature of the arrangements.

31. OTHER PAYABLES AND ACCRUALS

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Current:			
Staff costs payable	17,032	16,142	15,207
Other taxes payables	3,323	5,390	13,080
Payables for purchases of property, plant and equipment	24,025	53,632	35,085
Payables for services fee and other expenses	6,882	7,345	7,070
Endorsed notes receivables that have not been derecognized and not yet due (<i>Note 25</i>)	—	9,099	2,739
Loans from third parties (<i>Note</i>)	6,579	1,440	5,026
Accrued [REDACTED] expenses	—	—	732
Accrued issue cost	—	—	130
Others	1,101	1,525	3,191
Current total	58,942	94,573	82,260
Non-current:			
Payables for purchases of property, plant and equipment	23,712	2,642	—
Loans from third parties (<i>Note</i>)	1,435	—	2,500
Non-current total	25,147	2,642	2,500
Total	84,089	97,215	84,760

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The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Current:			
Staff costs payable	13,755	12,513	15,071
Other taxes payables	3,235	5,269	12,245
Payables for purchases of property, plant and equipment	—	25,056	14,233
Payables for services fee and other expenses	5,763	5,369	6,273
Endorsed notes receivables that have not been derecognized and not yet due (<i>Note 25</i>)	—	5,626	2,657
Loans from third parties (<i>Note</i>)	6,579	1,440	5,026
Accrued [REDACTED] expense	—	—	732
Accrued issue cost	—	—	130
Others	451	372	161
Current total	29,783	55,645	56,528
Non-current:			
Loans from third parties (<i>Note</i>)	1,435	—	2,500
Non-current total	1,435	—	2,500
Total	31,218	55,645	59,028

Note:

As at December 31, 2023, loans from third parties amounting to RMB8,014,000 are secured by property, plant and equipment, carry interest at rates ranging from 4.0% to 7.2%, and are repayable within a period of 1 month to 22 months.

As at December 31, 2024, loans from third parties amounting to RMB1,440,000 are secured by property, plant and equipment, carry interest at rates ranging from 4.0% to 6.65%, and are repayable within a period of 1 month to 10 months.

As at December 31, 2025, loans from third parties amounting to RMB4,500,000 are secured by property, plant and equipment, carry interest at rates ranging from 4.0% to 5.5%, and are repayable within a period of 1 month to 36 months, and loans from third parties amounting to RMB3,026,000 are unsecured, interest-free and repayable on demand.

Details of property, plant and equipment that secure the loans above are set out in Note 18.

32. CONTRACT LIABILITIES

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Advance from customers	7,571	25,517	39,768
Analyzed as:			
Non-current	—	1,209	28,673
Current	7,571	24,308	11,095
	7,571	25,517	39,768

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As at January 1, 2023, contract liabilities amounted to RMB8,115,000.

The following table shows how much of the revenue recognized during the Track Record Period relates to carried-forward contract liabilities:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Revenue recognized that was included in the contract liability balance at the beginning of the year	2,678	—	22,268

33. LEASE LIABILITIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Lease liabilities payable:			
Within one year	5,190	1,261	10,583
Within a period of more than one year but not exceeding two years	662	971	599
Within a period of more than two years but not exceeding five years	97	259	—
	<u>5,949</u>	<u>2,491</u>	<u>11,182</u>
Analyzed as:			
Amounts due for settlement within one year shown under current liabilities	<u>5,190</u>	<u>1,261</u>	<u>10,583</u>
Amounts due for settlement after one year shown under non-current liabilities	<u>759</u>	<u>1,230</u>	<u>599</u>

The incremental borrowing rates applied to lease liabilities range from 3.85% to 6.20%, 3.85% to 6.20% and 3.50% to 5.00% per annum for each of the years ended December 31, 2023, 2024 and 2025, respectively.

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The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Lease liabilities payable:			
Within one year	5,038	1,157	10,486
Within a period of more than one year but not exceeding two years	557	874	599
Within a period of more than two years but not exceeding five years	—	259	—
	<u>5,595</u>	<u>2,290</u>	<u>11,085</u>
Analyzed as:			
Amounts due for settlement within one year shown under current liabilities	<u>5,038</u>	<u>1,157</u>	<u>10,486</u>
Amounts due for settlement after one year shown under non-current liabilities	<u>557</u>	<u>1,133</u>	<u>599</u>

The incremental borrowing rates applied to lease liabilities range from 3.85% to 6.20%, 3.85% to 6.20% and 3.50% to 5.00% per annum for each of the years ended December 31, 2023, 2024 and 2025, respectively.

34. REDEMPTION LIABILITIES

The Group and the Company

Since the date of its incorporation, the Company has completed several rounds of financing through issuing shares with certain preferred rights, mainly including redemption rights, liquidation preference rights and anti-dilution rights, including series Pre A, series A, series A+, series B, series B+, series B++, series C, series C+ and series D (collectively the “Paid-in Capital with Preferred Rights”), each leading to an increase in the capital of the Company. The details of these financing are set out below:

Series	Date of issuance	Issue price per share RMB	Issued shares	Total consideration RMB’000
Series Pre A	September 2017	5.41	3,694,590	20,000
Series A	January 2019	6.51	4,608,360	30,000
Series A+	August 2019 to September 2019	11.03	5,354,989	59,071
Series B	September 2020 to January 2021	18.38	8,593,983	158,000
Series B+	September 2021 to January 2022	31.40	4,363,208	137,000
Series B++	March 2022	40.08	686,210	27,500
Series C	November 2022 to January 2023	51.45	1,555,007	80,000
Series C+	March 2023 to December 2025	57.53	9,225,512	530,736
Series D	December 2025	59.50	458,400	27,275
			<u>38,540,259</u>	<u>1,069,582</u>

The details of financing undertaken in the Track Record Period are as follows.

Issuance of series C investment (“Series C Investment”)

In January 2023, the Company entered into an investment agreement with a series C investor, pursuant to which the Company issued 291,564 shares in January 2023, to the series C investor, at a consideration of RMB15,000,000.

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Issuance of series C+ investment (“Series C+ Investment”)

During March 2023 to July 2023, the Company entered into several investment agreements with series C+ investors, pursuant to which the Company issued 6,053,210 shares in 2023, to the series C+ investors, at a consideration of RMB348,236,000, among which RMB14,990,000 was settled by several patents.

During the year ended December 31, 2025, the Company entered into several investment agreements with series C+ investors, pursuant to which the Company issued 3,172,302 shares in 2025, to the series C+ investors, at a consideration of RMB182,500,000.

Issuance of series D investment (“Series D Investment”)

During the year ended December 31, 2025, the Company entered into an investment agreement with series D investors, pursuant to which the Company issued 458,400 shares in 2025, to the series D investors, at a consideration of RMB27,275,000.

During the Track Record Period, the rights, preferences and privileges of the Paid-in Capital with Preferred Rights are as follows:

(a) *Redemption rights*

If any of the following events occurs, any investor shall be entitled to, at any time and from time to time thereafter, issue a written notice to the Company or the founding shareholders, requiring the Company and/or the founding shareholders to repurchase all or part of the equity interests in the Company held by such investor at the agreed price:

- i. The Company fails to complete a qualified [REDACTED] (the “[REDACTED]”) on or before December 31, 2024, which had been extended to December 31, 2025 pursuant to the investment agreement of series C+ first round entered on March 10, 2023, and further extended to December 31, 2027 pursuant to the investment agreement of series C+ six round entered on September 29, 2025. A qualified [REDACTED] means the completion of the initial [REDACTED] and [REDACTED] of the shares of the Company or the reorganized domestic or overseas [REDACTED] vehicle on a qualified capital market approved by all investors (including, without limitation, the Shanghai Stock Exchange, Shenzhen Stock Exchange, Beijing Stock Exchange, The Stock Exchange of Hong Kong Limited, New York Stock Exchange Inc., and Nasdaq Stock Market LLC), with the financing amount of not less than RMB500 million;
- ii. The founding shareholders or the Company materially breach any of their obligations, representations and warranties under the investment agreement;
- iii. Two or more key employees of the Company no longer devote their primary time and energy to the operation of the Company, and the Company is unable to provide a replacements for the positions of such key employees;
- iv. Any investor makes a demand for equity repurchase pursuant to any of the repurchase conditions set forth in this clause.
- v. Special rights to certain investors located in Anhui province: if the Company relocates its corporate headquarters out of Xinzhan District of Hefei City or the Company fails to use its headquarters entity located in Xinzhan District of Hefei City as the reporting entity for its [REDACTED], such investors shall be entitled to require the Company and/or the founding shareholders to repurchase all or part of their equity interests in the Company at the agreed price, by issuing a written notice to the Company or the founding shareholders within 24 months of becoming aware of such event.

The redemption amount is the total amount paid by the investors to obtain the equity interests of the Company, plus an interest at an annual simple interest rate of 8% calculated from the investment completion dates stated in the investment agreement to the date triggering redemption, plus the declared but unpaid dividends, less the dividends (if any) declared and paid to these the investors.

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Upon redemption, series C+ investment shall rank senior to series C investment, series C investment shall rank senior to series B++ investment, series B++ investment shall rank senior to series B+ investment, series B+ investment shall rank senior to series B investment, series B investment shall rank senior to series A+ investment, series A+ investment shall rank senior to series A investment, series A investment shall rank senior to series Pre A investment.

(b) *Liquidation preference*

In the event of any liquidation of the Company, the investors of the Company are entitled to receive, prior and in preference to liquidation preference amounts in order of priority as specified in relevant shareholder agreements. The liquidation amount is the total amount paid by the investors to obtain the equity interests of the Company, plus an interest at an annual simple interest rate of 8% calculated from investment completion dates stated in the investment agreement to the date triggering redemption, plus the declared but unpaid dividends, less the dividends (if any) declared and paid by the Company.

The distributing shall be made in the following sequence: first to series C+ investors, then to the series C investors, then to the series B++ investors, then to the series B+ investors, then to the series B investors, then to the series A+ investors, then to the series A investors, and then to series Pre A investors.

If there are any assets or funds remaining after the payment of the preference amount, the remaining assets or funds available for distribution to the members of the Company shall be distributed ratably among all members including the holders of the Paid-in Capital with Preferred Rights according to the relative number of shares held by such members.

An event deemed as liquidation shall mean any of the following events (whether a single transaction or a series of connected transactions) (the “Deemed Liquidation Events”):

- The Company’s respective shareholders prior to the transaction lose their majority shareholder status in the Company, lose control over the Company, or the number of directors appointed by the founding shareholders and investors fails to constitute a majority of the total number of directors of the Company’s board of directors, due to the Company being acquired by a third party or by other means;
- The Group sells or otherwise disposes of all or substantially all of its assets or businesses to a third party; or
- The Group licenses, assigns, exclusively licenses or otherwise disposes of its core intellectual property rights to a third party.

Upon occurrence of the Deemed Liquidation Events, all consideration received by the Company or its shareholders in connection with such disposal event shall be distributed in accordance with the aforesaid amounts and priority of payment. The founding shareholders and the Company shall take all effective measures to ensure that the investors receive the property or payment corresponding to the aforesaid amounts.

(c) *Anti-dilution rights*

If the Company increases its share at a price lower than the price paid by the anti-dilution right holders on a per share basis, the anti-dilution right holders have the right to require: (1) the founders to transfer the equity interests of the Company they directly or indirectly held to the anti-dilution right holders at the lowest price allowed by the law; or (2) the Company to issue new share for nominal consideration to the anti-dilution right holders; or (3) the Company or the founders to compensate the investors in cash.

Presentation and Classification

The anti-dilution right and liquidation events are under control of the Company, which means the Company has the unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation, therefore, the anti-dilution right and liquidation events should be classified as an equity component.

The redemption rights granted to the investors constitute as the Company’s obligations to repurchase its own equity instruments. These obligations were recognized as redemption liabilities which are initially measured at fair value and subsequently measured at amortized cost. The redemption liabilities are analyzed as non-current liabilities as at December

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31, 2023 as the Company has the right to defer settlement of the liabilities for at least twelve months after that date, and as current liabilities as at December 31, 2024 considering the Paid-in Capital with Preferred Rights shall be redeemable at the option of the holders if the Company fails to consummate a qualified [REDACTED] by December 31, 2025.

The movements of redemption liabilities during the Track Record Period are set out below:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
At the beginning of the year	565,762	977,836	1,054,064
addition	363,236	—	132,500
Issue costs	(8,222)	—	(1,200)
Charged to finance costs	60,212	76,228	82,680
Modification of redemption liabilities (<i>Note i</i>)	(3,152)	—	(23,392)
Transfer to equity (<i>Note ii</i>)	—	—	(1,244,652)
	<u> </u>	<u> </u>	<u> </u>
At the end of the year	<u>977,836</u>	<u>1,054,064</u>	<u>—</u>

Notes:

- i. During the year ended December 31, 2023, along with the grant of redemption rights in Series C+ Investment first round, the exercise date of the redemption rights of existing investors was deferred from December 31, 2024 to December 31, 2025 pursuant to the renewed shareholders’ investments agreements. The deferral of the above redemption right terms was considered as a substantial modification which resulted in the derecognition of the original financial liabilities and recognition of new financial liabilities. The gain of RMB3,152,000 resulting from the differences between the carrying amount of financial liabilities derecognized and the fair value of the new financial liabilities was recognized in other gains and losses according to IFRS 9.

During the year ended December 31, 2025, along with the grant of redemption rights in Series C+ Investment six round, the exercise date of the redemption rights of existing investors was deferred from December 31, 2025 to December 31, 2027 pursuant to the renewed shareholders’ investments agreements. The deferral of the above redemption right terms was considered as a substantial modification which resulted in the derecognition of the original financial liabilities and recognition of new financial liabilities. The gain of RMB23,392,000 resulting from the differences between the carrying amount of financial liabilities derecognized and the fair value of the new financial liabilities was recognized in other gains and losses according to IFRS 9.

- ii. In December 2025, all holders of the Paid-in Capital with Preferred Rights unanimously agreed and confirmed that the relevant covenants of the Company as the obligor under clause “Redemption Right” of the investment agreement shall be irrevocably terminated with effect from the day preceding the date on which the accounting firm engaged by the Company issues the audit report of the Company for its restructuring into a joint stock limited company. Therefore, the financial liabilities arising from redemption rights were transferred to equity on December 19, 2025.

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35. BANK BORROWINGS

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000 (Note i)	RMB’000 (Note ii)	RMB’000 (Note iii)
Bank borrowings:			
— Guaranteed	78,969	189,039	167,624
— Secured	10,014	—	—
— Unguaranteed and unsecured	10,019	—	—
Discounted unmatured bills	—	—	1,836
	<u>99,002</u>	<u>189,039</u>	<u>169,460</u>
Analyzed as:			
Non-current	—	32,747	31,312
Current	<u>99,002</u>	<u>156,292</u>	<u>138,148</u>
	<u>99,002</u>	<u>189,039</u>	<u>169,460</u>

Notes:

- As at December 31, 2023, bank borrowings of RMB78,969,000 were guaranteed by Mr. Yu Guizhen and Mr. Zhou Huasheng, the founder or the director of the Company, and bank borrowings of RMB10,014,000 were secured by the time deposits as detailed in Note 29.
- At as December 31, 2024, bank borrowings of RMB159,005,000 were guaranteed by Mr. Yu Guizhen and Mr. Zhou Huasheng and bank borrowings of RMB30,034,000 were guaranteed by Mr. Yu Guizhen.
- At as December 31, 2025, bank borrowings of RMB142,624,000 were guaranteed by Mr. Yu Guizhen and Mr. Zhou Huasheng, bank borrowings of RMB20,000,000 were guaranteed by Mr. Yu Guizhen, Mr. Zhou Huasheng and Hefei Small and Medium Enterprises Financing Guarantee Co., Ltd., and bank borrowings of RMB5,000,000 were guaranteed by Mr. Yu Guizhen, Mr. Zhou Huasheng and Hefei Xingtai Technology Financing Guarantee Co., Ltd..

The carrying amounts of the above bank borrowings are analyzed based on contractual repayment date as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
The carrying amounts of the borrowings are repayable:			
Within one year	99,002	156,292	138,148
Within a period of more than one year but not exceeding two years	—	—	31,312
Within a period of more than two years but not exceeding three years	—	32,747	—
	<u>99,002</u>	<u>189,039</u>	<u>169,460</u>

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The exposure of the Group’s bank borrowings are as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Fixed-rate bank borrowings	88,988	189,039	159,560
Variable-rate bank borrowings	10,014	—	9,900
	<u>99,002</u>	<u>189,039</u>	<u>169,460</u>

The Group’s variable-rate borrowings carry interest at the applicable Loan Prime Rate minus 65 basis points.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group’s bank borrowings are as follows:

	As at December 31,		
	2023	2024	2025
Fixed-rate bank borrowings	3.45%–5.2%	3.1%–5.2%	2.65%–4.0%
Variable-rate bank borrowings	<u>2.8%</u>	<u>N/A</u>	<u>3.8%</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
	(Note i)	(Note ii)	(Note iii)
Bank borrowings:			
— Guaranteed	78,469	189,039	157,624
— Secured	10,014	—	—
— Unguaranteed and unsecured	10,019	—	—
Discounted unmatured bills	<u>—</u>	<u>—</u>	<u>1,836</u>
	<u>98,502</u>	<u>189,039</u>	<u>159,460</u>
Analyzed as:			
Non-current	—	32,747	31,312
Current	<u>98,502</u>	<u>156,292</u>	<u>128,148</u>
	<u>98,502</u>	<u>189,039</u>	<u>159,460</u>

Notes:

- i. As at December 31, 2023, bank borrowings of RMB78,469,000 were guaranteed by Mr. Yu Guizhen and Mr. Zhou Huasheng and bank borrowings of RMB10,014,000 were secured by the time deposits as detailed in Note 29.
- ii. At as December 31, 2024, bank borrowings of RMB159,005,000 were guaranteed by Mr. Yu Guizhen and Mr. Zhou Huasheng, and bank borrowings of RMB30,034,000 were guaranteed by Mr. Yu Guizhen.
- iii. At as December 31, 2025, bank borrowings of RMB142,624,000 were guaranteed by Mr. Yu Guizhen and Mr. Zhou Huasheng, bank borrowings of RMB10,000,000 were guaranteed by Mr. Yu Guizhen, Mr. Zhou Huasheng and Hefei Small and Medium Enterprises Financing Guarantee Co., Ltd., and bank borrowings of RMB5,000,000 were guaranteed by Mr. Yu Guizhen, Mr. Zhou Huasheng and Hefei Xingtai Technology Financing Guarantee Co., Ltd..

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The carrying amounts of the above bank borrowings are analyzed based on contractual repayment date as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
The carrying amounts of the Bank borrowings are repayable:			
Within one year	98,502	156,292	128,148
Within a period of more than one year			
but not exceeding two years	—	—	31,312
Within a period of more than two years			
but not exceeding three years	—	32,747	—
	<u>98,502</u>	<u>189,039</u>	<u>159,460</u>

The exposure of the Company’s bank borrowings are as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Fixed-rate bank borrowings	88,488	189,039	149,470
Variable-rate bank borrowings	<u>10,014</u>	<u>—</u>	<u>9,990</u>
	<u>98,502</u>	<u>189,039</u>	<u>159,460</u>

The Group’s variable-rate borrowings carry interest at the applicable Loan Prime Rate minus 65 basis points.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Company’s bank borrowings are as follows:

	As at December 31,		
	2023	2024	2025
Fixed-rate bank borrowings	3.45%–5.2%	3.1%–5.2%	2.65%–4.0%
Variable-rate bank borrowing	<u>2.8%</u>	<u>N/A</u>	<u>3.8%</u>

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36. PROVISIONS

The Group

	Litigation	Warranty provision	Provision for onerous contract	Obligation of financial guarantee contract	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
	<i>(Note i)</i>	<i>(Note ii)</i>	<i>(Note iii)</i>	<i>(Note iv)</i>	
As at January 1, 2023	—	442	—	—	442
Additional provision in the year	—	3,012	1,416	—	4,428
Utilization of provision	—	(1,323)	—	—	(1,323)
As at December 31, 2023	—	2,131	1,416	—	3,547
Additional provision in the year	802	1,066	2,503	27,758	32,129
Utilization of provision	—	(2,620)	—	(3,740)	(6,360)
As at December 31, 2024	802	577	3,919	24,018	29,316
Additional provision in the year	1,453	2,651	1,637	—	5,741
Utilization of provision	(802)	(1,197)	—	—	(1,999)
As at December 31, 2025	<u>1,453</u>	<u>2,031</u>	<u>5,556</u>	<u>24,018</u>	<u>33,058</u>

The Company

	Litigation	Warranty provision	Provision for onerous contract	Obligation of financial guarantee contract	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
	<i>(Note i)</i>	<i>(Note ii)</i>	<i>(Note iii)</i>	<i>(Note iv)</i>	
As at January 1, 2023	—	442	—	—	442
Additional provision in the year	—	2,640	—	—	2,640
Utilization of provision	—	(1,086)	—	—	(1,086)
As at December 31, 2023	—	1,996	—	—	1,996
Additional provision in the year	802	1,066	732	27,758	30,358
Utilization of provision	—	(1,703)	—	(3,740)	(5,443)
As at December 31, 2024	802	1,359	732	24,018	26,911
Additional provision in the year	1,453	1,988	—	—	3,441
Utilization of provision	(802)	(703)	—	—	(1,505)
As at December 31, 2025	<u>1,453</u>	<u>2,644</u>	<u>732</u>	<u>24,018</u>	<u>28,847</u>

Notes:

- Provisions for litigation primarily relate to outstanding contract disputes as at December 31, 2024 and 2025. As at December 31, 2025, the Group is a defendant in legal proceedings arising from a business dispute, in which the total claimed amount is approximately RMB30 million. Based on legal advice, the Directors are of the opinion that the court will not uphold all of the plaintiff’s claims and the claim for costs cannot be measured reliably, and accordingly, no loss provision has been recognized in respect of this dispute.

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- ii. The warranty provision represents management’s best estimate of the Group’s liability under generally 1 year to 2 years assurance-type warranty granted on Autonomous mining products and solutions, based on prior experience.
- iii. The provision for onerous contracts relates to certain contracts with customers under which the unavoidable costs of meeting the obligation exceed the economic benefits to be received in certain mining transportation services.
- iv. During the year ended December 31, 2024, the Company entered into certain sale contracts with a finance lease company and an end-user. Pursuant to the contracts, the finance lease company, as the nominal buyer, is obligated to pay consideration with the amount of RMB79,050,000 to the Company, as the seller. In this transaction, the Company’s supplier provided a financial guarantee to the finance lease company to guarantee the payment of the end-user and the Company provided a financial guarantee covering 30% of the amounts paid by the supplier to the financial leasing company in performance of the supplier’s guarantee obligations with a maximum principal amount of RMB138 million, with the guarantee period commencing on the date on which the supplier performs its guarantee obligations and expiring three years thereafter. The initial fair value of the financial guarantee contract upon the initial recognition was measured based on the future net cash outflow. Subsequently, the financial guarantee contract was measured at the higher of the initial recognized amount and the expected credit loss allowance.

At the end of 2024, following the occurrence of default events involving an end customer, the Company recognized ECL of RMB27,758,000 and made actual payment of RMB3,740,000. Meanwhile, the relevant financial guarantee contract was classified as credit-impaired.

37. PAID-IN CAPITAL/SHARE CAPITAL

Paid-in capital

To the Historical Financial Information, the paid-in capital of the Group represents the paid-in capital of the Company before it was converted into a joint stock limited liability company with limited liability.

	Ordinary shares	Shares with redemption right	Total
	RMB’000	RMB’000	RMB’000
As at January 1, 2023	20,444	28,565	49,009
Capital injection by ordinary shareholders	1,066	—	1,066
Capital injection from a share incentive platform	1,781	—	1,781
Capital injection by series C investments (<i>Note i</i>)	—	292	292
Capital injection by series C+ investments (<i>Note ii</i>)	—	6,053	6,053
As at December 31, 2023 and December 31, 2024	23,291	34,910	58,201
Capital injection by series C+ investments (<i>Note iii</i>)	—	2,303	2,303
Conversion into joint stock limited liability company	(23,291)	(37,213)	(60,504)
As at December 31, 2025	—	—	—

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Share capital

A summary of movements in the Company’s issued and fully paid share capital is as follows:

	Number of ordinary shares	Number of shares with redemption right	Total shares	Total share capital
	’000	’000	’000	RMB’000
Ordinary shares of RMB1 each				
Issued and fully paid:				
At January 1, 2025	—	—	—	—
Issue of shares upon conversion into a joint stock limited liability company (<i>Note iv</i>)	23,291	37,213	60,504	60,504
Termination of redemption right (<i>Note 34</i>)	37,213	(37,213)	—	—
Issue shares for series C+ investments (<i>Note v</i>)	869	—	869	869
Issue shares for series D investments (<i>Note vi</i>)	458	—	458	458
At December 31, 2025	61,831	—	61,831	61,831

Notes:

- i. During the year ended December 31, 2023, the Company issued series C paid-in capital with preferred rights, with RMB15,000,000 invested into the Company, among which RMB292,000 was credited to the Company’s paid-in capital and the remaining balance was credited as capital and other reserves.
- ii. During the year ended December 31, 2023, the Company issued series C+ paid-in capital with preferred rights, with RMB348,236,000 invested into the Company, among which RMB6,053,000 was credited to the Company’s paid-in capital and the remaining balance was credited as capital and other reserves.
- iii. During the year ended December 31, 2025, the Company issued series C+ paid-in capital with preferred rights, with RMB132,500,000 invested into the Company, among which RMB2,303,000 was credited to the Company’s paid-in capital and the remaining balance was credited as capital and other reserves.
- iv. On December 31, 2025, the Company was converted from a limited liability company into a joint stock limited liability company by issuing 60,503,788 shares at par value of RMB1 each. The difference between the par value of new shares issued and the nominal value of the issued paid-in capital and accumulated losses was debited to the Company’s capital and other reserves.
- v. During the year ended December 31, 2025, the Company issued series C+ paid-in capital with preferred rights, with RMB50,000,000 invested into the Company, among which RMB869,000 was credited to the Company’s share capital and the remaining balance was credited as capital and other reserves.
- vi. During the year ended December 31, 2025, the Company issued series D share capital with preferred rights, with RMB27,275,000 invested into the Company, among which RMB458,000 was credited to the Company’s share capital and the remaining balance was credited as capital and other reserves.
- vii. As at December 31, 2023, 2024 and 2025, the paid-in capital/share capital issued included 7,609,244, 7,609,244 and 6,328,831 ordinary shares issued to the share incentive platform establish in the PRC, respectively, which are controlled by the Company, and the shares held by the share incentive platform were presented as shares held under share incentive plan in the Historical Financial Information.

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38. EQUITY-SETTLED SHARE-BASED PAYMENTS

During the years ended December 31, 2023 and 2025, in accordance with the share incentive plan of share options (the “Share Incentive Plan”), the eligible employees of the Group were granted share options of the Company through the Share Incentive Platforms.

As at December 31, 2023, 2024 and 2025, the number of shares in respect of which options had been granted and remained outstanding under the Share Incentive Plan was 942,925, 644,400 and 888,138, representing 1.9%, 1.3% and 1.6% of the shares of the Company in issue at that date.

During the years ended December 31, 2023 and 2025, the share options under the Share Incentive Plan were granted in below different tranches and would be vested according to the following vesting conditions:

Share options tranche	Grant date	Number of share options of the Company granted	Exercise price RMB	Fair value of each share options at grant date RMB	Vesting period
Tranche 1	April 2023	9,560	11.51	1.73	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 2	April 2023	207,013	6.28	3.76	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 3	April 2023	39,011	8.20	2.78	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 4	October 2023	9,555	6.28	11.65	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 5	October 2023	11,663	10.29	8.60	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 6	October 2023	59,100	11.51	7.82	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 7	October 2023	370,605	8.20	10.01	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 8	October 2023	26,820	8.20	10.33	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 9	May 2025	178,170	11.51	14.51	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 10	May 2025	6,084	11.51	15.11	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 11	May 2025	5,215	11.51	15.46	Three years but not earlier than the expiry of the [REDACTED] lock-up period after the [REDACTED] date.
Tranche 12	May 2025	24,335	11.51	16.10	Three years but not earlier than the expiry of the [REDACTED] lock-up period after the [REDACTED] date.
Tranche 13	May 2025	17,383	11.51	16.11	Three years but not earlier than the expiry of the [REDACTED] lock-up period after the [REDACTED] date.
Tranche 14	May 2025	26,074	11.51	15.04	Three years but not earlier than the expiry of the [REDACTED] lock-up period after the [REDACTED] date.
Tranche 15	June 2025	14,276	6.28	19.73	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 16	June 2025	26,924	6.28	21.32	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 17	June 2025	49,070	6.28	21.34	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]
Tranche 18	November 2025	1,738	11.51	16.82	From grant date to the expiry of the [REDACTED] lock-up period after the date of qualified [REDACTED]

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The following tables disclose the details of share options held by existing employees of the Company and movements in such holdings:

	Number of share options	Weighted average grant date fair value RMB
Outstanding as at January 1, 2023	226,391	3.76
Granted	733,327	7.59
Forfeited	(16,793)	3.66
Outstanding as at December 31, 2023	942,925	6.74
Forfeited	(298,525)	6.94
Outstanding as at December 31, 2024	644,400	6.65
Granted	349,268	16.47
Forfeited	(105,530)	9.79
Outstanding as at December 31, 2025	888,138	10.14

The number of share options granted expected to be exercised has been reduced to reflect historical experience of forfeiture of options granted prior to completion of vesting period and accordingly the share option expense has been adjusted. At the end of the reporting period, the Group revises its estimates of the number of options that are expected to be ultimately exercised. The impact of the revision of the original estimates, if any, is recognized in the profit and loss over the remaining vesting period, with a corresponding adjustment to the share-based payments reserve.

The valuation of the share option was conducted by the management with reference to valuation carried out by an independent qualified professional valuer, who has appropriate qualifications and experience in valuation of similar instruments. Options were priced using a binomial option pricing model. The key inputs used to evaluate the grant date fair value are as follows:

	As at April 1, 2023	As at October 1, 2023	As at May 1, 2025	As at June 10, 2025	As at November 20, 2025
Weighted average share price	RMB9.20	RMB17.93	RMB26.02	RMB26.02	RMB28.33
Exercise price	RMB6.28– RMB11.51	RMB6.28– RMB11.51	RMB11.51	RMB6.28	RMB11.51
Expected life	10 years	10 years	10 years	10 years	10 years
Risk-free interest	2.86%	2.72%	1.61%	1.61%	1.34%
Expected volatility	49.99%	49.19%	49.91%	49.91%	47.54%

As the exercise of the share options is contingent on a qualified [REDACTED] and the employee granted the share options shall remain in employment with the Group during the vesting period, the Directors are of the opinion that no share-based payment expense shall be recognized unless and until the qualified [REDACTED] is probable. Accordingly, no expense has been recognized during the Track Record Period.

39. RETIREMENT BENEFITS SCHEME

The PRC employees of the Group are members of a state-managed retirement benefits scheme operated by the government of the PRC. The Company and its PRC subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefits plan to fund the employee benefits. The only obligation of the Group with respect to the retirement benefits plan is to make the specified contributions.

The amounts of contributions made by the Group in respect of such retirement benefit schemes are disclosed in Note 13 and Note 14.

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During the Track Record Period, the Group had no forfeited contributions under the above retirement benefits scheme which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available as at December 31, 2023, 2024 and 2025 under such scheme which may be used by the Group to reduce the contribution payable in future years.

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group’s consolidated statements of cash flows as cash flows from financing activities:

	Redemption liabilities	Bank borrowings	Lease liabilities	Other payable and accruals	Amounts due to related parties	Amounts due to shareholders	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
As at January 1, 2023	565,762	71,829	5,195	6,556	358	49	649,749
Finance costs (<i>Note 11</i>)	60,212	3,494	366	1,139	—	—	65,211
Modification (<i>Note 34</i>)	(3,152)	—	—	—	—	—	(3,152)
Financing cash flows	340,024	23,679	(7,562)	319	—	—	356,460
Settled by several patents from an external investor as consideration of series C+ investments (<i>Note 34</i>)	14,990	—	—	—	—	—	14,990
Other change of lease liabilities (<i>Note</i>)	—	—	7,950	—	—	—	7,950
As at December 31, 2023	977,836	99,002	5,949	8,014	358	49	1,091,208
Finance costs (<i>Note 11</i>)	76,228	5,657	111	82	—	—	82,078
Financing cash flows	—	84,380	(4,197)	(6,656)	4,292	633	78,452
Other change of lease liabilities (<i>Note</i>)	—	—	628	—	—	—	628
As at December 31, 2024	1,054,064	189,039	2,491	1,440	4,650	682	1,252,366
Finance costs (<i>Note 11</i>)	82,680	7,704	324	65	—	487	91,260
Modification (<i>Note 34</i>)	(23,392)	—	—	—	—	—	(23,392)
Financing cash flows	131,300	(27,283)	(8,242)	6,021	116	6,358	108,270
Transfer of redemption liabilities to equity and restructure the Company into a joint stock limited company	(1,244,652)	—	—	—	—	—	(1,244,652)
Other change of lease liabilities (<i>Note</i>)	—	—	16,609	—	—	—	16,609
As at December 31, 2025	—	169,460	11,182	7,526	4,766	7,527	200,461

Note: Other change of lease liabilities were mainly due to the lease contracts newly entered into and lease termination.

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41. COMMITMENTS

As at December 31, 2023, 2024 and 2025, the Group had the following commitments:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Capital commitments in respect of acquisition of property, plant and equipment contracted for but not provided in the Historical Financial Information	—	—	22,712

42. PLEDGE OF ASSETS

The Group

The Group’s bank borrowings and other payables had been secured by the pledge of the Group’s assets and the carrying amounts of the respective assets are as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Carrying amount of:			
Restricted bank deposits	10,530	—	—
Notes receivables	—	9,099	2,739
Property, plant and equipment	2,285	—	5,725
Intangible assets	1,006	—	—
Inventories	2,350	—	—
	16,171	9,099	8,464

The Company

The Company’s bank borrowings and other payables had been secured by the pledge of the Company’s assets and the carrying amounts of the respective assets are as follows:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Carrying amount of:			
Restricted bank deposits	10,530	—	—
Notes receivables	—	5,626	2,657
Property, plant and equipment	2,285	—	5,725
Intangible assets	1,006	—	—
Inventories	2,350	—	—
	16,171	5,626	8,382

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43. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

a. Categories of the financial instruments

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Financial assets:			
Financial assets at amortized cost	237,513	85,095	565,088
Financial assets at FVTPL	4,944	3,810	21,446
Notes receivables measured at FVTOCI	—	198	—
Financial liabilities:			
Financial liabilities at amortized cost	1,205,588	1,380,040	640,353
Financial liabilities at FVTPL	253	305	25

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Financial assets:			
Financial assets at amortized cost	163,107	45,359	507,410
Financial assets at FVTPL	4,944	3,810	21,446
Notes receivables measured at FVTOCI	—	198	—
Financial liabilities:			
Financial liabilities at amortized cost	1,132,315	1,317,047	594,014
Financial liabilities at FVTPL	253	305	25

b. Financial risk management objectives and policies

The Group’s major financial instruments include trade and notes receivables, amounts due from related parties, amounts due from shareholders, financial assets at FVTPL, deposits and other receivables, notes receivables measured at FVTOCI, time deposits, restricted bank deposits, cash and cash equivalents, trade and notes payables, other payables and accruals, amounts due to related parties, amounts due to shareholders, financial liabilities at FVTPL, bank borrowings and redemption liabilities. The Company’s major financial instruments included trade and notes receivables, amounts due from related parties, amounts due from shareholders, financial assets at FVTPL, deposits and other receivables, notes receivables measured at FVTOCI, time deposits, restricted bank deposits, cash and cash equivalents, trade and notes payables, other payables and accruals, amounts due to related parties, amounts due to shareholders, financial liabilities at FVTPL, bank borrowings and redemption liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

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Market risk

(i) *Interest rate risk*

The Group and the Company is exposed to fair value interest rate risk in relation to restricted bank deposits (Note 29), time deposits (Note 29), fix-rate bank borrowings (Note 35), lease liabilities (Note 33) and redemption liabilities (Note 34). The Group’s and the Company’s cash flow interest rate risk are mainly concentrated on the fluctuation of interest rates on bank balances (Note 29) and variable-rate bank borrowings (Note 35), which carry prevailing market interest rates. The Group and the Company manage its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. No sensitivity analysis on cash flow interest rate risk is presented as the management considers the sensitivity on interest rate risk on variable-rate bank balances and bank borrowings is insignificant.

(ii) *Other price risk*

The Group and the Company is exposed to equity price risk through its investments in equity securities measured at FVTPL. The management of the Group considers the fluctuation in fair value changes on financial assets at FVTPL are insignificant, taking into account the stable net assets of the invested company.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group’s and the Company’s counterparties default on their contractual obligations resulting in financial losses to the Group and the Company. The Group’s and the Company’s credit risk exposures are primarily attributable to trade and notes receivables, amounts due from related parties, amounts due from shareholders, restricted bank deposits, cash and cash equivalents and contract assets. The Group and the Company do not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets and financial guarantee contracts.

The Group and the Company performed impairment assessment for financial assets and other items under ECL model. Information about the Group’s and the Company’s credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarized as below.

The Group has concentration of credit risk on trade receivables. As at December 31, 2023, 2024 and 2025, 14%, nil and 69% of the total trade receivables were due from the Group’s largest customer, and 84%, 39% and 95% of the total trade receivables were due from the Group’s top five customers, respectively.

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The Group’s and the Company’s internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/contract assets/amounts due from related parties of trade nature*	Other financial assets subject to ECL assessment
Low risk	The counterparty has a low risk of default and does not have any past-due amounts or the counterparty frequently repays after due dates but usually settle the amounts in full	Lifetime ECL — not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or from external resources	Lifetime ECL — not credit-impaired	Lifetime ECL — not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL — credit-impaired	Lifetime ECL — credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

* *excluding deposits paid to the related parties*

The tables below detail the credit risk exposures of the Group’s financial assets and contract assets which are subject to ECL assessment:

The Group

	Internal credit rating	12m or lifetime ECL	Gross carrying amount As at December 31,		
			2023	2024	2025
			RMB'000	RMB'000	RMB'000
Financial assets at FVTOCI					
Notes receivables	Low risk	12m ECL	—	198	—
Financial assets at amortized cost					
Trade receivables <i>(Note 24)</i>	Low risk	Lifetime ECL (not credit-impaired)	72,648	38,345	348,919
Notes receivables <i>(Note 24)</i>	Low risk	12m ECL	6,791	12,519	4,575
Amounts due from related parties of trade nature (excluding deposits paid to the related parties) <i>(Note 46)</i>	Low risk	Lifetime ECL (not credit-impaired)	5,573	10,900	15,084
Amounts due from related parties of trade nature (deposits paid to the related parties) <i>(Note 46)</i>	Low risk	12m ECL	2,005	2,005	2,005
Amounts due from related parties of non-trade nature <i>(Note 46)</i>	Low risk	12m ECL	—	1,360	—
Amounts due from shareholders <i>(Note 46)</i>	Low risk	12m ECL	728	1,982	—
Deposits and other receivables <i>(Note 27)</i>	Low risk	12m ECL	18,759	17,395	21,328

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	<u>Internal credit rating</u>	<u>12m or lifetime ECL</u>	<u>Gross carrying amount As at December 31,</u>		
			<u>2023</u>	<u>2024</u>	<u>2025</u>
			<u>RMB’000</u>	<u>RMB’000</u>	<u>RMB’000</u>
Cash and cash equivalents (<i>Note 29</i>)	Low risk	12m ECL	91,670	2,855	121,914
Time deposits (<i>Note 29</i>)	Low risk	12m ECL	20,000	—	—
Restricted bank deposits (<i>Note 29</i>)	Low risk	12m ECL	23,035	4,386	61,035
Contract assets					
Contract assets (<i>Note 26</i>)	Low risk	Lifetime ECL (not credit-impaired)	3,350	3,589	4,621
Total			<u>244,559</u>	<u>95,534</u>	<u>579,481</u>

The tables below detail the credit risk exposures of the Company’s financial assets and contract assets which are subject to ECL assessment:

The Company

	<u>Internal credit rating</u>	<u>12m or lifetime ECL</u>	<u>Gross carrying amount As at December 31,</u>		
			<u>2023</u>	<u>2024</u>	<u>2025</u>
			<u>RMB’000</u>	<u>RMB’000</u>	<u>RMB’000</u>
Financial assets at FVTOCI					
Notes receivables	Low risk	12m ECL	—	198	—
Financial assets at amortized cost					
Trade receivables (<i>Note 24</i>)	Low risk	Lifetime ECL (not credit-impaired)	21,103	22,107	336,103
Notes receivables (<i>Note 24</i>)	Low risk	12m ECL	5,791	7,552	4,493
Amounts due from related parties of trade nature (excluding deposits paid to the related parties) (<i>Note 46</i>)	Low risk	Lifetime ECL (not credit-impaired)	5,573	3,053	2,437
Amounts due from related parties of trade nature (deposits paid to the related parties) (<i>Note 46</i>)	Low risk	12m ECL	2,005	2,005	2,005
Amounts due from related parties of non-trade nature (<i>Note 46</i>)	Low risk	12m ECL	—	979	—
Amounts due from shareholders (<i>Note 46</i>)	Low risk	12m ECL	726	1,982	—
Deposits and other receivables (<i>Note 27</i>)	Low risk	12m ECL	12,511	10,275	17,095
Cash and cash equivalents (<i>Note 29</i>)	Low risk	12m ECL	75,970	1,572	89,760
Time deposits (<i>Note 29</i>)	Low risk	12m ECL	20,000	—	—
Restricted bank deposits (<i>Note 29</i>)	Low risk	12m ECL	23,035	2,383	60,925
Contract assets					
Contract assets (<i>Note 26</i>)	Low risk	Lifetime ECL (not credit-impaired)	1,932	1,782	4,205
Total			<u>168,646</u>	<u>53,888</u>	<u>517,023</u>

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Cash and cash equivalents, restricted bank deposits and time deposits

The management of the Group and the Company consider cash and cash equivalents, restricted bank deposits and time deposits that are deposited with state-owned banks or financial institutions with high credit rating to be low credit risk financial assets. In addition, the management of the Group and the Company considers the cash and cash equivalents and restricted bank deposits are short-term in nature and the probability of default is negligible on the basis of high-credit-rating issuers as at December 31, 2023, 2024 and 2025, and accordingly, no ECL was recognized as at December 31, 2023, 2024 and 2025.

Trade and notes receivables, contract assets and amounts due from related parties of trade nature (excluding deposits paid to the related parties)

In order to minimize the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals, other monitoring procedures to ensure that follow-up action is taken to recover overdue debts and summarize the credit-impaired information for further impairment assessment. In this regard, the Directors consider that the Group and the Company’s credit risk is significantly reduced.

For trade receivables, contract assets and amounts due from related parties of trade nature (excluding deposits paid to the related parties), the Group and the Company have applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The management of the Group and the Company determine the ECL on these items by using a provision matrix-debtors aging, based on shared credit risk characteristics by reference to repayment histories. As at December 31, 2023, 2024 and 2025, no debtors were assessed individually. The provision rates applied is estimated using the historical observed default rates of the debtors taking into consideration forward-looking information that is reasonably and supportably available without undue costs or effort. At the end of each of the reporting period, these historical loss rates are reassessed and updated if required after considering the forward-looking information then available to the Directors.

The following table provides information about the exposure to credit risk for trade receivables, contract assets and amounts due from related parties of trade nature (excluding deposits paid to the related parties) which are assessed based on provision matrix within lifetime ECL.

The Group

	At December 31, 2023			At December 31, 2024			At December 31, 2025		
	<u>Loss rate</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>	<u>Loss rate</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>	<u>Loss rate</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>
		RMB’000	RMB’000		RMB’000	RMB’000		RMB’000	RMB’000
Within 1 year	0.05%	81,571	40	0.05%	50,047	24	0.05%	364,657	182
1–2 years	—	—	—	100%	2,787	2,787	100%	3,160	3,160
Over 2 years	—	—	—	—	—	—	100%	807	807
Total		<u>81,571</u>	<u>40</u>		<u>52,834</u>	<u>2,811</u>		<u>368,624</u>	<u>4,149</u>

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The Company

	At December 31, 2023			At December 31, 2024			At December 31, 2025		
	<u>Loss rate</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>	<u>Loss rate</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>	<u>Loss rate</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>
		RMB’000	RMB’000		RMB’000	RMB’000		RMB’000	RMB’000
Within 1 year	0.05%	28,608	14	0.05%	24,155	12	0.05%	341,091	170
1–2 years	—	—	—	100%	2,787	2,787	100%	847	847
Over 2 years	—	—	—	—	—	—	100%	807	807
Total		<u>28,608</u>	<u>14</u>		<u>26,942</u>	<u>2,799</u>		<u>342,745</u>	<u>1,824</u>

In addition, the management is of the opinion that there has no default occurred for trade receivables past due 90 days or more other than those identified as credit impaired and the balances are still considered fully recoverable due to long-term/on-going relationship and good repayment record from these customers.

No allowance has been provided for notes receivables since the balances are all with the banks which have low credit risks during the Track Record Period, the Directors of the Group and Company considers the probability of default is negligible.

The Group

The following table shows the movement in lifetime ECL of the Group that has been recognized for trade receivables, contract assets and amounts due from related parties of trade nature (excluding deposits paid to the related parties) under the simplified approach.

	<u>Lifetime ECL (not credit-impaired)</u>
	RMB’000
At January 1, 2023	116
Impairment losses reversed	<u>(76)</u>
At December 31, 2023	40
Impairment losses recognized	2,794
Impairment losses reversed	<u>(23)</u>
At December 31, 2024	2,811
Impairment losses recognized	3,318
Impairment losses reversed	<u>(1,980)</u>
At December 31, 2025	<u>4,149</u>

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The Company

The following table shows the movement in lifetime ECL of the Group that has been recognized for trade receivables, contract assets and amounts due from related parties of trade nature (excluding deposits paid to the related parties) under the simplified approach.

	Lifetime ECL (not credit- impaired) RMB’000
At January 1, 2023	89
Impairment losses reversed	<u>(75)</u>
At December 31, 2023	14
Impairment losses recognized	2,792
Impairment losses reversed	<u>(7)</u>
At December 31, 2024	2,799
Impairment losses recognized	1,005
Impairment losses reversed	<u>(1,980)</u>
At December 31, 2025	<u><u>1,824</u></u>

Deposits and other receivables

In order to minimize the credit risk of deposit and other receivables, the Directors continuously monitor the settlement status and the level of exposure to ensure that follow-up action is taken to recover overdue debts. The Directors have taken into account the economic outlook of the industries in which the debtors operate and reviewed the recoverable amount of each amount at the end of the reporting period to ensure that adequate impairment losses were recognized for irrecoverable debts.

The Group and the Company measure the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, on which the Group and the Company recognize lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition. During the Track Record Period, certain deposits are past due and allowance for credit losses of RMB3,631,000, RMB3,790,000 and RMB5,582,000 has been recognized as at December 31, 2023, 2024 and 2025, respectively.

Notes receivables measured at FVTOCI

No allowance has been provided for notes receivables measured at FVTOCI since the balances are all with the banks which have low credit risks during the Track Record Period, the Directors of the Group and Company considers the probability of default is negligible.

Amounts due from related parties of non-trade nature or shareholders and deposits paid to the related parties

In determining the ECL for amounts due from related parties of non-trade nature, deposits paid to the related parties and amounts due from shareholders, the management of the Group and the Company have made periodic assessments as well as individual assessment on recoverability based on historical settlement records and adjusts for forward-looking information. from non-performance by these related parties or shareholders, therefore the loss rates of amounts due from related parties or shareholders and deposits paid to the related parties are estimated to be low, and accordingly, no ECL was recognized in respect of the amounts due from related parties of non-trade nature and amounts due from shareholders as at December 31, 2023, 2024 and 2025.

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Amounts due from subsidiaries

Since the credit risk of amounts due from subsidiaries is considered not significantly increased since initial recognition, therefore the impairment provision is determined as 12m ECL. No loss allowance for amounts due from subsidiaries were provided as at December 31, 2023, 2024 and 2025.

Liquidity risk

The Group recorded loss during the Track Record Period and the Group had net current liabilities of RMB25,570,000 as at December 31, 2025. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group’s operations and mitigate the effects of fluctuations in cash flows.

Taking into account the financial resources available to the Group, including cash and cash equivalents on hand, borrowings and new financing, the Directors believe that the Group will have sufficient financial resources to satisfy its future working capital in the next twelve months from the date of the report.

The following tables detail the Group’s remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The Group

	Weighted average interest rate	On demand or within 1 year RMB’000	Over 1 year but within 2 years RMB’000	Over 2 years but within 5 years RMB’000	Total undiscounted cash flows RMB’000	Total carrying amount RMB’000
As at December 31, 2023						
Financial liabilities						
Trade and notes payables	—	57,562	—	—	57,562	57,562
Other payables and accruals						
with interest bearing	5.99%	28,665	22,485	2,715	53,865	51,692
Other payables and accruals						
without interest bearing	—	12,042	—	—	12,042	12,042
Amounts due to related parties	—	7,405	—	—	7,405	7,405
Amounts due to shareholders	—	49	—	—	49	49
Bank borrowings	3.73%	100,793	—	—	100,793	99,002
Redemption liabilities	8.00%	—	1,136,069	—	1,136,069	977,836
Subtotal		206,516	1,158,554	2,715	1,367,785	1,205,588
Lease liabilities						
	3.90%	5,320	669	101	6,090	5,949
Total		211,836	1,159,223	2,816	1,373,875	1,211,537

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	<u>Weighted average interest rate</u>	<u>On demand or within 1 year</u>	<u>Over 1 year but within 2 years</u>	<u>Over 2 years but within 5 years</u>	<u>Total undiscounted cash flows</u>	<u>Total carrying amount</u>
		RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
As at December 31, 2024						
Financial liabilities						
Trade and notes payables	—	47,181	—	—	47,181	47,181
Other payables and accruals with interest bearing	6.41%	22,485	2,715	—	25,200	24,620
Other payables and accruals without interest bearing	—	51,063	—	—	51,063	51,063
Amounts due to related parties	—	13,391	—	—	13,391	13,391
Amounts due to shareholders	—	682	—	—	682	682
Bank borrowings	3.77%	160,223	1,449	33,877	195,549	189,039
Redemption liabilities	8.00%	1,136,069	—	—	1,136,069	1,054,064
Subtotal		1,431,094	4,164	33,877	1,469,135	1,380,040
Lease liabilities	3.91%	1,454	889	263	2,606	2,491
Total		1,432,548	5,053	34,140	1,471,741	1,382,531
	<u>Weighted average interest rate</u>	<u>On demand or within 1 year</u>	<u>Over 1 year but within 2 years</u>	<u>Over 2 years but within 5 years</u>	<u>Total undiscounted cash flows</u>	<u>Total carrying amount</u>
		RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
As at December 31, 2025						
Financial liabilities						
Trade and notes payables	—	391,451	—	—	391,451	391,451
Other payables and accruals with interest bearing	4.87%	4,924	2,098	507	7,529	7,199
Other payables and accruals without interest bearing	—	48,412	—	—	48,412	48,412
Amounts due to related parties	—	16,304	—	—	16,304	16,304
Amounts due to shareholders with interest bearing	4.00%	7,519	—	—	7,519	7,509
Amounts due to shareholders without interest bearing	—	18	—	—	18	18
Bank borrowings	3.50%	141,431	32,443	—	173,874	169,460
Subtotal		610,059	34,541	507	645,107	640,353
Lease liabilities	3.88%	11,185	263	—	11,448	11,182
Total		621,244	34,804	507	656,555	651,535

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The Company

	<u>Weighted average interest rate</u>	<u>On demand or within 1 year</u> RMB’000	<u>Over 1 year but within 2 years</u> RMB’000	<u>Over 2 years but within 5 years</u> RMB’000	<u>Total undiscounted cash flows</u> RMB’000	<u>Total carrying amount</u> RMB’000
As at December 31, 2023						
Financial liabilities						
Trade and notes payables	—	34,702	—	—	34,702	34,702
Other payables and accruals with interest bearing	6.85%	6,838	1,476	—	8,314	8,014
Other payables and accruals without interest bearing	—	6,214	—	—	6,214	6,214
Amounts due to related parties	—	7,047	—	—	7,047	7,047
Bank borrowings	3.73%	100,280	—	—	100,280	98,502
Redemption liabilities	8.00%	—	1,136,069	—	1,136,069	977,836
Subtotal		<u>155,081</u>	<u>1,137,545</u>	<u>—</u>	<u>1,292,626</u>	<u>1,132,315</u>
Lease liabilities	3.88%	<u>5,154</u>	<u>557</u>	<u>—</u>	<u>5,711</u>	<u>5,595</u>
Total		<u><u>160,235</u></u>	<u><u>1,138,102</u></u>	<u><u>—</u></u>	<u><u>1,298,337</u></u>	<u><u>1,137,910</u></u>
	<u>Weighted average interest rate</u>	<u>On demand or within 1 year</u> RMB’000	<u>Over 1 year but within 2 years</u> RMB’000	<u>Over 2 years but within 5 years</u> RMB’000	<u>Total undiscounted cash flows</u> RMB’000	<u>Total carrying amount</u> RMB’000
As at December 31, 2024						
Financial liabilities						
Trade and notes payables	—	33,171	—	—	33,171	33,171
Other payables and accruals with interest bearing	4.16%	1,476	—	—	1,476	1,440
Other payables and accruals without interest bearing	—	36,423	—	—	36,423	36,423
Amounts due to a subsidiary	—	2,253	—	—	2,253	2,253
Amounts due to shareholders	—	657	—	—	657	657
Bank borrowings	3.77%	160,223	1,449	33,877	195,549	189,039
Redemption liabilities	8.00%	<u>1,136,069</u>	<u>—</u>	<u>—</u>	<u>1,136,069</u>	<u>1,054,064</u>
Subtotal		<u>1,370,272</u>	<u>1,449</u>	<u>33,877</u>	<u>1,405,598</u>	<u>1,317,047</u>
Lease liabilities	3.85%	<u>1,343</u>	<u>788</u>	<u>263</u>	<u>2,394</u>	<u>2,290</u>
Total		<u><u>1,371,615</u></u>	<u><u>2,237</u></u>	<u><u>34,140</u></u>	<u><u>1,407,992</u></u>	<u><u>1,319,337</u></u>

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	Weighted average interest rate	On demand or within 1 year RMB’000	Over 1 year but within 2 years RMB’000	Over 2 years but within 5 years RMB’000	Total undiscounted cash flows RMB’000	Total carrying amount RMB’000
As at December 31, 2025						
Financial liabilities						
Trade and notes payables	—	391,127	—	—	391,127	391,127
Other payables and accruals with interest bearing	5.50%	2,209	2,098	507	4,814	4,500
Other payables and accruals without interest bearing	—	26,350	—	—	26,350	26,350
Amounts due to related parties	—	2,797	—	—	2,797	2,797
Amounts due to shareholders with interest bearing	4.00%	7,519	—	—	7,519	7,509
Amounts due to shareholders without interest bearing	—	18	—	—	18	18
Amounts due to a subsidiary	—	2,253	—	—	2,253	2,253
Bank borrowings	3.64%	131,399	32,443	—	163,842	159,460
Subtotal		563,672	34,541	507	598,720	594,014
Lease liabilities	3.82%	11,084	263	—	11,347	11,085
Total		574,756	34,804	507	610,067	605,099

44. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group’s financial instruments are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include the lowest level inputs which are significant to the fair measurement for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of the Group’s financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group’s financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

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Fair value hierarchy as at December 31, 2023

	Level 1 RMB’000	Level 2 RMB’000	Level 3 RMB’000	Total RMB’000
Financial assets at FVTPL				
— Unquoted equity shares	—	—	4,944	4,944
Financial liabilities at FVTPL	—	—	253	253

Fair value hierarchy as at December 31, 2024

	Level 1 RMB’000	Level 2 RMB’000	Level 3 RMB’000	Total RMB’000
Financial assets at FVTPL				
— unquoted equity shares	—	—	3,810	3,810
Notes receivables measured at FVTOCI	—	198	—	198
Financial liabilities at FVTPL	—	—	305	305

Fair value hierarchy as at December 31, 2025

	Level 1 RMB’000	Level 2 RMB’000	Level 3 RMB’000	Total RMB’000
Financial assets at FVTPL				
— Unquoted equity shares	—	—	1,446	1,446
— Financial products issued by a bank	—	20,000	—	20,000
Financial liabilities at FVTPL	—	—	25	25

Financial assets/ financial liabilities	Fair value as at December 31,			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2023	2024	2025			
	RMB’000	RMB’000	RMB’000			
Unquoted equity shares	4,944	3,810	1,446	Level 3	Assets approach	Discount for lack of Marketability (the “DLOM”) (Note i)
Financial products issued by a bank	—	—	20,000	Level 2	Redemption value quoted by banks	N/A
Notes receivables measured at FVTOCI	—	198	—	Level 2	Markets value of instruments with similar terms, credit risk and remaining maturities	N/A
Financial liabilities at FVTPL	253	305	25	Level 3	Black-Scholes Option Pricing Model	Expected volatility and discount rate (Note ii)

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Notes:

- i. Unquoted equity shares is most significantly affected by the DLOM as at December 31, 2023, 2024 and 2025. A decrease in the DLOM would result in an increase in the fair value of unquoted equity shares, and vice versa. A 1% increase/decrease in the DLOM and holding all other variables constant would decrease/increase the fair value of the unquoted equity shares by RMB85,000, RMB55,000 and RMB18,000 as at December 31, 2023, 2024 and 2025, respectively.
- ii. No sensitivity analysis on the significant unobservable input of the financial liabilities at FVTPL is presented as the Directors consider the sensitivity on Expected volatility and discount rate is immaterial.

There were no transfers between Level 1 and Level 2 during the Track Record Period.

Fair value of the Group’s financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The management considers that the carrying amounts of other financial assets and financial liabilities recognized in the Historical Financial Information approximate their fair values.

Reconciliation of Level 3 fair value measurements

	Unquoted equity shares	Financial liabilities at FVTPL
	RMB’000	RMB’000
At January 1, 2023	8,150	(14)
Net loss	<u>(3,206)</u>	<u>(239)</u>
At December 31, 2023	4,944	(253)
Net loss	<u>(1,134)</u>	<u>(52)</u>
At December 31, 2024	3,810	(305)
Net (loss)/gain	<u>(2,364)</u>	<u>280</u>
At December 31, 2025	<u><u>1,446</u></u>	<u><u>(25)</u></u>

The total losses for the year included RMB3,445,000, RMB1,186,000 and RMB2,084,000 unrealized loss relating to financial assets that are at level 3 fair value measurement as at December 31, 2023, 2024 and 2025, respectively. Such fair value gains are included in “other gains and losses”.

45. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of debt and equity balances. The Group’s overall strategy remains unchanged during the Track Record Period.

The capital structure of the Group consists of net debt, which includes bank borrowings disclosed in Note 35, redemption liabilities disclosed in Note 34, lease liabilities disclosed in Note 33, net of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital, paid-in capital, shares held under share incentive plan, share-based payment reserve, accumulated loss and other reserves.

The management of the Group reviews the capital structure regularly. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through new share issues as well as raising of borrowings.

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ACCOUNTANTS’ REPORT

46. RELATED PARTY DISCLOSURES

(a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during the Track Record Period.

Name of related parties	Relationship
Mr. Yu Guizhen	Shareholder with significant influence over the Company and key management personnel of the Group
Mr. Zhou Huasheng	Shareholder with significant influence over the Company and key management personnel of the Group
Mr. Duan Xingji	Key management personnel of the Group
Mr. Hu Tuanjie	Key management personnel of the Group
Mr. Wu Haijie	Key management personnel of the Group
Ms. Zhang Yan	Key management personnel of the Group
Shenshan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司神山露天煤礦)	Related company controlled by a shareholder of the Company with significant influence
Shuiquan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司水泉露天煤礦)	Related company controlled by a shareholder of the Company with significant influence
Guoneng Beidian Shengli Energy Co., Ltd.* (國能北電勝利能源有限公司)	Related company controlled by a shareholder of the Company with significant influence
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司)	Related company controlled by a shareholder of the Company with significant influence
Inner Mongolia Northern Zhixing Mining Machinery Co., Ltd.* (內蒙古北方智行採礦機械有限公司)	Mr. Yu Guizhen has significant influence over the entity
Wuxi Baotong Intelligent IoT Technology Co., Ltd.* (無錫寶通智能物聯科技有限公司)	Related company controlled by a shareholder of the Company with significant influence

* English names are for identification purpose only.

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ACCOUNTANTS’ REPORT

(b) Related party transactions

During the Track Record Period, the Group and the Company have entered into the following transactions with related parties:

Income from related parties

The Group

Name of related parties	Nature of transaction	For the year ended December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司)	Sales of autonomous mining wide-body vehicles	31,858	—	—
Guoneng Beidian Shengli Energy Co., Ltd.* (國能北電勝利能源有限公司)	Sales of autonomous mining solutions	9,048	—	—
Shenshan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司神山露天煤礦)	Sales of autonomous mining solutions	5,655	—	—
Shuiquan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司水泉露天煤礦)	Sales of autonomous mining wide-body vehicles	—	19,159	—
Wuxi Baotong Intelligent IoT Technology Co., Ltd.* (無錫寶通智能物聯科技有限公司)	Provision of technology and maintenance services	—	7,404	4,526
Shuiquan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司水泉露天煤礦)	Provision of technology and maintenance services	—	2,350	2,739
Inner Mongolia Northern Zhixing Mining Machinery Co., Ltd.* (內蒙古北方智行採礦機械有限公司)	Sales of material	—	—	253
Total		<u>46,561</u>	<u>28,913</u>	<u>7,518</u>

* *English names are for identification purpose only.*

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Purchase of services from related parties

Name of related parties	Nature of transaction	For the year ended December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Wuxi Baotong Intelligent IoT Technology Co., Ltd.* (無錫寶通智能物聯科技有限公司)	Expenses relating to short-term leases	—	7,736	—
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司)	Interest expenses on lease liabilities	—	—	209
Inner Mongolia Northern Zhixing Mining Machinery Co., Ltd.* (內蒙古北方智行採礦機械有限公司)	Purchase of material	—	—	58
		—	7,736	267

* English names are for identification purpose only.

(c) Amounts due from related parties

The Group

Name of related parties	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Shenshan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司神山露天煤礦)	Trade	4,473	639	—
Guoneng Beidian Shengli Energy Co., Ltd.* (國能北電勝利能源有限公司)	Trade	3,105	3,105	3,105
Wuxi Baotong Intelligent IoT Technology Co., Ltd.* (無錫寶通智能物聯科技有限公司)	Trade	—	7,847	12,647
Shuiquan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司水泉露天煤礦)	Trade	—	1,314	1,337
Wuxi Baotong Intelligent IoT Technology Co., Ltd.* (無錫寶通智能物聯科技有限公司)	Non-trade (<i>Note</i>)	—	1,360	—
Less: allowance for credit losses		(22)	(38)	(51)
Total		7,556	14,227	17,038
Analyzed as:				
Non-current		1,100	2,182	—
Current		6,456	12,045	17,038
		7,556	14,227	17,038

As at January 1, 2023, amounts due from related parties of trade nature amounted to RMB1,177,000.

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The Company

Name of related parties	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Shenshan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司神山露天煤礦)	Trade	4,473	639	—
Guoneng Beidian Shengli Energy Co., Ltd.* (國能北電勝利能源有限公司)	Trade	3,105	3,105	3,105
Shuiquan Open Pit Coal Mine of Guoneng Baotou Energy Co., Ltd.* (國能包頭能源有限責任公司水泉露天煤礦)	Trade	—	1,314	1,337
Wuxi Baotong Intelligent IoT Technology Co., Ltd.* (無錫寶通智能物聯科技有限公司)	Non-trade (<i>Note</i>)	—	979	—
Less: allowance for credit losses		(22)	(29)	(43)
Total		<u>7,556</u>	<u>6,008</u>	<u>4,399</u>
Analyzed as:				
Non-current		1,100	2,182	—
Current		<u>6,456</u>	<u>3,826</u>	<u>4,399</u>
		<u>7,556</u>	<u>6,008</u>	<u>4,399</u>

As at January 1, 2023, net carrying amount of amounts due from related parties amounted to RMB1,177,000.

Note: Balances are unsecured, interest-free and repayable on demand.

(d) Amounts due to related parties

The Group

Name of related parties	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Inner Mongolia Northern Zhixing Mining Machinery Co., Ltd.* (內蒙古北方智行採礦機械有限公司)	Trade	7,047	—	66
Wuxi Baotong Intelligent IoT Technology Co., Ltd.* (無錫寶通智能物聯科技有限公司)	Trade	—	8,741	8,741
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司)	Trade	—	—	2,731
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司)	Non-trade (<i>Note</i>)	—	4,500	4,500
Ms. Zhang Yan	Non-trade (<i>Note</i>)	135	135	135
Mr. Duan Xingji	Non-trade (<i>Note</i>)	11	11	131
Mr. Wu Haijie	Non-trade (<i>Note</i>)	112	4	—
Mr. Hu Tuanjie	Non-trade (<i>Note</i>)	<u>100</u>	<u>—</u>	<u>—</u>
Total		<u>7,405</u>	<u>13,391</u>	<u>16,304</u>

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The Company

Name of related parties	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Inner Mongolia Northern Zhixing Mining Machinery Co., Ltd.* (內蒙古北方智行採礦機械有限公司)	Trade	7,047	—	66
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司)	Trade	—	—	2,731
Total		<u>7,047</u>	<u>—</u>	<u>2,797</u>

Note: Balances are unsecured, interest-free and repayable on demand. Those amounts will be settled before [REDACTED].

* *English names are for identification purpose only.*

(e) Amounts due from shareholders

The Group

Name of related parties	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Mr. Yu Guizhen	Non-trade (<i>Note</i>)	726	1,982	—
Mr. Zhou Huasheng	Non-trade (<i>Note</i>)	2	—	—
Less: allowance for credit losses		<u>(7)</u>	<u>(20)</u>	<u>—</u>
Total		<u>721</u>	<u>1,962</u>	<u>—</u>

As at January 1, 2023, net carrying amount of amounts due from shareholders was Nil.

The maximum amounts outstanding during the years ended December 31, 2023, 2024 and 2025 from Mr. Yu Guizhen and Mr. Zhou Huasheng were RMB726,000/RMB1,982,000/RMB1,982,000 and RMB2,000/RMB2,000/RMB Nil, respectively.

The Company

Name of related party	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Mr. Yu Guizhen	Non-trade (<i>Note</i>)	726	1,982	—
Less: allowance for credit losses		<u>(7)</u>	<u>(20)</u>	<u>—</u>
Total	Non-trade (<i>Note</i>)	<u>719</u>	<u>1,962</u>	<u>—</u>

As at January 1, 2023, net carrying amount of amounts due from shareholders was Nil.

The maximum amounts outstanding during the years ended December 31, 2023, 2024 and 2025 from Mr. Yu Guizhen were RMB726,000, RMB1,982,000 and RMB1,982,000, respectively.

Note: Amounts due from shareholders with non-trade nature as at December 31, 2023, 2024 and 2025 were unsecured, interest free and repayable on demand.

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(f) Interest on amounts due to a shareholder

Name of related parties	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Mr. Zhou Huasheng	—	—	487

(g) Amounts due to shareholders

The Group

Name of related party	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Mr. Yu Guizhen	Non-trade (Note i)	49	25	18
Mr. Zhou Huasheng	Non-trade (Note ii)	—	657	7,509
Total		49	682	7,527

The Company

Name of related parties	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Mr. Yu Guizhen	Non-trade (Note i)	—	—	18
Mr. Zhou Huasheng	Non-trade (Note ii)	—	657	7,509
Total		—	657	7,527

* English names are for identification purpose only.

Notes:

- Balances are unsecured, interest-free and repayable on demand. Those amounts will be settled before [REDACTED].
- Balances as at December 31, 2024 are unsecured, interest-free and repayable on demand. Balances as at December 31, 2025 are unsecured, with interest rate of 4% and repayable on demand. Those amounts will be settled before [REDACTED].

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(h) Amounts due to a subsidiary

Name of subsidiary	Nature of balances	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Tage (Beijing) Intelligent Technology Research Co., Ltd.* (踏歌智行(北京)智能技術研究有限公司)	Non-trade (<i>Note</i>)	—	2,253	2,253

Note: Balances are unsecured, interest-free and repayable on demand.

(i) Lease liabilities

The Group and the Company

Name of related party	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司)	—	—	10,933

Note: During the year ended December 31, 2025, the Group entered into a new lease agreement for the use of autonomous mining wide-body trucks with the Jiangsu Nuochenbao Technology Co., Ltd.* (江蘇諾辰寶科技有限責任公司) for 18 months. The Group has recognized an addition of right-of-use assets and lease liabilities of RMB14,114,000 and RMB14,114,000, respectively.

* *English name is for identification purpose only.*

(j) Remuneration of key management personnel of the Group

	For the year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Salaries and other allowances	5,906	6,037	4,873
Performance-based bonuses	1,854	1,838	1,527
Retirement benefits scheme	404	418	448
	8,164	8,293	6,848

The remuneration of key management personnel (being Chairman and director of the Company and other key management of the Group), is determined with reference to the performance of individuals and market trends.

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47. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

During the Track Record Period and as at the date of this report, the Company has direct and indirect equity interests in the following subsidiaries and other controlled entities:

Name of subsidiaries	Place of incorporation/ establishment and principal place of business	Issued and fully paid ordinary share capital/ registered capital	Proportion ownership interest and voting power held by the Company as at December 31,			As at the date of this report	Principal activities
			2023	2024	2025		
			%	%	%		
Anhui Tage iDriver Technology Co., Ltd.	The PRC December 16, 2021	[Nil] RMB 20,000,000	100	100	100	[100]	Business development and project support
Hefei Tage iDriver Technology Co., Ltd.	The PRC April 13, 2023	RMB1,000,000 RMB1,000,000	100	100	100	[100]	Business development and project support
Tage iDriver (Beijing) Intelligent Technology Research Co., Ltd.	The PRC April 20, 2023	[Nil] RMB10,000,000	100	100	100	[100]	Research and development
Xinjiang Tage iDriver Technology Co., Ltd.	The PRC December 16, 2021	[Nil] RMB20,000,000	100	100	100	[100]	Business development and project support
Inner Mongolia Tage iDriver Technology Co., Ltd.	The PRC December 25, 2018	[RMB2,000,000] RMB30,000,000	100	100	100	[100]	Business development and project support
Tongliao Tage iDriver Technology Co., Ltd.	The PRC July 19, 2022	[Nil] RMB10,000,000	51	51	51	[51]	Business development and project support
Chizhou Tage Intelligent Manufacturing Technology Co., Ltd.	The PRC April 2, 2025	RMB10,000,000 RMB10,000,000	N/A	N/A	100	[100]	Provision of autonomous transportation solutions and related services
Ningbo Free Trade Zone Tage Partner Enterprise Management Partnership Enterprise (Limited Partnership)	The PRC August 21, 2017	RMB655,369 RMB1,000,000	N/A	N/A	N/A	[N/A]	Share Incentive Platform
Dalian Tage Technology Partnership (Limited Partnership)	The PRC March 11, 2026	RMB178,400 RMB1,000,000	N/A	N/A	N/A	[N/A]	Share Incentive Platform
Chengdu Tage iDriver Technology Co., Ltd. (deregistered on August 12, 2025)	The PRC August 30, 2023	[Nil] RMB50,000,000	100	100	N/A	[N/A]	Business development and project support
Ordos Tage iDriver Technology Co., Ltd. (deregistered on November 8, 2024)	The PRC April 1, 2022	[Nil] RMB10,000,000	100	N/A	N/A	[N/A]	Business development and project support
Shanghai Taxing Technology Co., Ltd. (deregistered on April 7, 2024)	The PRC April 13, 2023	[Nil] RMB5,040,000	100	N/A	N/A	[N/A]	Business development and project support
Suzhou iDriver Technology Co., Ltd. (deregistered on January 9, 2024)	The PRC March 23, 2020	[Nil] RMB5,000,000	100	N/A	N/A	[N/A]	Business development and project support

Note: All subsidiaries now comprising the Group are limited liability companies and have adopted December 31 as their financial year end date. None of the subsidiaries had any debt securities outstanding as at December 31, 2023, 2024 and 2025 or at any time during the Track Record Period.

All subsidiaries are directly held by the Company. No audited financial statements were prepared for these subsidiaries for the years ended December 31, 2023, 2024 and 2025 as there are no statutory audit requirements.

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48. INTERESTS IN SUBSIDIARIES

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Cost of investments	2,000	2,000	13,000
Accumulated impairment losses	(2,000)	(2,000)	(3,000)
	<u>—</u>	<u>—</u>	<u>10,000</u>

49. RESERVES OF THE COMPANY

	Shares held under share award scheme	Capital and other reserves	Accumulated losses	Total
	RMB’000	RMB’000	RMB’000	RMB’000
At January 1, 2023	(5,828)	(19,985)	(497,073)	(522,886)
Loss and total comprehensive expense for the year	—	—	(374,257)	(374,257)
Capital injection from a share incentive platform	(1,781)	—	—	(1,781)
Capital injection by series C investments (<i>Note 34</i>)	—	14,708	—	14,708
Capital injection by series C+ investments (<i>Note 34</i>)	—	342,183	—	342,183
Recognition of redemption liabilities for the redemption rights newly granted to series C and series C+ investors (<i>Note 34</i>)	<u>—</u>	<u>(363,236)</u>	<u>—</u>	<u>(363,236)</u>
At December 31, 2023	(7,609)	(26,330)	(871,330)	(905,269)
Loss and total comprehensive expense for the year	<u>—</u>	<u>—</u>	<u>(309,832)</u>	<u>(309,832)</u>
At December 31, 2024	(7,609)	(26,330)	(1,181,162)	(1,215,101)
Loss and total comprehensive expense for the year	—	—	(189,418)	(189,418)
Transfer of treasury shares to an external investor	1,280	3,120	—	4,400
Capital injection by series C+ investments before the Company converted into joint stock limited liability company (<i>Note 34</i>)	—	130,197	—	130,197
Recognition of redemption liabilities for the redemption rights newly granted to series C+ investors (<i>Note 34</i>)	—	(132,500)	—	(132,500)
Transfer of redemption liabilities to equity and restructure the Company into a joint stock limited company (<i>Note 34</i>)	—	582,043	662,609	1,244,652
Issue shares for series C+ investments after the Company converted into joint stock limited liability company (<i>Note 34</i>)	—	49,131	—	49,131
Issue shares for series D investments (<i>Note 34</i>)	<u>—</u>	<u>26,817</u>	<u>—</u>	<u>26,817</u>
At December 31, 2025	<u>(6,329)</u>	<u>632,478</u>	<u>(707,971)</u>	<u>(81,822)</u>

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50. SUBSEQUENT EVENTS

Significant event and transaction took place subsequent to December 31, 2025 is detailed as below:

- In January 2026, the Company transferred 1,659,653 shares held under share incentive plan to an external investor with the consideration of RMB19,450,000.
- During the four months ended April 30, 2026, the Company issued 3,192,144 shares for series D investments with the consideration of RMB183,505,000.

51. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group, the Company or any of its subsidiaries in respect of any period subsequent to December 31, 2025.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

TAXATION AND FOREIGN EXCHANGE

TAXATION OF SECURITY HOLDERS

The taxation of income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of H Shares are residents or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current effective laws and practices, and no predictions are made about changes or adjustments to relevant laws or policies, and no comments or suggestions will be made accordingly. The discussion has no intention to cover all possible tax consequences resulting from the investment in H Shares, nor does it take the specific circumstances of any particular investor into account, some of which may be subject to special regulations. The discussion is based upon laws and relevant interpretations in effect as of the date of this document, which is subject to change or adjustment and may have a retrospective effect. No issues on PRC or Hong Kong taxation other than income tax, capital appreciation, and profit tax, business tax/appreciation tax, stamp duty, and estate duty were referred to the discussion. Prospective investors are urged to consult their financial advisers regarding the PRC, Hong Kong, and other tax consequences of owning and disposing of H Shares.

The PRC Taxation

Taxation on Dividends

Individual Investors

Pursuant to the *Individual Income Tax Law of the PRC* (《中華人民共和國個人所得稅法》) (the “**IIT Law**”), which was promulgated by the Standing Committee of the National People’s Congress (the “**SCNPC**”) on September 10, 1980, and was most recently amended on August 31, 2018, and effective on January 1, 2019, and the *Implementation Regulations of the IIT Law* (《中華人民共和國個人所得稅法實施條例》), which was most recently amended on December 18, 2018, and effective on January 1, 2019, dividends distributed by PRC enterprises are subject to individual income tax levied at a flat rate of 20%.

For a foreign individual who is not a resident of the PRC, the receipt of dividends from an enterprise in the PRC is normally subject to an IIT of 20% unless specifically exempted by the tax authority of the State Council or reduced by relevant tax treaties.

The PRC and the government of Hong Kong entered into the *Arrangement between the Mainland of the PRC and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income* (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) (the “**Arrangement**”) on August 21, 2006. Pursuant to the Arrangement, the PRC Government may levy taxes on the dividends paid by a PRC-resident enterprise to Hong Kong residents (including resident individuals and resident entities) in an amount not exceeding 10% of the total dividends payable by the PRC-resident enterprise unless a Hong Kong resident directly holds 25% or more of the equity interest in a PRC-resident enterprise, then such tax shall not exceed 5% of the total dividends payable by the PRC-resident enterprise. *The Fifth Protocol of the Arrangement between Mainland China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income* (《〈內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排〉第五議定書》) (the “**Fifth Protocol**”), which effective on December 6, 2019, adds a criteria for the qualification of entitlement to enjoy treaty benefits.

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Enterprise Investors

In accordance with the *Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法》) (the “**EIT Law**”), which was promulgated by the SCNPC on March 16, 2007, and was most recently amended with immediate effect on December 29, 2018, and the *Implementing Rules of the EIT Law* (《中華人民共和國企業所得稅法實施條例》) most recently amended on December 6, 2024, and effective on January 20, 2025, the general rate of EIT shall be 25%. A non-resident enterprise is generally subject to a 10% EIT on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable by non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise.

The *Circular on Issues Relating to the Withholding and Remittance of EIT by PRC Resident Enterprises on Dividends Distributed to Overseas Non-resident Enterprise Shareholders of H Shares* (《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代繳企業所得稅有關問題的通知》), which was issued and implemented by the SAT on November 6, 2008, further clarified that a PRC-resident enterprise must withhold EIT at a rate of 10% on the dividends of 2008 and onwards that it distributes to overseas non-resident enterprise shareholders of H Shares. In addition, the *Response to Questions on Levying EIT on Dividends Derived by Non-resident Enterprise from Holding Stock such as B Shares* (《關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》), which was issued by the SAT and effective on July 24, 2009, further provides that any PRC-resident enterprise whose shares are listed on overseas stock exchanges must withhold and remit EIT at a rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprises. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has entered into with a relevant country or area, where applicable.

Pursuant to the Arrangement, the PRC Government may levy taxes on the dividends paid by a PRC-resident enterprise to Hong Kong residents (including resident individuals and resident entities) in an amount not exceeding 10% of the total dividends payable by the PRC-resident enterprise unless a Hong Kong resident directly holds 25% or more of the equity interest in a PRC-resident enterprise, then such tax shall not exceed 5% of the total dividends payable by the PRC-resident enterprise. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits. Although there may be other provisions under the Arrangement, the treaty benefits under the criteria shall not be granted in the circumstance where relevant gains, after taking into account all relevant facts and conditions, are reasonably deemed to be one of the main purposes for the arrangement or transactions which will bring any direct or indirect benefits under this Arrangement, except when the grant of benefits under such circumstance is consistent with relevant objective and goal under the Arrangement. The application of the dividend clause of tax agreements is subject to the requirements of PRC tax law and regulation, such as the *Notice of the SAT on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements* (《關於執行稅收協定股息條款有關問題的通知》) issued with immediate effect on February 20, 2009.

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Tax Treaties

Non-resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with the PRC might be entitled to a reduction of the Chinese EIT imposed on the dividends received from PRC companies. The PRC currently has entered into avoidance of double taxation treaties or arrangements with a number of countries and regions, including but not limited to Hong Kong Special Administrative Region, Macau Special Administrative Region, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant taxation treaties or arrangements are required to apply to the Chinese tax authorities for a refund of the EIT in excess of the agreed tax rate, and the refund application is subject to approval by the Chinese tax authorities.

Taxation on Share Transfer

Value-Added Tax and Local Surcharges

Under the guidelines outlined in the Notice on the Full Implementation of the Pilot Program for Transition from Business Tax to Value-Added Tax (《關於全面推開營業稅改徵增值稅試點的通知》) (Cai Shui [2016] No. 36) (referred to as “Circular 36”), effective from May 1, 2016, individuals and entities conducting service transactions within the PRC are obligated to pay Value-Added Tax (VAT). “Sales of services within the PRC” are defined as transactions where either the service provider or the recipient is situated within the PRC.

Furthermore, Circular 36 specifies that the transfer of financial products, including the ownership transfer of marketable securities, is subject to a VAT rate of 6% on the taxable income. Taxable income, in this context, refers to the sales price balance after deducting the purchase price. This VAT obligation applies to both general and foreign VAT taxpayers. Notably, individuals are exempt from VAT obligations when engaging in the transfer of financial products.

Individual Investors

According to IIT Law and Implementation Regulations of IIT Law, the gains realized from the disposal of equity interests in PRC resident enterprises are subject to an individual income tax rate of 20%. However, pursuant to *Circular on Continuing to Temporarily Exempt Individual Income Tax on Income from the Transfer of Shares by Individuals* (《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 MOF and the SAT on March 30, 1998, the income of individuals from the transfer of shares of listed enterprises continues to be exempted from individual income tax since January 1, 1997. On December 31, 2009, the MOF, the SAT and the CSRC jointly issued *the Circular on Related Issues on Levying Individual Income Tax over the Income Received by Individuals from the Transfer of Restricted Shares of Listed Companies* (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》), which states that, since January 1, 2010, income derived by individuals from transfer of shares of listed companies issued to the public by the listed companies and transfer of shares of listed companies obtained from the market at the Shanghai Stock Exchange and the Shenzhen Stock Exchange shall continue to be exempted from individual income tax, except for the relevant shares which are subject to sales restriction (as defined in the *Supplementary Notice on Issues Concerning the Levy of Individual Income Tax on Individuals’ Income from the Transfer of Restricted Shares of Listed Companies* (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) jointly issued and implemented by the above three departments on November 10, 2010. On December 27, 2024, the MOF, the SAT and the CSRC jointly issued the *Announcement on the Further Improvement of the Administration of Individual Income Tax on the Transfer of Restricted Shares of Listed Companies* by

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Individuals (《關於進一步完善個人轉讓上市公司限售股所得個人所得稅有關徵管服務事項的公告》), which was effective on the date of issuance, and any inconsistency with this announcement shall be in accordance with this announcement.

As of the Latest Practicable Date, no aforesaid provisions have expressly provided that individual income tax shall be levied from non-PRC resident individuals on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges. To the knowledge of the Company, in practice, the PRC tax authorities have not levied income tax from non-PRC resident individuals on gains from the transfer of PRC resident enterprises listed overseas. However, there is no assurance that the PRC tax authorities will not change these practices which could result in levying income tax on non-PRC resident individuals on gains from the sale of H shares.

Enterprise Investors

In accordance with the EIT Law and the Implementation Regulations of EIT Law, a non-resident enterprise is generally subject to EIT at the rate of 10% on PRC-sourced income, including gains derived from disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. Such income tax payable for non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise. Such tax may be reduced or exempted pursuant to relevant tax treaties or agreements on the avoidance of double taxation.

Stamp Duty

Pursuant to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》), which was promulgated by the SCNPC on June 10, 2021 and effective on July 1, 2022, PRC stamp duty is applicable to the entities and individuals that conclude taxable vouchers or conduct securities trading within the territory of the PRC, and the entities and individuals outside the territory of the PRC that conclude taxable vouchers that are used inside China. Therefore, the requirements of the stamp duty imposed on the transfer of shares of PRC listed companies shall not apply to the acquisition and disposal of H Shares by non-PRC investors outside the PRC.

Estate Duty

As of the Latest Practicable Date, no estate duty has been levied in the PRC under the PRC laws.

PRINCIPAL TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to the EIT Law, enterprises and other income-generating organizations (hereinafter collectively referred to as “enterprises”) within the territory of the People’s Republic of China are the taxpayers of EIT and shall pay EIT in accordance with the provisions of the EIT Law. The general EIT rate is 25%.

Enterprises that are recognized as high and new technology enterprises in accordance with the *Administrative Measures for the Determination of High and New Tech Enterprises* (《高新技術企業認定管理辦法》) issued by the MOF and the SAT are entitled to enjoy a preferential enterprise income tax rate of 15%, under which the validity period of the high and new technology enterprise qualification shall be three years from the date of issuance of the certificate. An enterprise can re-apply for such recognition as a high and new technology enterprise before or after the previous certificate expires.

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Enterprises are classified into resident enterprises and non-resident enterprises. A non-resident enterprise that does not have an establishment or place of business in the PRC, or has an establishment or place of business in the PRC but the income has no actual connection to such establishment or place of business, shall pay EIT on its income within the PRC and withhold at source, where the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Meanwhile, any gains realized on the transfer of shares by such investors are subject to EIT and shall be withheld at source if such gains are regarded as income derived from the transfer of property within the PRC.

Value-added Tax

With the VAT reforms in the PRC, the rate of VAT has been changed several times. The MOF and the SAT issued the Notice of on Adjusting VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) on April 4, 2018 to adjust the tax rates of 17% and 11% applicable to any taxpayer’s VAT taxable sale or import of goods to 16% and 10%, respectively, this adjustment became effect on May 1, 2018. Subsequently, the MOF, the SAT and the General Administration of Customs jointly issued the Announcement on Relevant Policies for Deepening the VAT Reform (《財政部、稅務總局、海關總署關於深化增值稅改革有關政策的公告》) on March 20, 2019 to make a further adjustment, which came into effect on April 1, 2019. The tax rate of 16% applicable to the VAT taxable sale or import of goods shall be adjusted to 13%, and the tax rate of 10% applicable thereto shall be adjusted to 9%.

According to the *Value-Added Tax Law of the People’s Republic of China* (《中華人民共和國增值稅法》) (the “**VAT Law**”) promulgated by the SCNPC on December 25, 2024 and became effective on January 1, 2026, and the *Implementation Rules for the Value-Added Tax Law of the PRC* (《中華人民共和國增值稅法實施條例》) promulgated by the State Council and became effective as of the same date of the VAT Law, all enterprises and individuals that engage in the sale of goods, the provision of processing, repair and replacement services, sales of service, intangible assets and real estate and the importation of goods within the territory of the PRC shall pay value-added tax at the rate of 0%, 6%, 9% and 13% for the different goods it sells and different services it provides, except when specified otherwise.

FOREIGN EXCHANGE

The lawful currency of the PRC is Renminbi, which is currently subject to foreign exchange control and cannot be freely converted into foreign currency. The State Administration of Foreign Exchange (the “**SAFE**”), with the authorization of the People’s Bank of China (the “**PBOC**”), is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange control regulations.

The *Regulations on Foreign Exchange Control of the PRC* (《中華人民共和國外匯管理條例》), which was promulgated on January 29, 1996 and was recently amended with immediate effect on August 5, 2008, classifies all international payments and transfers into current account items and capital account items. Current account items are subject to the reasonable examination of the veracity of transaction documents and the consistency of the transaction documents and the foreign exchange receipts and payments by financial institutions engaging in the conversion and sale of foreign currencies and supervision and inspection by the foreign exchange control authorities. For capital account items, overseas organizations and overseas individuals making direct investments in China shall, upon approval by the relevant authorities in charge, process registration formalities with the foreign exchange control authorities. Foreign exchange income received overseas can be repatriated or deposited overseas, and foreign exchange and foreign exchange settlement funds under the capital account are required to be used only for purposes as approved by the competent authorities and foreign exchange administrative

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authorities. In the event that international revenues and expenditures occur or may occur a material imbalance, or the national economy encounters or may encounter a severe crisis, the State may adopt necessary safeguard and control measures on international revenues and expenditure.

The *Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange* (《結匯、售匯及付匯管理規定》), which was promulgated by the PBOC on June 20, 1996 and effective on July 1, 1996, removes other restrictions on convertibility of foreign exchange under current account items, while imposing existing restrictions on foreign exchange transactions under capital account items.

According to the *Announcement on Improving the Reform of the Renminbi Exchange Rate Formation Mechanism* (《關於完善人民幣匯率形成機制改革的公告》), which was promulgated by the PBOC and implemented on July 21, 2005, the PRC has started to implement a managed floating exchange rate system in which the exchange rate would be determined based on market supply and demand and adjusted with reference to a basket of currencies since July 21, 2005. Therefore, the RMB exchange rate was no longer pegged to the U.S. dollar. The PBOC would publish the closing price of the exchange rate of the RMB against trading currencies such as the U.S. dollar in the interbank foreign exchange market after the closing of the market on each working day, as the central parity of the currency against RMB transactions on the following working day.

According to the relevant laws and regulations in the PRC, PRC enterprises (including foreign investment enterprises) which need foreign exchange for current item transactions may, without the approval of the foreign exchange administrative authorities, effect payment through foreign exchange accounts opened at the designated foreign exchange bank, on the strength of valid transaction receipts and proof. Foreign investment enterprises which need foreign exchange for the distribution of profits to their shareholders and PRC enterprises which, in accordance with regulations, are required to pay dividends to their shareholders in foreign exchange (such as our Company) may, on the strength of resolutions of the board of directors or the shareholders’ meeting on the distribution of profits, effect payment from foreign exchange accounts at the designated foreign exchange bank, or effect exchange and payment at the designated foreign exchange bank.

According to the *Decision of the State Council on Matters including Canceling and Adjusting a Batch of Administrative Approval Items* (《國務院關於取消和調整一批行政審批項目等事項的決定》) which was promulgated by the State Council on October 23, 2014, the approval requirement by the SAFE and its branches for the remittance and settlement of the proceeds raised from the overseas listing of the foreign shares into RMB domestic accounts is canceled.

Pursuant to the *Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing* (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) which was issued by the SAFE and became effective on December 26, 2014, a domestic company shall, within 15 business days from the date of the completion of its overseas listing issuance, register the overseas listing with the local branch office of SAFE at the place of its establishment; the proceeds from an overseas listing of a domestic company may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of the prospectus and other disclosure documents. A domestic company (except for bank financial institutions) shall present its certificate of overseas listing to open a special account at a local bank for its initial public offering (or follow-on offering) and repurchase business to handle the exchange, remittance and transfer of funds for the business concerned.

According to the *Circular on Further Simplifying and Improving Foreign Exchange Administration Policies of Direct Investment* (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), which was issued on February 13, 2015 and was recently amended with immediate effect on December 30, 2019, the confirmation of foreign exchange registration under domestic direct investment

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and the confirmation of foreign exchange registration under overseas direct investment shall be directly examined and handled by banks. The SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the *Notice of the State Administration of Foreign Exchange on Policies for Reforming and Regulating the Control over Foreign Exchange Settlement under the Capital Account* (《國家外匯管理局關於改革和規範資本項目外匯結算管理政策的通知》), which was issued on June 9, 2016 and was recently amended with immediate effect on December 4, 2023, discretionary foreign exchange settlement applies to foreign exchange capital. The tentative percentage of foreign exchange settlement for foreign currency earnings in the capital account of domestic institutions is 100%, subject to adjustment of the SAFE in due time in accordance with international revenue and expenditure situations.

On January 26, 2017, *Notice of the State Administration of Foreign Exchange on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance* (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》) was issued by the SAFE to further expand the scope of settlement for domestic foreign exchange loans with export background under goods trading, allows repatriation of funds under domestic guaranteed foreign loans for domestic utilization, allows settlement for domestic foreign exchange accounts of foreign institutions operating in the Free Trade Pilot Zones, and adopt the model of full-coverage RMB and foreign currency overseas lending management, where a domestic institution engages in overseas lending, the sum of its outstanding overseas lending in RMB and outstanding overseas lending in foreign currencies shall not exceed 30% of its owner's equity in the audited financial statements of the preceding year.

On October 23, 2019, the SAFE issued the *Notice of the State Administration of Foreign Exchange on Further Facilitating Cross-Board Trade and Investment* (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》), which was amended with immediate effect on December 4, 2023. The notice canceled restrictions on domestic equity investments made with capital funds by non-investing foreign-funded enterprises. In addition, restrictions on the use of funds for foreign exchange settlement of domestic accounts for the realization of assets have been removed and restrictions on the use and foreign exchange settlement of foreign investors' security deposits have been relaxed. Eligible enterprises in the pilot area are also allowed to use revenues under capital accounts, such as capital funds, foreign debts and overseas listing revenues for domestic payments without providing materials to the bank in advance for authenticity verification on an item-by-item basis, while the use of funds should be true, in compliance with applicable rules and conforming to the current capital revenue management regulations.

According to the *Guidelines for the Foreign Exchange Business under the Capital Account (2024)* (《資本項目外匯業務指引(2024年版)》) issued by SAFE on April 3, 2024, in principle, the funds raised by overseas listings of domestic companies should be repatriated to China in a timely manner, and can be repatriated in RMB or foreign currency. The use of funds shall be consistent with the relevant contents listed in the document or corporate bond offering documents, shareholder circulars, resolutions of the board of directors or shareholders' meeting and other publicly disclosed documents. Domestic companies using the funds raised from overseas listings to carry out overseas direct investment, overseas securities investment, overseas lending and other businesses shall comply with the relevant foreign exchange management regulations.

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On December 24, 2025, the PBOC and SAFE issued the *Notice on Issues Concerning the Raising Funds Administration of Overseas Listing of Domestic Companies (Yin Fa [2025] No. 252)* (關於境內企業境外上市資金管理有關問題的通知(銀發[2025]252號)), which became effective on April 1, 2026. The notice reiterates that the funds raised by overseas listings of domestic companies should, in principle, be repatriated to China in a timely manner, and further clarifies that the domestic companies shall obtain approvals and filings from the relevant government authorities before the completion of overseas listing or the over-allotment issuance and comply with the cross-board capital administration regulations, if they wish to retain any the raising funds abroad for overseas direct investment, security investment or debt business.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

THE PRC LEGAL SYSTEM

The PRC legal system is based on the *Constitution of the PRC* (《中華人民共和國憲法》) (the “**Constitution**”), which was adopted on December 4, 1982 and was amended on April 12, 1988, March 29, 1993, March 15, 1999, March 14, 2004 and March 11, 2018. The PRC legal system is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of State Council departments, rules and regulations of local governments and international treaties of which the PRC Government is a signatory. Court judgments do not constitute legally binding precedents, although they are used for the purposes of judicial reference and guidance.

The National People’s Congress (the “**NPC**”) is empowered to exercise the power to formulate and amend basic laws governing state authorities, civil, criminal and other matters in accordance with the *Constitution and the PRC Legislation Law* (《中華人民共和國立法法》) (the “**Legislation Law**”), which was promulgated on March 15, 2000, most recently amended on March 13, 2023 and effective on March 15, 2023. The SCNPC formulates and amends laws other than those required to be enacted by the NPC and to supplement and amend part of the laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws. The SCNPC is empowered to interpret, enact and amend other laws not required to be enacted by the NPC.

The State Council is the highest organ of the PRC administration and has the power to formulate administrative regulations based on the Constitution and laws.

The people’s congresses of the provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual requirements of their respective administrative areas, subject to the Constitution, laws and administrative regulations. The people’s congresses of larger cities and their respective standing committees may formulate local regulations based on the specific circumstances and actual requirements of such cities and take the same effect after submitting to the standing committee of the people’s congresses of provinces or autonomous regions for approval. The standing committee of the people’s congresses of provinces or autonomous regions shall examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the constitution, laws, administrative regulations and local regulations of the province or autonomous region concerned. Where conflicts with the rules and regulations of the People’s Government of the province or autonomous region concerned are identified in the examination of local regulations of larger cities by the Standing Committee of the people’s congresses of provinces or autonomous regions, a decision should be made to deal with the matter. “Larger cities” refer to cities where the people’s governments of provinces or autonomous regions are located, cities where special economic zones are located and larger cities as approved by the State Council.

The ministries, committees, the PBOC, the National Audit Office of the State Council and institutions with administrative functions directly under the State Council may formulate department rules within the jurisdiction of their respective departments based on the laws and the administrative regulations, decisions and rulings of the State Council. Matters governed by the department rules and regulations should be those for the enforcement of the laws and administrative regulations, decisions and rulings of the State Council. The people’s governments of provinces, autonomous regions, municipalities and larger cities may formulate rules based on the laws, administrative regulations and local regulations of such provinces and autonomous regions and municipalities.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

The Constitution has supreme legal authority and no laws, administrative regulations, local laws and regulations, autonomous regulations or separate regulations and rules may contravene the Constitution. The authority of laws is greater than administrative regulations, local regulations and rules. The authority of administrative regulations is greater than local regulations and rules. The authority of local regulations is greater than the rules of local government at the same level or at a lower level. The authority of the rules enacted by the people’s governments of provinces or autonomous regions is greater than those enacted by the people’s government of cities divided into districts or autonomous prefectures within the administrative areas of provinces or autonomous regions.

The NPC has the power to alter or annul any inappropriate laws enacted by the SCNPC, and to annul any autonomous regulations and separate regulations which has been approved by the SCNPC but which contravene the Constitution and the Legislation Law. The SCNPC has the power to annul administrative regulations that contravene the Constitution and laws, and to annul local regulations that contravene the Constitution, laws and administrative regulations, as well as to annul the autonomous regulations and separate regulations approved by the standing committee of the people’s congresses of provinces, autonomous regions or municipalities directly under the central government, but which contravene the Constitution and the Legislation Law. The State Council has the power to alter or annul any inappropriate department rules and rules of local government. The people’s congresses of provinces, autonomous regions and municipalities directly under the central government have the power to alter or annul inappropriate local regulations enacted or approved by their respective standing committees. The standing committees of the local people’s congresses have the power to annul inappropriate rules enacted by the people’s governments at the corresponding level. The people’s governments of provinces and autonomous regions have the power to alter or annul inappropriate rules enacted by the people’s governments at a lower level.

According to the Constitution, the power to interpret laws is vested in the SCNPC. Pursuant to the *Decision of the SCNPC Regarding the Strengthening of Interpretation of the Law* (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) passed on June 10, 1981, the Supreme People’s Court has the power to give general interpretation on questions involving the specific application of laws and decrees in court trials. The State Council and its ministries and commissions are also vested with the power to give the interpretation of the administrative regulations and department rules which they have promulgated. Where the scope of local regulations needs to be further defined or additional stipulations need to be made, the standing committees of the people’s congresses of provinces, autonomous regions and municipalities directly under the Central Government which have enacted these regulations shall provide the interpretations or make the stipulations. Interpretation of questions involving the specific application of local regulations shall be provided by the competent departments of the people’s governments of provinces, autonomous regions and municipalities.

THE PRC JUDICIAL SYSTEM

According to the *Constitution and the Organic Law of the People’s Courts of the PRC* (《中華人民共和國人民法院組織法》), which was adopted on July 5, 1979 and was most recently amended on October 26, 2018 and became effective on January 1, 2019, the judicial system of China is composed of the Supreme People’s Court, the local People’s Court, the military court and other special People’s Courts. Local People’s Courts are composed of grassroots People’s Courts, intermediate People’s Courts and higher People’s Courts. Grassroots People’s Courts may mainly set up civil, criminal, administrative, supervisory and legal enforcement departments. The structure of the intermediate People’s Court is similar to that of the grassroots People’s Court, and other courts may be set up as required. A higher-level People’s Court shall supervise the trial work of the People’s Court at its lower levels. The Supreme

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People’s Court is the highest judicial organ in China, which has the right to supervise the trial work of People’s Courts at all levels and all special People’s Courts. The People’s Procuratorate also has the right to exercise legal supervision over the trial activities of the People’s Court.

For the judgment of cases, the People’s Court implements the system whereby the second instance is the final instance. The parties may, in accordance with the procedures prescribed by law, appeal to the People’s Court at the next higher level the decision and ruling of the first instance of the local People’s Court. The People’s Procuratorate may protest to the People’s Court at the next higher level in accordance with the procedures prescribed by law. If the parties do not appeal or the People’s Procuratorate does not protest within the period of appeal, the judgment and ruling of the first instance of the local People’s Court at all levels is the final judgment and ruling with legal effect. The judgment and ruling of the intermediate People’s Court, the higher People’s Court and the Supreme People’s Court of second instance and the Supreme People’s Court of first instance are all final. Save for the judgment made by the Supreme People’s Court, the death penalty shall be reported to the Supreme People’s Court for approval.

The *Civil Procedure Law of the PRC* (《中華人民共和國民事訴訟法》) (the “**Civil Procedure Law**”), which was promulgated by the SCNPC on April 9, 1991, most recently amended on September 1, 2023 and became effective on January 1, 2024, prescribes the provisions for instituting a civil procedure, the jurisdiction of the People’s Courts, the procedures to be followed for conducting a civil action, and the procedures for enforcement of a civil judgment or ruling. All parties to a civil action conducted within the PRC shall comply with the Civil Procedure Law. In general, a civil case is heard by the court located in the defendant’s place of domicile. The competent court may also be selected by express agreement amongst the parties to a contract provided that the court selected is located at the plaintiff’s or the defendant’s place of domicile, the place of executing or performing the contract or the object of the action. However, the provisions of this Law regarding the level of jurisdiction and exclusive jurisdiction shall not be violated.

A foreign national or foreign enterprise shall have equal procedural rights and obligations as citizens or enterprises of the PRC. Should a juridical system of a foreign country limit the litigation rights of PRC citizens and enterprises, subject to the principle of reciprocity, the PRC courts may apply the same limitations to the citizens and enterprises (in China) of that foreign country. If any party in a civil action refuses to comply with a judgment or ruling made by a People’s Court or an award made by an arbitration tribunal in the PRC, the other party may apply to the People’s Court for the enforcement of the same within a stipulated period. Should anyone be unable to execute the judgment of the People’s Court within a stipulated period, upon any party’s application, the People’s Court shall enforce such a judgment in accordance with the law.

When a party seeks to enforce a judgment or ruling of a People’s Court against a party who is not in China and does not own any property in China, he/she may apply to a foreign court with formal jurisdiction for recognition and enforcement of the judgment or ruling. If the People’s Court recognizes the validity of a legally effective judgment or ruling made by a foreign court applying for or requesting recognition and enforcement in accordance with an international treaty concluded or acceded to by China, or after reviewing in accordance with the principle of reciprocity, and considers that it does not violate the basic principles of the law in the PRC or national sovereignty, security or social and public interests, an enforcement order will be issued if enforcement is necessary, and relevant provisions shall be implemented. The People’s Court shall not recognize and enforce those who violate the basic principles of the law in the PRC or the sovereignty, security or public interests of the state.

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THE PRC COMPANY LAW, TRIAL MEASURES FOR OVERSEAS LISTING, AND THE PRC GUIDELINES ON ARTICLES OF ASSOCIATION

A joint stock company incorporated in the PRC and listed on the Hong Kong Stock Exchange shall mainly comply with the following laws and regulations of the PRC: The *Company Law of the PRC* (《中華人民共和國公司法》) (the “**PRC Company Law**”) was promulgated by the 5th meeting of the Standing Committee of the 8th National People’s Congress Session on December 29, 1993 and implemented on July 1, 1994. It was most recently amended on December 29, 2023 and effective on July 1, 2024.

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》) (the “**Trial Measures**”) and its five interpretative guidelines were promulgated by the CSRC on February 17, 2023 effective on March 31, 2023 and were applicable to the direct and indirect overseas share subscription and listing of domestic companies.

According to the *Guidelines on the Application of Regulatory Rules — No. 1 for Overseas Offering and Listing* (《監管規則適用指引—境外發行上市類第1號》) which was promulgated by the CSRC and implemented on February 17, 2023, the domestic companies that directly offer and list securities in overseas markets, shall formulate their articles of association in line with the *Guidelines for Articles of Association of Listed Companies* (《上市公司章程指引》) (the “**Guidelines for Articles of Association**”) promulgated by the CSRC on March 16, 2006 and most recently amended with immediate effect on March 28, 2025.

Set out below is a summary of the major provisions of the PRC Company Law, the Trial Measures for Overseas Listing, and the Guidelines for Articles of Association that are applicable to our Company.

General Provisions

“A joint stock limited company” means a corporate legal person incorporated under the PRC Company Law, whose registered capital is divided into shares of equal par value. The liability of its shareholders is limited to the extent of the shares held by them and the liability of a company is limited to the full value of all the property owned by it.

A joint stock limited company shall conduct its business in accordance with laws as well as public and commercial ethics. It may invest in other limited liability companies. The liabilities of the company to such invested companies are limited to the amount invested. Unless otherwise provided by laws, it cannot be the capital contributor who has the joint liabilities associated with the debts of the invested enterprises.

Incorporation

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the PRC.

The promoters shall convene an inaugural meeting of the company within 30 days after the share capital has been paid-up and shall notify all subscribers of the date of the meeting or make an announcement in this regard 15 days before the meeting. The inaugural meeting may be held only if subscribers holding more than 50% of the total voting rights are present. Powers to be exercised at the inaugural meeting include but not limited to the adoption of articles of association and the election of directors and supervisors of a company. The aforesaid matters shall be resolved by more than 50% of the votes to be cast by subscribers presented at the meeting.

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Within 30 days after the conclusion of the inaugural meeting, the board of directors shall authorize a representative to apply to the registration authority for registration of the incorporation of the joint stock limited company. A company is formally established and has the status of a legal person after the business license has been issued by the relevant registration authority.

Registered Capital

Under the PRC Company Law, shareholders may make capital contributions in cash, or with non-monetary property that may be valued in money and legally transferred, such as contribution in kind or with intellectual property rights, land use rights, shareholding or claims.

The Trial Measures provide that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi.

Under the Trial Measures, for a domestic company directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC, and authorize the domestic company to file with the CSRC on their behalf. The domestic unlisted shares mentioned in the preceding paragraph refer to the shares that have been issued by domestic enterprises but have not been listed or listed for trading on domestic exchanges. Domestic unlisted shares shall be centrally registered and deposited with domestic securities registration and settlement institutions. The registration and settlement arrangements of overseas listed shares shall be subject to the provisions of overseas listing places.

Under the PRC Company Law, a joint stock limited company is required to maintain a register of shareholders, detailing the following information: (i) the name and domicile of each shareholder; (ii) the class and number of shares subscribed for by each shareholder; (iii) the serial number of shares if issued in paper form; and (iv) the date on which each shareholder acquired the shares.

Allotment and Issue of Shares

All issue of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. It may issue shares at par value or at a premium, but it may not issue shares below the par value.

Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholder information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer shall file with the CSRC. If a domestic enterprise is indirectly listed overseas, the issuer shall designate a major domestic operating entity as the domestic responsible person and file with the CSRC.

Increase in Share Capital

Under the PRC Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the shareholders’ meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of new shares and the class and number of the new shares proposed to be issued to existing shareholders, if any. If no par value stock is issued, more than half of the proceeds from the issuance of the new stocks shall be included in the registered capital. Additionally, if a company intends to make a public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the prospectus.

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Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the PRC Company Law:

- (i) to prepare a balance sheet and a property list;
- (ii) a company makes a resolution at a shareholders’ meeting to reduce its registered capital;
- (iii) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the approval of a resolution of reducing registered capital;
- (iv) the creditors shall have the right to require a company to repay its debts or provide corresponding guarantees within 30 days after receiving the notice or within 45 days after the announcement if the creditors have not received the notice;
- (v) when a company reduces its registered capital, it shall register the change with a company registration authority in accordance with the law.

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or agreed upon by all the shareholders of a limited liability company, or as specified in the articles of association of a joint stock limited company.

Repurchase of Shares

Under the PRC Company Law, a company shall not purchase its own shares. Except for the following circumstances:

- (i) reducing the registered capital;
- (ii) merging with other company that holds the shares of the company;
- (iii) using the shares for employee stock plans or equity incentives;
- (iv) with respect to shareholders voting against any resolution adopted at the shareholders’ meeting on the merger or division of the company, the right to demand the company to acquire the shares held by them;
- (v) using the shares for the conversion of convertible corporate bonds issued by the company;
- (vi) as required for the maintenance of the corporate value and shareholders’ rights and interests of a listed company.

The purchase of shares of a company for reasons specified in the case of (i) to (ii) above shall be subject to the resolution of the shareholders’ meeting; the purchase of shares of a company for reasons specified in the case of (iii), (v) and (vi) above shall be subject to the resolution of the board meeting attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the shareholders’ meeting.

Following the purchase of a company’s shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of repurchase in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) and (iv)

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above; the total numbers of share of the company held by a company shall not exceed 10% of the total issued shares of a company, and shall be transferred or canceled within three years in the case of items (iii), (v) and (vi) above.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the PRC Company Law, a shareholder should affect a transfer of his shares on securities established exchange according to the law or by any other means as required by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of shareholders. No changes to the share register shall be made during a period of 20 days prior to the convening of the shareholders’ meeting or 5 days prior to the record date for a company’s distribution of dividends. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the register of shareholders of a listed company, such provisions should prevail.

Under the PRC Company Law, shares issued by a company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of accompany are listed and traded on a securities exchange. Where it is otherwise provided for in any law, administrative regulation or by the securities regulatory authority of the State Council for the transfer of shares held by the shareholders or actual controllers of a listed company, such provisions shall prevail. The directors, supervisors and senior management of the company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of the company. Shares of a company held by its directors, supervisors and senior management shall not be transferred within one year from the date of a company’s listing on a securities exchange, nor within six months after their resignation from their positions with a company.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such a restricted period.

Shareholders

Under the PRC Company Law and Guidelines for Articles of Association, the rights of a shareholder of ordinary shares of a company include:

- (i) to receive dividends and other forms of distributions in proportion to their shareholdings;
 - (ii) to attend or appoint a proxy to attend shareholders’ meetings and to exercise voting rights;
 - (iii) to supervise and manage a company’s business operations, and to present proposals or to raise inquiries;
- to transfer shares in accordance with laws, administrative regulations and the provisions of the articles of association;
- (iv) to inspect and copy the company’s articles of association, share register, minutes of shareholders’ meetings, resolutions of meetings of the board of directors, and financial and accounting reports; eligible shareholders may inspect the company’s accounting books and accounting vouchers;

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- (v) in the event of the winding-up or liquidation of a company, to participate in the distribution of remaining property of a company in proportion to the number of shares held;
- (vi) to bring an action in the people’s court to rescind resolutions passed by general meetings and board of directors where the articles of association is violated by the above resolutions;
- (vii) to require the company to purchase their shares if they are against a combination or division resolution of the shareholders’ meeting;
- (viii) other rights conferred by laws, administrative regulations and the articles of association.

The obligations of a shareholder of ordinary shares of a company include:

- (i) to comply with the articles of association;
- (ii) to pay subscription money according to the number of shares subscribed and the method of subscription;
- (iii) not to abuse their shareholders’ rights to damage the interests of a company or other shareholders; not to abuse the independent legal person status of a company and the limited liability of shareholders to damage the interests of the creditors of a company;
- (iv) other obligations conferred by laws, administrative regulations and the articles of association.

Shareholders’ Meetings

Under the PRC Company Law, the shareholders’ meeting of a joint stock limited company is made up of all shareholders. The shareholders’ meeting is the organ of authority of a company, which exercises the following functions and powers:

- (i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors;
- (ii) to examine and approve reports of the board of directors;
- (iii) to examine and approve reports of the supervisory committee;
- (iv) to examine and approve a company’s profit distribution plans and loss recovery plans;
- (v) to resolve on the increase or reduction of a company’s registered capital;
- (vi) to resolve on the issuance of corporate bonds;
- (vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of a company;
- (viii) to amend the company’s articles of association;
- (ix) other functions and powers specified in provision of the articles of association.

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Under the PRC Company Law, annual shareholders’ meetings are required to be held once every year. An extraordinary shareholders’ meeting is required to be held within two months after the occurrence of any of the following circumstances:

- (i) the number of directors is less than the number stipulated in the PRC Company Law or less than two-thirds of the number specified in the articles of association;
- (ii) when the unrecovered losses of a company amount to one-third of the total paid-up share capital;
- (iii) shareholders individually or jointly holding 10% or more of the company’s shares request;
- (iv) when deemed necessary by the board;
- (v) the supervisory committee proposes to convene the meeting;
- (vi) other circumstances as stipulated in the articles of association.

Shareholders’ meetings shall be convened by the board of directors, and presided over by the chairman of the board of directors. In the event that the chairman is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the shareholders’ meeting, the supervisory board should convene and preside over shareholders’ meeting in a timely manner. If the supervisory board fails to convene and preside over shareholders’ meeting, shareholders individually or in aggregate holding 10% or more of the company’s shares for 90 days or more consecutively may unilaterally convene and preside over shareholders’ meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an interim shareholders’ meeting, the board of directors and the board of supervisors should, within 10 days after the receipt of such request, decide whether to hold an interim shareholders’ meeting and reply to the shareholders in writing.

Notice of shareholders’ meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of extraordinary shareholders’ meeting shall be given to all shareholders 15 days prior to the meeting.

Shareholders who individually or jointly hold more than 1% of the company’s shares may put forward interim proposals and submit them to the convener in writing 10 days before the shareholders’ meeting. The convener shall issue a supplementary notice of the shareholders’ meeting within two days after receiving the proposal and announce the contents of the interim proposal.

Under the PRC Company Law, a shareholder may entrust a proxy to attend a shareholders’ meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his voting rights within the scope of authorization. There is no specific provision in the PRC Company Law regarding the number of shareholders constituting a quorum in a shareholders’ meeting.

Under the PRC Company Law, shareholders present at a shareholders’ meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

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The cumulative voting system may be adopted for the election of directors and supervisors at the shareholders’ meeting in accordance with the provisions of the articles of association or the resolutions of the shareholders’ meeting. Under the accumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders’ meeting, and shareholders may consolidate their voting rights when casting a vote.

Under the PRC Company Law and the Guidelines for Articles of Association, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the shareholders’ meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Directors

Under the PRC Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of office shall not exceed three years. Directors may serve consecutive terms if re-elected.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be noticed 10 days before the meeting for every meeting. The board exercises the following functions and powers:

- (i) to convene shareholders’ meetings and report its work to the shareholders’ meetings;
- (ii) to implement the resolutions of the shareholders’ meeting;
- (iii) to decide on a company’s business plans and investment plans;
- (iv) to formulate a company’s profit distribution plan and loss recovery plan;
- (v) to formulate proposals for the increase or reduction of a company’s registered capital and the issue of corporate bonds;
- (vi) to formulate plans for cake, division, dissolution or change of corporate form of a company;
- (vii) to decide on the internal management structure of a company;
- (viii) to decide on the appointment or dismissal of the manager of a company and their remuneration;
- (ix) to decide on the appointment or dismissal of the general manager of the company and the remuneration thereof, and, according to the nomination of the general manager, to decide on hiring or dismissing deputy general managers and financial officer of the company as well as their remuneration;
- (x) other functions and powers specified in the articles of association or granted by the shareholders’ meeting.

Board meetings shall be held only if more than half of the directors are present. If a director is unable to attend a board meeting, he may appoint another director by a power of attorney specifying the scope of the authorization for another director to attend the meeting on his behalf. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a

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result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Under the PRC Company Law, a person may not serve as a director of a company if he/she is:

- (i) a person without capacity or with restricted capacity;
- (ii) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period;
- (iii) a person who was a director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;
- (iv) persons who were legal representatives of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who were personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and
- (v) being listed as one of the “dishonest persons subject to enforcement” by the people’s court due to his/her failure to pay off a relatively large amount of due debts.

The board of directors shall have one chairman, who shall be elected by more than half of all the directors. The chairman shall exercise the following functions and powers (including but not limited to):

- (i) to preside over shareholders’ meetings and convene and preside over board meetings;
- (ii) to examine the implementation of resolutions of the board;
- (iii) to exercise other powers conferred by the board.

Supervisors

Under the PRC Company Law, a joint stock limited company shall have a supervisory committee composed of not less than three members. The supervisory committee shall comprise shareholder representatives and an appropriate proportion of the company’s staff representatives, of which the proportion of staff representatives shall not be less than one-third and the specific proportion shall be stipulated in the articles of association. Employee representatives of the supervisory committee shall be democratically elected by the company’s employees at the employee representative assembly, employee general meeting or otherwise.

Directors or senior management may not act concurrently as supervisors. The supervisory committee exercises the following powers:

- (i) to examine the company’s financial affairs;

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- (ii) to supervise the directors and senior management in their performance of their duties and to propose the removal of directors and senior management who have violated laws, administrative regulations, the articles of association or resolutions of shareholders’ meetings;
- (iii) to demand rectification by a director or senior management when the acts of such persons are harmful to the company’s interest;
- (iv) to propose the convening of extraordinary shareholders’ meetings, and to convene and preside over shareholders’ meetings when the board fails to perform the duty of convening and presiding over shareholders’ meetings under the PRC Company Law;
- (v) to submit proposals to the shareholders’ meeting;
- (vi) to initiate legal proceedings against directors and senior management in accordance with the PRC Company Law;
- (vii) other functions and powers specified in the articles of association.

According to the PRC Company Law, a joint stock limited company may, in accordance with its articles of association, establish an audit committee to exercise the powers of the Board of Supervisors.

Managers and Senior Management

Under the PRC Company Law, a company should have a manager who is appointed or removed by the board of directors. The manager is responsible to the board of directors and exercises his/her functions and powers according to the articles of association or the authorization of the board of directors. The manager attends the meetings of the board of directors as a non-voting member.

According to the PRC Company Law, senior management shall refer to the manager, deputy manager(s), financial controller, secretary of the board of directors and other personnel as stipulated in the articles of association of the company.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the PRC Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. Directors, supervisors and senior management are prohibited from abusing their powers to accept bribes or other unlawful income and from misappropriating the company’s properties.

Directors, supervisors and senior management are prohibited from:

- (i) embezzling the company’s property or misappropriating the company’s capital;
- (ii) depositing the company’s capital into accounts under his own name or the name of other individuals;
- (iii) giving bribes or accepting any other illegal proceeds by taking advantage of their power;
- (iv) accept and possess commissions paid by a third party for transactions conducted with the company;
- (v) unauthorized divulgence of confidential business information of the company; or

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(vi) other acts in violation of their fiduciary duty to the company.

If any director, supervisor or senior management directly or indirectly concludes a contract or conducts a transaction with the company, he/she should report the matters relating to the conclusion of the contract or transaction to the board of directors or shareholders’ meeting, subject to the approval of the board of directors or shareholders according to the articles of association.

The provisions of the preceding paragraph shall apply if any near relatives of the directors, supervisors or senior management, or any of the enterprises directly or indirectly controlled by the directors, supervisors or senior management or any of their near relatives, or any related parties with any other related-party relationship with the directors, supervisors or senior management, concludes a contract or conducts a transaction with the company.

Neither director, supervisor or senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances:

- (i) where he/she has reported to the board of directors or the shareholders’ meeting and has been approved by a resolution of the board of directors or the shareholders’ meeting according to the articles of association; or
- (ii) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Where any director, supervisor or senior management fails to report to the board of directors or the shareholders’ meeting and obtain approval by resolution of the board of directors or the shareholders’ meeting according to the articles of association, he/she may not engage in any business that is similar to that of the company where he/she holds office for himself/herself or for any other person.

A director, supervisor or senior management who contravenes any law, regulation or the company’s articles of association in the performance of his duties resulting in any loss to the company shall be personally liable for the damages to the company.

Finance and Accounting

Under the PRC Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare financial and accounting reports which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

A joint stock limited company shall make its financial and accounting reports available at the company for inspection by the shareholders 20 days before the convening of an annual shareholders’ meeting. A joint stock limited company issuing its shares in public shall publish its financial and accounting reports.

When distributing each year’s after-tax profits, the company shall set aside 10% of its profits into its statutory reserve fund. The company can no longer withdraw statutory reserve funds if it has accumulated to more than 50% of the registered capital. If the statutory reserve fund of the company is insufficient to make up for the losses of the previous years, the current year’s profits shall be used to make up for the losses before making allocations to the statutory reserve in accordance with the

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preceding paragraph. After the company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the shareholders’ meeting.

A joint stock limited company may distribute profits in proportion to the number of shares held by its shareholders, except for profit distributions that are not in proportion to the number of shares held in accordance with the provisions of the articles of association of the joint stock limited company.

The premium over the nominal value of the shares of a joint stock limited company from the issue of shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital and other incomes required by the financial department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund of the company.

The reserve fund of the company shall be used to make up for losses of the company, expand the production and operation of the company or increase the capital of the company. Where the reserve fund of a company is used for making up losses, the discretionary reserve and statutory reserve shall be first used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital before such conversion.

The company shall not keep accounts other than those provided by law.

Appointment and Dismissal of Accounting Firms

Pursuant to the PRC Company Law, the engagement or dismissal of an accounting firm responsible for the company’s auditing shall be determined by a shareholders’ meeting, the board of directors or the board of supervisors in accordance with the articles of association. The accounting firm should be allowed to make representations when the shareholders’ meeting, the board of directors or the board of supervisors conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

The Guidelines for Articles of Association provide that the company guarantees to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the employed accounting firm, and shall not refuse, conceal or falsely report. And the audit fee of the accounting firm shall be decided by the shareholders’ meeting.

Distribution of Profits

Under the PRC Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve is drawn. Where a company distributes profits to shareholders in violation of the provisions of the PRC Company Law, the shareholders shall refund the profits distributed to the company, and the shareholders, directors, supervisors, and senior management personnel who are responsible for causing losses to the company shall bear compensation liability.

Dissolution and Liquidation

According to the PRC Company Law, a company shall be dissolved for the following reasons:

- (i) the term of business stipulated in the articles of association has expired or other events of dissolution specified in the articles of association have occurred;

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- (ii) the shareholders’ meeting resolves to dissolve the company;
- (iii) dissolution is necessary due to a merger or division of the company;
- (iv) the business license is revoked, or the business license is ordered to be closed or revoked in accordance with laws;
- (v) where the company encounters serious difficulties in its operation and management and its continuance shall cause a significant loss in the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold more than 10% of the total shareholders’ voting rights of the company may present a petition to a people’s court for the dissolution of the company with the support of the judgment.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situation through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with sub-paragraph (i) or (ii) above, and it has not distributed the assets to its shareholders yet, it may carry on its existence by amending its articles of association or upon a resolution of the shareholders’ meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders’ meeting. Where the company is dissolved pursuant to sub-paragraphs (i), (ii), (iv) or (v) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation group shall be composed of the directors, unless it is otherwise provided for in the company’s articles of association or it is otherwise elected by the shareholders’ meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the company or the creditors.

If the liquidation group fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the People’s Court to designate relevant persons to form a liquidation group. The people’s court shall accept such request and organize a liquidation group to carry out the liquidation in a timely manner.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (i) to liquidate the company’s property and respectively prepare a balance sheet and list of property;
- (ii) to notify creditors by notice or public announcement;
- (iii) to deal with the outstanding business of the company involved in the liquidation;
- (iv) to pay all outstanding taxes and taxes arising in the course of liquidation;
- (v) to liquidate claims and debts;
- (vi) distributing the remaining property of the company after paying off debts;
- (vii) to participate in civil litigations on behalf of the company.

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The liquidation group shall notify the company’s creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days as of the receipt of the notice or within 45 days as of the issuance of the public announcement in the case of failing to receive such notice.

The remaining property of the company after the payment of liquidation expenses, employees’ wages, social insurance expenses and statutory compensation, outstanding taxes and the company’s debts, shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The company’s assets shall not be distributed to the shareholders before the liquidation in accordance with the preceding paragraph.

If the liquidation committee, having thoroughly examined the company’s assets and having prepared a balance sheet and an inventory of assets, discovers that the company’s assets are insufficient to pay its debts in full, it shall file an application to a people’s court for bankruptcy liquidation. After the People’s Court accepts the application for bankruptcy, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator designated by the People’s Court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report to be submitted to the shareholders’ meeting or the people’s court for confirmation, and submit to the company registration authority to apply for cancelation of the company’s registration.

The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the company shall be liable for compensation, and any member of the liquidation group who causes any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Where, after three years since the business license of a company is revoked, or the company is ordered to close down or is revoked, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company’s deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

Overseas Listing

According to the Trial Measures, where a PRC issuer makes an overseas initial public offering or listing, it shall file with the CSRC within 3 working days after submitting the application documents for overseas issuance and listing. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the CSRC within 3 working days after the completion of such issuance. If an issuer issues and lists in other overseas markets after overseas issuance and listing, it shall be filed in accordance with the provisions of the first paragraph of this article.

SECURITIES LAWS AND REGULATIONS

The PRC has promulgated a series of laws and regulations to share issuance and trading as well as information disclosure. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee shall be responsible for coordinating the drafting of relevant laws and

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regulations on securities, formulating policies on securities matters, planning the development of the securities market, guiding, coordinating and supervising all institutions involved in securities matters in the PRC and managing the CSRC.

The CSRC is the regulatory body of the Securities Committee and is responsible for drafting regulations on the supervision of the securities markets, supervising securities companies, supervising the public issuance of securities by Chinese companies in China or abroad, managing securities trading, compiling statistics on securities, and conducting research and analysis. In 1998, the Securities Committee was abolished by the State Council and its functions were undertaken by the CSRC. The CSRC is also responsible for the regulation and supervision of the national stock and futures markets in accordance with relevant laws, regulations and authorities.

The Provisional Regulations Concerning the Issue and Trading of Shares (《股票發行與交易管理暫行條例》) promulgated by the State Council and effective on April 22, 1993 provide the application and approval procedures for public offerings of shares, trading in shares, the acquisition of listed companies, the deposit, settlement and transfer of listed shares, the disclosure of information with respect to a listed company, investigation and penalties and dispute arbitration.

The *PRC Securities Law* (《中華人民共和國證券法》) (the “**Securities Law**”), which was promulgated by the SCNPC on December 29, 1998, took effect on July 1, 1999 and was amended on December 28, 2019 and took effect on March 1, 2020. It was the first national securities law in the PRC, and it is divided into 14 chapters and 226 articles, which include the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities. The Securities Law comprehensively regulates activities in the PRC securities market. Article 224 of the Securities Law stipulates that domestic enterprises issuing securities directly or indirectly abroad or listing and trading their securities abroad shall comply with the relevant provisions of the State Council. Article 225 of the Securities Law stipulates that the specific terms for subscription and transaction of shares of companies in the PRC in foreign currencies shall be separately stipulated by the State Council. Currently, the issue and trading of foreign-issued securities (including H shares) are principally governed by the regulations and rules promulgated by the State Council and CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

The *Arbitration Law of the PRC* (《中華人民共和國仲裁法》) (the “**PRC Arbitration Law**”) was promulgated by the SCNPC on August 31, 1994, effective on September 1, 1995, most recently amended on September 12, 2025 and effective on March 1, 2026. The PRC Arbitration Law provides that an arbitration committee may, before the promulgation of arbitration regulations by the PRC Arbitration Association, formulate interim arbitration rules in accordance with the PRC Arbitration Law and the Civil Procedure Law. Where the parties have agreed to settle disputes by means of arbitration, the People’s Court will refuse to handle a legal proceeding initiated by one of the parties at such people’s court, unless the arbitration agreement is invalid.

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Under the PRC Arbitration Law and the Civil Procedure Law, an arbitral award shall be final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the People’s Court for enforcement. A people’s court may refuse to enforce an arbitral award made by an arbitration commission if there is any irregularity in the procedures or composition of arbitrators specified by law or the award exceeds the scope of the arbitration agreement or is outside the jurisdiction of the arbitration commission.

A party seeking to enforce an arbitral award of a PRC arbitration panel against a party who, or whose property, is not within the PRC, may apply to a foreign court with jurisdiction over the case for enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the PRC courts in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC. The PRC acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the “New York Convention”) adopted on June 10, 1958 pursuant to a resolution of the SCNPC passed on December 2, 1986. The New York Convention provides that all arbitral awards made in a state which is a party to the New York Convention shall be recognized and enforced by all other parties to the New York Convention, subject to their right to refuse enforcement under certain circumstances, including where the enforcement of the arbitral award is against the public policy of the state to which the application for enforcement is made. It was declared by the SCNPC simultaneously with the accession of the PRC that (i) the PRC will only recognize and enforce foreign arbitral awards on the principle of reciprocity and (ii) the PRC will only apply the New York Convention in disputes considered under PRC laws to arise from contractual and non-contractual mercantile legal relations.

According to the Arrangement of the *Supreme People’s Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region* (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated on 24 January 2000 and effective on February 1, 2000, and the *Supplementary Arrangements of Supreme People’s Court on Reciprocal Enforcement of Arbitration Awards between the Mainland and the Hong Kong Special Administrative Region* (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) promulgated on November 26, 2020 and effective on November 27, 2020, awards made by PRC arbitral authorities under the Arbitration Law can be enforced in Hong Kong, and Hong Kong arbitration awards are also enforceable in the PRC.

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SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix contains the summary of the principal provisions of the Articles of Association adopted by the Company on May 8, 2026 and will become effective on the date that the H Shares are [REDACTED] on the Stock Exchange. The main objective of this Appendix is to provide potential investors with an overview of the Company’s Articles of Association. As the information contained in this Appendix is a summary, it may not contain all the information that may be important to potential investors.

SHARES

Issuance of Shares

Shares of the Company shall be in registered form.

The ordinary shares issued by the Company consist of domestic shares and foreign shares. The issue of shares by the Company shall be conducted in accordance with the principles of openness, fairness and impartiality, and each share of the same class shall carry the same rights.

All shares of the same class issued at the same time shall be issued under the same conditions and at the same price; the same price shall be paid for each share subscribed by any entity or individual.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Increase of Capital

The Company may, based on its business and development needs and in accordance with the requirements of laws, regulations, the Hong Kong Listing Rules and other applicable security regulations of the place where the shares are listed, increase its registered capital by way of separate resolutions passed by the General Meeting in the following manners:

- (1) by issuing new shares to the public;
- (2) by issuing shares through a private placement;
- (3) by distributing new shares to its existing Shareholders;
- (4) by capitalizing its capital reserves;
- (5) by other ways permitted by the laws, administrative regulations, the CSRC and the Hong Kong Stock Exchange.

Decrease of Capital

The Company may reduce the registered capital. Any reduction of the Company’s registered capital shall observe the procedures of the Company Law, the Hong Kong Listing Rules, other applicable regulations and this Articles of Association.

Repurchase of Shares

The Company may repurchase its own shares in the following circumstances in accordance with laws, administrative regulations, departmental rules and this Articles of Association:

- (1) reducing the Company’s registered capital;
- (2) merging with other companies which hold shares in the Company;
- (3) awarding shares for employee stock ownership plan or share incentive plan;

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- (4) acquiring shares held by Shareholders who vote against any resolution proposed in any general meeting on the merger or division of the Company, upon their request;
- (5) use of shares for the conversion of corporate bonds issued by the Company that are convertible into shares;
- (6) methods taken necessary for the Company to preserve its value, the rights and interests of shareholders.

Except as set forth above, the Company shall not repurchase its own shares. Any repurchase of its own shares by the Company may be carried out through public centralized trading or other methods permitted by laws, regulations, the Hong Kong Listing Rules, and other applicable security regulations of the place where the shares are listed, and the CSRC (if required).

Where the Company repurchases its shares under the circumstances set out in items (1) and (2) above, a resolution shall be passed at a general meeting of the Company. Where the Company repurchases its shares under the circumstances set out in items (3), (5) and (6) above, a resolution may be passed at a Board meeting attended by two-thirds of the directors in accordance with the provisions of this Articles of Association or as authorized by the General Meeting.

Where the Company repurchases its shares under the circumstances set out in item (1) above, such shares shall be canceled within 10 days from the date of repurchase; where the Company repurchases its shares under the circumstances set out in items (2) and (4), such shares shall be transferred or canceled within 6 months; where the Company repurchases its shares under the circumstances set out in items (3), (5) and (6), the total number of shares held by the Company shall not exceed 10% of the total shares issued by the Company, and such shares shall be transferred or canceled within 3 years.

TRANSFER OF SHARES

The shares of the Company are transferable. The shares issued before the Company’s public offering shall not be transferred within one year from the date when the Company’s shares are listed and traded on the stock exchange.

The directors and senior management of the Company shall report to the Company their possession of Company shares and changes thereof and shall not transfer more than 25 percent of the total number of their shares in the Company per annum during their terms of service. The shares held by the aforesaid personnel shall not be transferred within one year from the listing date of the Company’s shares. The aforesaid personnel shall not transfer their shares in the Company within half a year after they terminate their service with the Company.

If shares are pledged during a restricted transfer period as provided by laws or administrative regulations, the pledgee shall not exercise the pledge during such restricted period.

The security regulations of the place where the shares are listed shall also apply to the Company if there are any terms concerning the transfer of listing shares.

SHAREHOLDERS AND GENERAL MEETING

General Provisions for Shareholders

A Shareholder shall enjoy rights and assume obligations in accordance with the class and proportion of shares held by it. Shareholders holding shares of the same class shall be entitled to equal rights and assume the same obligations.

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The Shareholders shall enjoy the following rights:

- (1) the right to receive dividends and other profit distributions in proportion to their shareholdings;
- (2) the lawful right to request, convene, preside, attend or assign proxies to attend general meetings lawfully and to exercise the voting rights in proportion to their shareholdings;
- (3) the right to supervise the Company’s business activities, to present proposals or to raise inquiries;
- (4) the right to transfer, bestow or pledge the shares they hold in accordance with laws, administrative regulations, the security regulations of the place where the shares are listed, and provisions of the Articles of Association;
- (5) to review and copy the Articles of Association, the register of members, minutes of General Meeting, resolutions of the Board meetings, and financial and accounting reports. Shareholders who meet the prescribed requirements may inspect the Company’s accounting books and accounting vouchers;
- (6) in the event of termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the shareholdings;
- (7) the right to request the Company to purchase the shares held by shareholders who vote against the Company’s merger or division resolution adopted by the General Meeting;
- (8) to check the shareholder register of the Hong Kong branch of the Company, provided that the Company may suspend the registration of shareholders in accordance with provisions equivalent to Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
- (9) other rights under laws, administrative regulations, departmental rules, the security regulations of the place where the shares are listed, or this Articles of Association.

The Shareholders of the Company shall have the following obligations:

- (1) to abide by laws, administrative regulations, the security regulations of the place where the shares are listed and this Articles of Association;
- (2) to pay capital contribution for the shares subscribed for in the prescribed method of subscription;
- (3) not to withdraw shares unless in the circumstances stipulated by laws, regulations and the security regulations of the place where the shares are listed;
- (4) not to abuse their rights to harm the lawful interests of the Company or other shareholders; not to abuse the Company’s position as an independent legal person or shareholder’s limited liability protection to harm the lawful interests of the creditors of the Company. Where a shareholder of the Company abuses its shareholder rights and causes losses to the Company or other shareholders, it shall be liable for compensation in accordance with the law.

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Where a shareholder abuses the Company’s position as an independent legal entity or shareholder’s limited liability protection to evade debts, thereby seriously prejudicing the interests of the Company’s creditors, such shareholder shall be jointly and severally liable for the Company’s indebtedness.

Where a shareholder commits any act specified in the preceding paragraph by resorting to two or more companies under its control, each of the companies shall be jointly and severally liable for the debts of any one of them.

- (5) to fulfill other obligations as stipulated by laws, administrative regulations, the security regulations of the place where the shares are listed and the Articles of Association.

General rules for the General Meeting

The General Meeting comprises all shareholders of the Company. The General Meeting is the power authority of the Company, and shall exercise the following duties and powers in accordance with the law:

- (1) to elect and change the Directors who are not representatives of the employees and decide on the remunerations of Directors;
- (2) to review and approve reports of the Board;
- (3) to review and approve the profit distribution plans and loss recovery plans of the Company;
- (4) to pass resolutions on the increase or decrease of the registered capital of the Company;
- (5) to pass resolutions on the issuance of bonds of the Company;
- (6) to pass resolutions on the merger, division, dissolution, liquidation or change of Company form of the Company;
- (7) to change the Articles of Association of the Company;
- (8) to pass resolutions on the employment, termination of the accounting firm engaged to conduct the audit of the Company;
- (9) to review and approve the guarantee matters that need to be approved by the General Meeting according to Article 40 of this Articles of Association;
- (10) to review the purchase or disposal of major assets by the Company within one year where the amount exceeds 30% of the Company’s latest audited total assets;
- (11) to review and approve the change of the use of proceeds raised by the Company;
- (12) to review and approve share incentive plans and employee share ownership schemes;
- (13) to review other matters that are required by laws, administrative regulations, departmental rules, the security regulations of the place where the shares are listed, or the Articles of Association to be decided by the General Meeting.

The General Meeting may authorize the Board to pass resolutions on the issuance of corporate bonds.

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The Company, upon resolution of the General Meeting or with the authorization of the Articles of Association and the General Meeting, may issue shares or convertible shares. The implementation of the issuance shall comply with the laws, administrative regulations, and rules and regulations of the CSRC and the Hong Kong Stock Exchange.

Except as otherwise stipulated by laws, administrative regulations, the CSRC rules or the security regulations of the place where the shares are listed, the duties and powers of the General Meeting shall not be exercised by the Board or other institutions or individuals through authorization.

The General Meetings consist of annual meetings and extraordinary meetings. The annual meeting shall be held once every year within six months from the end of the previous fiscal year.

In the occurrence of any of the following events, the Company shall convene an extraordinary meeting within two months:

- (1) the number of directors is less than the number stipulated in the Company Law or two-thirds of the number of directors specified in the Articles of Association;
- (2) the unrecovered losses of the Company amount to one-third of the total amount of its paid-up share capital;
- (3) the shareholder(s) individually or jointly holding 10 percent or more of the Company’s voting rights request(s) in writing to convene an extraordinary meeting;
- (4) deemed necessary by the Board to convene;
- (5) proposed by the Audit Committee to convene;
- (6) any other circumstances stipulated by laws, administrative regulations, departmental regulations, the security regulations of the place where the shares are listed or the Articles of Association.

Summoning of General Meeting

The Board shall convene the general meetings within the period stipulated in the Articles of Association. With the consent of more than half of all independent non-executive directors, any independent non-executive Directors shall be entitled to propose to the Board to convene an extraordinary meeting. The Board shall, in accordance with the laws, administrative regulations and this Articles of Association, give a written reply on whether or not to convene the extraordinary meeting within 10 days after receiving the proposal from the independent non-executive Directors. If the Board agrees to convene the extraordinary meeting, a notice of such meeting shall be issued within 5 days after the resolution of the Board is passed. If the Board does not agree to convene the extraordinary meeting, it shall explain the reasons and make an announcement.

The Audit Committee shall have the right to propose to the Board to convene an extraordinary meeting in writing. The Board shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and this Articles of Association, give a written reply on whether to convene the extraordinary meeting or not within 10 days after receipt of the proposal.

If the Board agrees to convene the extraordinary meeting, a notice of such meeting shall be issued within 5 days after the resolution of the Board is passed. Any changes to the original proposal made in the notice shall be approved by the Audit Committee.

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If the Board does not agree to convene the extraordinary meeting or fails to give a reply within 10 days after receiving the proposal, the Board shall be deemed to be unable or fail to perform the duty of convening the general meeting, and the Audit Committee may summon and preside over the meeting on its own.

Shareholders individually or jointly holding 10% or more of the Company’s shares shall have the right to request the Board of Directors in writing to convene an extraordinary meeting. The Board shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the shares are listed and this Articles of Association, give a written reply on whether to convene the extraordinary meeting or not within 10 days after receipt of the proposal.

Proposals of the General Meeting

When a general meeting is convened by the Company, Shareholders who individually or jointly hold one percent or more of the shares of the Company carrying voting right, shall be entitled to make proposals in writing to the Company and the convener ten days before the convening of the general meeting. The convener shall issue a supplementary notice of the general meeting within 2 days upon receipt of the proposal, specifying the contents of the temporary proposal; provided however that this shall not apply where the temporary proposal violates the provisions of laws, administrative regulations, the security regulations of the place where the shares are listed or this Articles of Association, or falls outside the scope of the functions and powers of the General Meeting.

Except as stipulated in the above paragraph, the convener, after issuing the notice of the general meeting, shall neither modify the proposals stated in the notice of general meetings nor add new proposals. Shareholders shall neither vote at the general meeting nor make resolution on proposals that are not set out in the notice of general meeting or do not comply with the provisions of the Articles of Association.

Notices of the General Meeting

The convener shall notify all shareholders 20 days prior to the convening of the annual meeting, and shall notify all shareholders 15 days prior to the convening of any extraordinary meeting. Notices of general meetings shall be given to shareholders in a manner compliant with laws, administrative regulations, the Hong Kong Listing Rules, the security regulations of the place where the shares are listed and this Articles of Association.

Convening of General Meeting

Any shareholder entitled to attend and vote at a general meeting may attend in person or appoint one or more proxies (who need not be shareholders) to attend and vote on his behalf. A shareholder shall appoint a proxy in writing, and such appointment shall be signed by the appointor or by an agent authorized by him in writing. If the appointor is a corporate shareholder, such appointment shall be executed under its common seal or signed by its director or duly authorized agent.

Resolutions of General Meeting

The following matters shall be resolved by way of Ordinary Resolution at a General Meeting:

- (1) the appointment and removal of Directors (other than employee representatives) and the determination of their remuneration and payment methods;
- (2) review and approve the work reports of the Board of Directors;
- (3) review and approve the Company’s profit distribution plan and loss recovery plan;

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- (4) other matters that are not required to be adopted by special resolution pursuant to laws, administrative regulations, the security regulations of the place where the shares are listed and this Articles of Association.

The following matters shall be resolved by way of Special Resolution at a General Meeting:

- (1) Increase or decrease the registered capital of the Company;
- (2) the division, spin-off, merger, dissolution and liquidation of the Company;
- (3) change of the Articles of Association;
- (4) purchase or dispose of major assets or providing security with an amount exceeding 30% of the Company’s latest audited total assets within one year;
- (5) adopting the equity incentive plan;
- (6) other matters to be adopted by Special Resolution as stipulated by laws, administrative regulations, the security regulations of the place where the shares are listed, this Articles of Association, or as otherwise determined by the General Meeting through a Ordinary Resolution to have a material impact on the Company.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors of the Company are natural persons, and a person shall not serve as a Director of the Company if any of the following circumstances applies:

- (1) a person without civil capacity or with limited civil capacity;
- (2) a person who has been sentenced to criminal punishment for corruption, bribery, embezzlement of property, misappropriation of property or disruption of the socialist market economic order; or has been deprived of political rights because of committing an offense, in each case where less than 5 years have elapsed since the expiration of the execution period; or who has been declared under probation, where less than 2 years have elapsed since the expiration of the probation period;
- (3) a person who is a former director, factory director or manager of a company or an enterprise which was insolvent and liquidated and who was personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;
- (4) a person who was the legal representative of a company or an enterprise whose business license has been revoked and was ordered to cease its business due to the violation of laws and who is personally liable for the revocation, where less than 3 years have elapsed since the date of the revocation of the business license or the order to close of such company or enterprise;
- (5) a person who has a relatively large amount of personal indebtedness which is overdue and outstanding and is listed as a dishonest person subject to enforcement by the People’s Court;
- (6) a person who has been banned from entering the securities market by the CSRC and whose term has not yet expired;

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- (7) a person who has been treated unfit to serve as Director or senior management by the security regulations of the place where the shares are listed and whose term has not yet expired;
- (8) other contents stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, securities regulatory rules the security regulations of the place where the shares are listed.

Any election, appointment or engagement of a Director in violation of the provision of this Article shall be invalid. If a Director falls under the circumstances stipulated above during his/her term of office, the Company shall remove such Director from his/her office and terminate his/her authority to act.

The employee representatives (if any) on the Board shall be democratically elected by the employees of the Company through the employee representative congress, employee meeting or other forms. Non-employee representative directors shall be elected or replaced by the General Meeting, with a term of 3 years, and may be removed from office by the General Meeting prior to the expiry of their term of office. Upon the expiry of a Director’s term, such director may be re-elected and hold office consecutively.

Board of Directors

The Company shall have a Board of directors which consists of 9 directors. Independent non-executive directors shall constitute more than one-third of the all directors on the Board and such number shall not be less than three.

At least one independent non-executive director must possess the appropriate professional qualifications as required under the Hong Kong Listing Rules, or appropriate accounting or relevant financial management expertise. At least one independent non-executive director shall ordinarily be resided in Hong Kong. All independent non-executive directors must meet the independence requirements stipulated by the security regulations of the place where the shares are listed.

The Board of Directors shall exercise the following powers and duties:

- (1) convening general meetings of shareholders and reporting to the General Meeting;
- (2) implementing resolutions adopted by the General Meeting;
- (3) determining the business plans and investment proposals of the Company;
- (4) formulating the profit distribution plans and loss recovery plans of the Company;
- (5) formulating proposals for increasing or reducing the registered capital of the Company, issuing bonds or other securities and listing;
- (6) formulating proposals for material acquisition, repurchase of the Company’s shares, or merger, division, dissolution and change of company form of the Company;
- (7) deciding on external investment, acquisition and disposal of assets, assets mortgage, external guarantee, entrusted financial management, connected transactions, external donation and other matters within the scope of the Article of Association and authorization granted by the General Meeting;
- (8) deciding on the establishment of the Company’s internal management structure;

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- (9) deciding on the appointment or removal of the General Manager (Chief Executive Officer), the Secretary of the Board and other senior management personnels of the Company, and to determine their remuneration matters; to appoint or remove Chief Financial Officer, Chief Technology Officer, Chief Operating Officer and other senior management personnel of the Company upon the nomination by the General Manager (Chief Executive Officer), and to determine their remuneration, reward and punishment matters;
- (10) reviewing, formulating and revising the basic management systems of the Company;
- (11) formulating proposals for change of the Articles of Association;
- (12) managing the information disclosure of the Company in accordance with laws and regulations, the Hong Kong Listing Rules and the internal rules and policies of the Company;
- (13) proposing to the General Meeting the engagement or replacement of the accounting firm engaged to audit the Company;
- (14) hearing work reports from the general manager (Chief Executive Officer) of the Company and inspecting the work of the general manager (Chief Executive Officer);
- (15) reviewing and monitoring the training and continuous professional development of directors and senior management personnel;
- (16) reviewing and monitoring the Company’s policies and practices in compliance with legal and regulatory requirements;
- (17) such other powers and functions as conferred by laws, administrative regulations, departmental rules, the security regulations of the place where the shares are listed or this Articles of Association.

Matters exceeding the scope of authorization granted by the General Meeting shall be submitted to the General Meeting for consideration and approval.

Independent non-executive Directors

Independent non-executive directors shall, in accordance with the provisions of laws, administrative regulations, the CSRC, the security regulations of the place where the shares are listed and this Articles of Association, faithfully perform their duties, participate in decision-making, exercise supervision and check-and-balance functions, and provide professional advice within the Board of Directors, safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Special Committees of the Board

The Board of the Company shall establish an audit committee in accordance with the Company Law and the security regulations of the place where the shares are listed, which shall exercise the powers of the supervisory board as stipulated under the Company Law. The audit committee shall consist of three Directors who do not serve as senior management positions in the Company (i.e., non-executive directors), among which at least two Directors shall be independent non-executive directors. The convener shall be an accounting professional among the independent non-executive directors who meets the requirements under the security regulations of the place where the shares are listed.

The Board shall set up other special committees including the nomination committee and the remuneration committee. Each special committee shall perform its duties in accordance with the security regulations of the place where the shares are listed, this Articles of Association and the authorization

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granted by the Board. Proposals of any special committee shall be submitted to the Board for deliberation and decision. The working protocols of special committees shall be formulated by the Board. The composition of members of the special committees shall comply with the relevant requirements prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the security regulations of the place where the shares are listed or the relevant regulatory authorities.

GENERAL MANAGER AND OTHER SENIOR MANAGERMENTS

The Company shall have one General Manager (Chief Executive Officer), one Co-Chief Executive Officer, one Chief Technology Officer, one Chief Financial Officer, one Chief Operating Officer.

The above individuals constitute senior management.

The General Manager is accountable to the Board and shall exercise the following powers and duties:

- (1) presiding over the production, operation and management of the Company, organize the implementation of the resolutions of the Board of Directors, and report to the Board of Directors;
- (2) organizing the implementation of the annual business plans and investment proposals of the Company;
- (3) formulating proposals for the establishment of the internal management structure of the Company;
- (4) formulating the basic management systems of the Company;
- (5) formulating the specific rules and regulations of the Company;
- (6) proposing to the Board of Directors the appointment or removal of deputy general managers and the financial officer of the Company;
- (7) appointing or removing other responsible management personnel other than those to be appointed or removed by the Board;
- (8) reviewing and approving ordinary connected transactions other than those required to be approved by the Board or the General Meeting pursuant to the Articles of Association;
- (9) reviewing and approving other material transactions, external investments, external guarantees and other matters other than those required to be approved by the Board or the General Meeting pursuant to the Articles of Association;
- (10) such other duties or powers as conferred by the Articles of Association, the security regulations of the place where the shares are listed or the Board.

FINANCE AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting System

The Company shall establish its financial and accounting system in accordance with laws, administrative regulations, the security regulations of the place where the shares are listed, and the provisions of relevant national authorities.

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The General Meeting shall consider and approve the annual financial report within six months after the end of each fiscal year. The aforesaid financial report shall be prepared in accordance with relevant laws, administrative regulations, departmental rules and the security regulations of the place where the shares are listed.

When the Company distributes its after-tax profits for a given year, it shall allocate 10% of such profits to the statutory common reserve. The allocation may cease once the accumulated amount of the statutory common reserve reaches 50% or more of the Company’s registered capital.

If the statutory common reserve is insufficient to cover the prior years’ losses, the current year’s profits shall first be applied to cover such losses before allocating to the statutory common reserve in accordance with the preceding paragraph.

Subject to the recovery of prior years’ losses and allocation to reserve funds, the remaining after-tax profits of the Company shall be distributed to the shareholders in pro rata, unless otherwise stipulated in this Articles of Association to distribute not in proportion to shareholdings.

Internal Audit

The Company implements an internal audit system, which specifies the leadership system, responsibilities and authorities, personnel allocation, funding support, application of audit results and accountability for internal audit work. The internal audit protocol of the Company shall be implemented after being approved by the Board.

The Company’s internal audit department shall conduct supervision and inspection of business activities, risk management, internal controls, financial information and other matters.

Appointment of Accounting Firm

The Company shall engage an independent accounting firm qualified under the Securities Law or the security regulations of the place where the shares are listed to conduct audit of financial statements, net asset verification and other related consulting services. The term of appointment shall be one year and can be renewable.

The Company’s engagement and dismissal of an accounting firm shall be determined by the General Meeting, and the Board may not appoint an accounting firm before a decision is made by the General Meeting.

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MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase, Capital Reduction

If the Company undergoes a merger, the parties to the merger shall enter into a merger agreement, and shall prepare a balance sheet and a property list. The Company shall notify creditors within ten days from the date of making the merger resolution, and shall publish an announcement within thirty days in the National Enterprise Credit Information Publicity System. Creditors may require the Company to pay off debts or provide corresponding guarantees within thirty days from the date of receipt of the notice, or within forty-five days from the date of announcement if no notice is received.

Where there is a division of the Company, its assets shall be divided accordingly and a balance sheet and property list shall be prepared. The Company shall notify its creditors within ten days as of the date of the resolution for the division and shall publish an announcement in National Enterprise Credit Information Publicity System within thirty days as of the date of such resolution.

Debts of the Company prior to the division shall be jointly and severally assumed by the surviving companies after the division unless a written agreement has been entered into by the Company and its creditors in relation to the repayment of debts before the division.

Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and property list. The Company shall notify its creditors within ten days from the date of adoption of the resolution for the reduction of registered capital approved by the General Meeting and shall publish the notice in the National Enterprise Credit Information Publicity System within thirty days thereof. The creditors shall have the right to demand the Company to settle the debts or to provide corresponding security within thirty days after the receipt of such notice or within forty-five days after the announcement for creditors who did not receive the notice.

Dissolution and Liquidation

The Company shall be dissolved under any of the following circumstances:

- (1) the term of its operations as is stipulated in the Articles of Association has expired or events of dissolution specified in the Articles of Association have occurred;
- (2) the General Meeting resolves to dissolve the Company;
- (3) dissolution is necessary due to merger or division of the Company;
- (4) the Company is declared bankrupt for inability to pay its debts as they fall due;
- (5) the Company's business license is revoked, the Company is ordered to close down or be revoked in accordance with the law;
- (6) where the Company encounters serious difficulties in its operation and management and its continuous existence will cause significant losses to the interests of shareholders, and such difficulties cannot be resolved through other means, shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the People's Court to dissolve the Company.

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If the Company falls under items (1) and (2) of the aforesaid grounds for dissolution and has not yet distributed assets to the shareholders, the Company may continue to exist by amending the Articles of Association or by adopting a resolution at a general meeting. Any amendment to the Articles of Association or any resolution adopted pursuant to the preceding paragraph shall be adopted by two-thirds or more of the voting rights held by the shareholders present at the general meeting.

If the Company is dissolved pursuant to items (1), (2), (5) and (6) of the aforesaid grounds for dissolution, a liquidation group shall be formed within 15 days from the date on which the ground for dissolution arises to commence liquidation. The liquidation group shall consist of directors or persons determined by the General Meeting. If the liquidation group is not formed within the prescribed time limit to conduct liquidation, the creditors may apply to the people’s court to designate relevant persons to form a liquidation group to conduct liquidation. Where a liquidation obligor fails to promptly perform its liquidation obligations and causes losses to the Company or its creditors, it shall be liable for compensation.

CHANGE TO THE ARTICLES OF ASSOCIATION

The Company shall amend or restate this Articles of Association under any of the following circumstances:

- (1) where the matters set forth herein become inconsistent with the amended provisions of the Company Law or other relevant laws, administrative regulations, or the security regulations of the place where the shares are listed following the amendment thereof;
- (2) where there is a change in the Company’s circumstances that is inconsistent with the matters recorded in this Articles of Association;
- (3) where the General Meeting resolves to amend this Articles of Association.

If such amendments adopted by the resolution of the General Meeting is subject to be approved by the competent administrative department, the amendment shall be submitted to the authorities in charge for approval; If such amendments involve any registered particulars of the Company, application shall be made for change of registration in accordance with laws.

EFFECTIVENESS

This Articles of Association shall take effect and be implemented as from the date of listing of the Company’s shares on the Hong Kong Stock Exchange, following their adoption by the General Meeting and the adjustment or supplementation of the relevant provisions by the Board upon authorization of the General Meeting after the completion of the share issuance; the previous Articles of Association shall be repealed simultaneously.

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Our Company was established as a limited liability company in the PRC on October 12, 2016 and was converted into a joint stock limited liability company on December 31, 2025 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company was RMB65,023,457.

Our registered office is at Room 303, Zone D, Innovation Research Institute Main Building, Beihang University Hefei Science City, 999 Weiwu Road, Xinzhan District, Hefei, Anhui Province, PRC. Our place of business in Hong Kong is at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. Our Company has been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on May 14, 2026. One of our joint company secretaries, Ms. Chan Yee Lam, has been appointed as our agent for the acceptance of service of process in Hong Kong whose correspondence address is the same as our place of business in Hong Kong.

As we are established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in “Appendix V — Summary of Articles of Association.” A summary of certain relevant aspects of the laws and regulations of the PRC is set out in “Appendix IV — Summary of Principal Legal and Regulatory Provisions.”

Changes in Share Capital

On October 12, 2016, our Company was established with a registered capital of RMB800,000.

The following sets out the changes in the share capital of our Company during the two years immediately preceding the date of this document:

On February 26, 2025, the registered capital of our Company was increased from RMB58,200,610 to RMB58,765,540.

On September 29, 2025, the registered capital of our Company was increased from RMB58,765,540 to RMB59,634,664.

On October 23, 2025, the registered capital of our Company was increased from RMB59,634,664 to RMB 60,503,788.

On January 15, 2026, the registered capital of our Company was increased from RMB60,503,788 to RMB62,289,712.

On April 27, 2026, the registered capital of our Company was increased from RMB62,289,712 to RMB65,023,457.

Save as aforesaid, as of the Latest Practicable Date, there had been no alterations of our share capital within the two years preceding the date of publication of this document.

Corporate Reorganization

Our Company has not gone through any corporate reorganization. For details of the history and development of our Company, see “History, Development and Corporate Structure.”

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Resolutions of our Shareholders

Pursuant to general meetings held on May 8, 2026, among other things, our Shareholders resolved that:

- (a) the issue by the Company of H Shares with a nominal value of RMB1.00 each and such H Shares be [REDACTED] on the Hong Kong Stock Exchange;
- (b) the number of H shares to be issued before the exercise of the [REDACTED] shall be no more than [REDACTED]% of the total issued share capital of our Company as enlarged by the [REDACTED];
- (c) subject to the CSRC’s registration, upon completion of the [REDACTED], [REDACTED] Shares will be converted into H Shares on a one-for-one basis, and the H Shares to be issued pursuant to the [REDACTED] granted to the [REDACTED] (acting in such capacity and as the [REDACTED]) shall be no more than [REDACTED]% of the number of H Shares to be issued under the [REDACTED];
- (d) authorization of the Board or its authorized individual to handle all matters relating to, among other things, the [REDACTED], the issue and the [REDACTED] of H Shares on the Hong Kong Stock Exchange; and
- (e) subject to the completion of the [REDACTED], the conditional adoption of the revised Articles of Association, which shall become effective on the [REDACTED].

Changes in Share Capital of our Subsidiaries

Our subsidiaries as of the Latest Practicable Date were set out in “Appendix I — Accountants’ Report — Notes to Historical Financial Information — 47. Particulars of Subsidiaries of the Company.”

The following subsidiary was incorporated during the two years immediately preceding the date of this document:

<u>Name of subsidiary</u>	<u>Place of incorporation</u>	<u>Date of incorporation</u>	<u>Registered or issued capital as at the date of this document</u>
Chizhou Tage	PRC	April 2, 2025	RMB10,000,000

There has been no alteration in the registered capital of our subsidiaries within two years immediately preceding the date of this document.

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FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this document that are or may be material:

1. [●]; and
2. the [REDACTED].

Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, we have registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of registration	Class	Registration number	Expiry date
1.		PRC	7	52827598	September 6, 2031
			9	52820771	December 13, 2031
			12	52823499	September 6, 2031
			42	52804129	November 27, 2031
2.		PRC	7	52800959	September 6, 2031
			9	52817058	September 6, 2031
			12	52799837	December 13, 2031
			42	52813606	December 13, 2031
3.	TAGE IDRIVER	PRC	7	49297518	April 13, 2031
			12	49323180	April 13, 2031
			42	49315761	April 13, 2031

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Patents

As of the Latest Practicable Date, we have registered the following patents which we consider to be or may be material to our business:

No.	Patent Name	Place of registration	Patent No.	Type	Patent Owner	Grant Date
1.	Control device and control method of unmanned mining vehicles (無人駕駛礦用車輛的控制裝置和控制方法)	PRC	201910958948.0	Invention	The Company	December 18, 2020
2.	A collaborative sensing method for curve based on 5G mining unmanned transportation system (一種基於5G礦區無人運輸系統的彎道協同感知方法)	PRC	202010294553.8	Invention	The Company	August 20, 2021
3.	A virtual cell switching method for roadside units in open-pit mines based on C-V2X (一種基於C-V2X的露天礦路側單元虛擬社區切換方法)	PRC	202110581098.4	Invention	The Company	August 20, 2021
4.	A lidar-based drivable area detection method in open-pit mining area (一種基於雷射雷達的露天礦區可行駛區域檢測方法)	PRC	202110581104.6	Invention	The Company	August 20, 2021
5.	An intelligent selection method for multi-mode communication system in open-pit mines based on road-cloud collaboration (一種基於路雲協同的露天礦多模通信系統智慧選擇方法)	PRC	202110581105.0	Invention	The Company	August 20, 2021
6.	The parking and parking method based on the integration of vehicles, electric shovels and clouds for unmanned transportation in mining areas (礦區無人運輸的基於車、電鏟、雲融合的泊車停靠方法)	PRC	202110581107.X	Invention	The Company	August 20, 2021
7.	A right-of-way allocation and control method for unmanned driving system based on open-pit mines (一種基於露天礦山的無人駕駛系統的路權分配及管控方法)	PRC	202010410938.6	Invention	The Company	August 24, 2021
8.	A visual assistance based on the precise stopping method of automatic driving loading and unloading points in mining areas (一種基於視覺輔助的礦區自動駕駛裝卸點精準停靠方法)	PRC	202110688400.6	Invention	The Company	August 24, 2021

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No.	Patent Name	Place of registration	Patent No.	Type	Patent Owner	Grant Date
9.	A braking force calibration method for unmanned vehicles in open-pit mining areas (一種面向露天礦區無人駕駛車輛的制動力標定方法)	PRC	202010943841.1	Invention	The Company and Huolinhe Opencut Coal Industry Corporation Limited of Inner Mongolia (內蒙古霍林河露天煤業股份有限公司) (currently known as Inner Mongolia Dian Tou Energy Corporation Limited (內蒙古電投能源股份有限公司)) (“IMDTECL”)	September 03, 2021
10.	Dispatching system and method of unmanned truck in open-pit mine based on digital twin prediction (基於數位孿生預測的露天礦無人駕駛卡車調度系統及方法)	PRC	202110769831.5	Invention	The Company	September 14, 2021
11.	An unmanned control system for mining trucks based on redundant design (一種基於冗餘設計的礦卡無人駕駛控制系統)	PRC	202110810558.6	Invention	The Company	September 28, 2021
12.	A collision prediction method for mining areas (一種用於礦區的碰撞預測方法)	PRC	202010422161.5	Invention	The Company	October 19, 2021
13.	A method for detecting open-pit mineral obstacles based on multi-millimeter-wave radar and vision (一種基於多毫米波雷達和視覺的露天礦障礙物檢測方法)	PRC	202110688412.9	Invention	The Company and Baotou Iron and Steel (Group) Co., Ltd. (包頭鋼鐵(集團)有限責任公司)	October 22, 2021
14.	An interactive method of intelligent shoveling of unmanned mining trucks in the loading area (一種無人駕駛礦卡在裝載區智慧循環的交互方法)	PRC	202010294551.9	Invention	The Company	November 09, 2021
15.	An emergency parking system for unmanned vehicles in mining areas (一種礦區無人駕駛車輛的緊急停車系統)	PRC	202010295039.6	Invention	The Company	December 31, 2021
16.	An anti-rollover control method for transportation vehicles in mining areas (一種用於礦區運輸車輛防側翻控制方法)	PRC	202010934038.1	Invention	The Company and IMDTECL	February 15, 2022
17.	Collaborative Control Method of Unmanned Transportation System and Mine Forklift in Mining Area Based on 5G (基於5G的礦區無人運輸系統及其礦鏟車的協同控制方法)	PRC	202010294683.1	Invention	The Company	April 05, 2022

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No.	Patent Name	Place of registration	Patent No.	Type	Patent Owner	Grant Date
18.	An unmanned transportation system in mining area based on 5G and its unloading collaborative control method (一種基於5G的礦區無人運輸系統及其卸載協同控制方法)	PRC	202010295036.2	Invention	The Company	April 05, 2022
19.	A fault detection and correction method for unmanned inertial guidance system in open-pit mines (一種露天礦無人駕駛慣導系統的故障檢測和矯正方法)	PRC	202010298879.8	Invention	The Company	April 05, 2022
20.	A networking method for the communication fault state of clustered unmanned vehicles (一種集群式無人駕駛車輛通信故障狀態的聯網方法)	PRC	202010325547.4	Invention	The Company	August 30, 2022
21.	A perception fusion method of unmanned driving technology based on mining environment (一種基於礦區環境的無人駕駛技術感知融合方法)	PRC	202010338185.2	Invention	The Company	August 30, 2022
22.	A remote emergency takeover system for mining trucks based on superimposed head-up display (一種基於疊加式抬頭顯示的礦用卡車遠端應急接管系統)	PRC	202110456928.0	Invention	The Company	August 30, 2022
23.	In-loop simulation test system and method of unmanned single-marshaling transportation hardware in open-pit mines (露天礦無人駕駛單編組運輸硬體在環仿真測試系統及方法)	PRC	202110470310.X	Invention	The Company	September 02, 2022
24.	An online simulation system for unmanned mining operations (一種無人駕駛採礦作業的在線仿真系統)	PRC	202010338326.0	Invention	The Company	September 13, 2022
25.	A control system and control method for mixed operation right-of-way (一種混同作業路權控制系統及控制方法)	PRC	202110642081.5	Invention	The Company	October 21, 2022
26.	A local path planning method based on waypoint offset (一種基於路徑點偏移的局部路徑規劃方法)	PRC	202010337451.X	Invention	The Company	September 08, 2023
27.	An unmanned driving perception method based on all-weather environmental monitoring system (一種基於全天候環境監測系統的無人駕駛感知方法)	PRC	202010934040.9	Invention	The Company and IMDTECL	March 26, 2024

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No.	Patent Name	Place of registration	Patent No.	Type	Patent Owner	Grant Date
28.	A domain control system based on unmanned driving of mining wide-body vehicles (一種基於礦用寬體車無人駕駛的域控制系统)	PRC	202010325674.4	Invention	The Company	March 29, 2024
29.	A joint calibration method of LIDAR and GPS/IMU based on point features (一種基於點特徵的LIDAR與GPS/IMU聯合標定方法)	PRC	202110947142.9	Invention	The Company	April 02, 2024
30.	Hybrid mining truck (混合動力礦卡車)	PRC	202330588588.7	Exterior design	The Company	April 05, 2024
31.	An unmanned domain controller for off-highway mining dump trucks (一種適用於非公路礦用自卸車的無人駕駛域控制器)	PRC	202110764790.0	Invention	The Company	May 28, 2024
32.	A cloud planning strategy for unmanned systems in open-pit mining areas (一種面向露天礦區無人化系統的雲端規劃策略)	PRC	202211149439.1	Invention	The Company	June 03, 2025
33.	A mining area environment perception method based on 4D millimeter-wave radar (一種基於4D毫米波雷達的礦區環境感知方法)	PRC	202210685380.1	Invention	The Company	June 04, 2024
34.	A safe obstacle avoidance method for autonomous driving based on trajectory prediction (一種基於軌跡預測的自動駕駛安全避障方法)	PRC	202211368945.X	Invention	The Company	June 11, 2024
35.	A high-precision positioning method for mining areas based on roadside guidance (一種基於路側導引的礦區高精度定位方法)	PRC	202211368934.1	Invention	The Company	June 18, 2024
36.	A vehicle-road-cloud fusion perception system and method for unmanned transportation in open-pit mining areas (一種面向露天礦區無人運輸的車路雲融合感知系統及方法)	PRC	202110683111.7	Invention	The Company	August 02, 2024
37.	A dynamic control method of right-of-way based on multiple scenarios in open-pit mines (一種基於露天礦多場景的路權動態管控方法)	PRC	202211024600.2	Invention	The Company	August 02, 2024
38.	A parking method for unmanned mining vehicles in a narrow area (一種狹長區域的無人駕駛礦用車輛的泊車方法)	PRC	202210736123.6	Invention	The Company	November 05, 2024

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No.	Patent Name	Place of registration	Patent No.	Type	Patent Owner	Grant Date
39.	A Data-driven Fault Diagnosis Method for Steering System of Unmanned Mining Trucks (一種基於數據驅動的無人駕駛礦卡轉向系統故障診斷方法)	PRC	202211368935.6	Invention	The Company	August 15, 2025
40.	A method for predicting the intelligent trajectory of vehicles based on kinematic constraints (一種基於運動學約束的車輛智慧軌跡預測方法)	PRC	202211368939.4	Invention	The Company	December 27, 2024
41.	A dust filtration method in mining area with multi-feature fusion (一種多特徵融合的礦區粉塵濾除方法)	PRC	202211108361.9	Invention	The Company	January 10, 2025
42.	A large-scale vehicle multi-radar fusion perception system and method (一種大型車輛多雷達融合感知系統和方法)	PRC	202210680801.1	Invention	The Company	January 17, 2025
43.	A speed planning method to improve the fuel utilization rate of mining unmanned vehicles (一種提高礦用無人駕駛車輛燃油使用率的車速規劃方法)	PRC	202310265405.7	Invention	The Company	September 12, 2025
44.	A multi-vehicle collaborative loading path planning method based on roadside guidance (一種基於路側導引的露天礦區多車協同裝載路徑規劃方法)	PRC	202211532421.X	Invention	The Company	May 02, 2025
45.	An automated test system and method for unmanned driving perception algorithm in mining area (一種用於礦區無人駕駛感知演算法的自動化測試系統及方法)	PRC	202411832844.2	Invention	The Company	October 17, 2025
46.	An abnormal monitoring and early warning method for the motion state of autonomous driving mining trucks (一種自動駕駛礦卡運動狀態異常監測和預警方法)	PRC	202411759410.4	Invention	The Company	September 30, 2025
47.	Unmanned mining vehicle parking method, device and readable storage medium (礦用車輛無人駕駛停靠方法、設備及可讀存儲介質)	PRC	201810726319.0	Invention	The Company	January 22, 2021
48.	LiDAR system for unmanned vehicles (無人駕駛車輛的激光雷達系統)	PRC	201911142759.2	Invention	The Company	February 26, 2021

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No.	Patent Name	Place of registration	Patent No.	Type	Patent Owner	Grant Date
49.	A parking planning method for four-wheel steering vehicles in mining Areas (一種用於礦區四輪轉向車輛的泊車規劃方法)	PRC	202211569476.8	Invention	The Company	April 21, 2026
50.	A dynamic speed planning method for unsignalized intersections based on roadside guidance (一種基於路側導引的無信號交叉口車輛速度動態規劃方法)	PRC	202211569463.0	Invention	The Company	February 13, 2026
51.	A method for predicting and quantifying front road collision risk of unmanned mining trucks (一種無人駕駛礦卡前方道路碰撞風險預測及量化方法)	PRC	202310234472.2	Invention	The Company	April 7, 2026
52.	An autonomous driving parking control method for mining dump trucks (一種礦用自卸車自動駕駛停靠控制方法)	PRC	202310275590.8	Invention	The Company	April 7, 2026
53.	A control system and method for mining operation routes intersecting with public roads (一種礦區作業路徑與社會道路交叉口的管控系統及方法)	PRC	202310275587.6	Invention	The Company	February 13, 2026
54.	A method for detecting water accumulation on mining roads based on vision and LiDAR Fusion (一種基於視覺與激光雷達融合的礦區路面積水檢測方法)	PRC	202310303260.5	Invention	The Company	March 31, 2026
55.	A trajectory generation method for unmanned vehicles in open-pit mines (一種露天礦山無人駕駛車輛行駛軌跡生成方法)	PRC	202310595291.2	Invention	The Company	April 21, 2026
56.	A safety envelope generation system and method for vehicle-road collaboration in open-pit mines (一種露天礦山車輛車路協同的安全包絡生成系統及方法)	PRC	202310234265.7	Invention	The Company	January 9, 2026

Domain Name

As of the Latest Practicable Date, we have registered the following internet domain name which we consider to be or may be material to our business:

No.	Domain Name	Registered Owner	Registration Date
1.	i-tage.com	The Company	September 29, 2016

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FURTHER INFORMATION ABOUT OUR DIRECTORS, MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

Immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised), the interests or short positions of our Directors and chief executives in the Shares, underlying Shares and debentures of our Company, within the meaning of Part XV of the SFO, which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, will be as follows:

(a) *Interests in our Company*

Name	Position	Nature of Interest ⁽¹⁾	Class and Number of Shares held upon completion of the [REDACTED]	Approximate percentage of shareholding in the total share capital of our Company immediately after the [REDACTED] ⁽¹⁾ (%)
Prof. Yu ⁽²⁾	Chairman of the Board, executive Director and co-chief executive officer	Beneficial owner	[REDACTED] H Shares	[REDACTED]%
		Interest in controlled corporation	[REDACTED] H Shares	[REDACTED]%
		Interests held jointly with other person	[REDACTED] H Shares	[REDACTED]%
Mr. Zhou ⁽²⁾	Executive Director and chief executive officer	Beneficial owner	[REDACTED] H Shares	[REDACTED]%
		Interests held jointly with other person	[REDACTED] H Shares	[REDACTED]%
Mr. Zhao Bin ⁽³⁾	Executive Director and chief financial officer	Beneficial owner	[REDACTED] H Shares	[REDACTED]%
Mr. Wang Jifu ⁽⁴⁾	Executive Director and chief operating officer	Beneficial owner	[REDACTED] H Shares	[REDACTED]%

Notes:

- (1) All interests stated are long positions. The calculation is based on the total number of [REDACTED] Domestic [REDACTED] Shares in issue, [REDACTED] H Shares to be converted from Domestic [REDACTED] Shares in issue and [REDACTED] H Shares to be issued pursuant to the [REDACTED] (assuming the [REDACTED] is not exercised). Due to rounding adjustments, figures shown as total may not be an arithmetic aggregation of the figures preceding them.
- (2) Prof. Yu, Mr. Zhou and BUE Foundation have been acting in concert with respect to the exercising of voting rights in the general meeting of our Company according to the 2026 AIC Agreement and BUE AIC Agreement. As such, each of Prof. Yu, Mr. Zhou and BUE Foundation is deemed to be interested in the Shares held by the parties acting in concert under the SFO.
- (3) As of the Latest Practicable Date, Mr. Zhao Bin was granted Options under the Share Incentive Scheme for up to 167,000 H Shares, entitling him to receive dividends and other economic rights attributable to such Shares.
- (4) As of the Latest Practicable Date, Dr. Wang Jifu was granted Options under the Share Incentive Scheme for up to 206,321 H Shares, entitling him to receive dividends and other economic rights attributable to such Shares.

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(b) *Interests in our associated corporations*

Save as set out above, the Directors are not aware of any of our Directors or chief executives who will, immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised), has any interests and/or short positions in the Shares, underlying Shares and debentures of our Company’s associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

2. Substantial Shareholders

(a) *Interest in the Shares of Our Company*

For the information on the persons who will, immediately following the completion of the [REDACTED], have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, see “Substantial Shareholders.”

(b) *Interests of the Substantial Shareholders of Other Members of Our Group*

<u>Member of our Group</u>	<u>Entity with 10% or more interest</u>	<u>Capacity</u>	<u>Percentage of Interest</u>
Tongliao Tage	Beijing Gongpinhui	Beneficial owner	49.00%

So far as set out above, our Directors are not aware of any persons (other than our Directors or chief executive) will, immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

3. Service Contracts

We have entered into a contract with each of our Directors in respect of, among other things, compliance with the relevant laws and regulations, the Articles of Association and applicable provisions on arbitration.

Each of our Directors has entered into service contracts with our Company. The principal particulars of these service contracts comprise (a) a term of three years which is equivalent to the term of the Board; and (b) termination provisions in accordance with their respective terms. Our Directors may be re-appointed subject to Shareholders’ approval. The service contracts can be renewed pursuant to our Articles of Association and applicable rules.

Save as disclosed above, we have not entered, and do not propose to enter, into any service contracts with any of our Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation)).

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4. Director’s Remuneration

Save as disclosed in “Directors and Senior Management” and “Appendix I — Accountants’ Report — Notes to Historical Financial Information — 14. Emoluments of Directors, Chief Executive and Supervisors,” for the three financial years ended December 31, 2025, none of our Directors received other remunerations or benefits in kind from us.

5. Disclaimers

Save as disclosed in this document:

- (a) none of our Directors or any of the parties listed in “Qualification of Experts” of this Appendix is:
 - (i) interested in our promotion, or in any assets which, within the two years immediately preceding the date of this document, have been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company;
 - (ii) materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our business;
- (b) save in connection with the [REDACTED] and the [REDACTED], none of the parties listed in “Qualification of Experts” of this Appendix:
 - (i) is interested legally or beneficially in any Shares in any member of our Group; or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;
- (c) none of our Directors or their close associates or any Shareholders of our Company who to the knowledge of our Directors owns more than 5% of our issued share capital has any interest in our top five customers or suppliers; and
- (d) none of our Directors is a director or employee of a company that has an interest in the share capital of our Company which, once the H Shares are [REDACTED] on the Hong Kong Stock Exchange, would have to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO.

SHARE INCENTIVE SCHEME

The following is a summary of the principal terms of the currently effective share incentive scheme (the “**Share Incentive Scheme**”). The Share Incentive Scheme was adopted and approved on March 11, 2026.

Save for the disclosure requirements under Rule 17.12 of the Listing Rules, the Share Incentive Scheme is not subject to the provisions under Chapter 17 of the Listing Rules as no further options or awards will be granted under the Share Incentive Scheme after the [REDACTED].

Under the Share Incentive Scheme, the Company has granted Options to the Scheme Participants to subscribe for the partnership interest of Ningbo Tage and/or Dalian Tage, so as to enjoy the dividends and other economic rights attributable to the Shares held by Ningbo Tage upon exercising the Options.

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Summary of Key Terms

- (a) **Purpose.** The purpose of the Share Incentive Scheme is to further bolster the corporate governance structure, improve the incentive mechanism, encourage outstanding employees to be more proactive and creative, align employees’ interests with the Company’s growth and strengthen team cohesion, and foster the sense of responsibility among the Scheme Participants to promote the stable, continuous and rapid growth of the Company.
- (b) **Administration.** The Share Incentive Scheme is to be administered by the Board, which further delegated Prof. Yu (the “**Administrator**”) to decide matters in relation to the Share Incentive Scheme.
- (c) **Scheme Participants.** The Scheme Participants include Directors, senior management, and other key employees who are deemed by the Administrator to have valuable impact on the Group’s development, and do not include the Administrator.
- (d) **Grant of Options.** Option gives a Scheme Participant a conditional right to subscribe for the partnership interest of Ningbo Tage and/or Dalian Tage under the Share Incentive Scheme at a pre-determined price after taking into account the subscription price of recent Pre-[REDACTED] investors, the employees’ financial status and the Company’s financial cost.

Subject to the budget approved by the Board, the Administrator shall decide the amount to grant and the Scheme Participants shall enter into relevant agreement (the “**Option Grant Agreement**”) with the Company to set out conditions and procedures for vesting the Options.

- (e) **Vesting of Options.** The Option Grant Agreement will provide the conditions for vesting the Options, including vesting period, position, contribution, service tenure and performance assessment of the employees.
- (f) **Exercising of Options.** Subject to the provisions of the relevant laws and regulations and the terms of the Share Incentive Scheme, the Company will set up an exercise window for a period of time (“**Exercise Window**”) pursuant to which Scheme Participants have the right to exercise part of or all of their Options and obtain partnership interest in Ningbo Tage and/or Dalian Tage. The Company will provide notice to the Scheme Participants in respect of the exercise of such Options during the Exercise Window. If the Scheme Participants decide to exercise the granted Options, he/she will enter into a partnership transfer agreement accordingly.
- (g) **Transferability.** Before the [REDACTED], the Options held by the Scheme Participants under the Share Incentive Scheme shall not be disposed of in any manner, including but not limited to transfer, pledge, mortgage or any other form of disposition. Such Options may only be disposed of upon satisfaction of the conditions prescribed under the Share Incentive Scheme and the relevant Option Grant Agreement and shall be disposed of by the Administrator or such other person(s) designated by the Administrator in accordance with the relevant provisions of the Share Incentive Scheme.
- (h) **Lock-up Period.** After the [REDACTED], the final day of the lock-up period shall not be earlier than the end of the applicable lock-up period (i.e. 12 months from the [REDACTED]) for the Shares held by Ningbo Tage upon [REDACTED].
- (i) **Lapse of the Options.** In the event of resignation, death and other circumstances without any misconduct of the employees, the unvested Options will not be vested. For the vested but unexercised Options, the Scheme Participants shall decide whether to exercise within the period set

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out by the Administrator. For the exercised Options, the Administrator has the right (but not an obligation) to repurchase such Options. In the event of any misconduct of the employees, the unexercised Options will not be vested. For the exercised Options, the Administrator has the right to request the Scheme Participants to transfer the partnership interest back to the Company or the entity designated by the Administrator at the exercise price actually paid by the Scheme Participants. The Scheme Participants should also return all the economic benefits he/she obtained from disposal or transfer of the exercised Options to the entity designated by the Administrator.

Details of the Interests Granted under the Share Incentive Scheme

As of the Latest Practicable Date, the Options under the Share Incentive Scheme corresponding to 3,995,220 Shares, being [REDACTED]% of the equity interest in the Company immediately upon completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and excluding Prof. Yu’s interests in Ningbo Tage, corresponding to 673,958 Shares), have been granted to 51 Scheme Participants in full, including three Directors, one senior management member (who is not a Director) and 47 other employees of the Group.

The below sets out the details of the interests granted under the Share Incentive Scheme. As of the Latest Practicable Date, all the Shares subject to the Options have been allotted and issued, and are held by Ningbo Tage.

<u>Scheme Participant</u>	<u>Position in the Group</u>	<u>Number of Shares underlying the Options Granted</u>	<u>Date of Grant</u>	<u>Expiry date of the vesting period⁽¹⁾</u>	<u>Exercise price per Option</u>	<u>Approximate percentage of the issued Shares immediately upon completion of the [REDACTED]⁽²⁾</u>
(RMB)						
Directors						
Mr. Zhou Huasheng	Executive Director and chief executive officer	1,029,225	January 1, 2026	A	3.44	[REDACTED]%
Mr. Zhao Bin	Executive Director and chief financial officer	15,000	June 10, 2025	B	6.28	[REDACTED]%
		150,000	March 1, 2026	A	11.90	[REDACTED]%
		2,000	March 10, 2026	B	11.90	[REDACTED]%
Mr. Wang Jifu	Executive Director and chief operating officer	17,382	May 1, 2025	A	11.51	[REDACTED]%
		869	May 1, 2025	B	11.51	[REDACTED]%
		34,070	June 10, 2025	B	6.28	[REDACTED]%
		150,000	March 1, 2026	A	11.90	[REDACTED]%
		4,000	March 10, 2026	B	11.90	[REDACTED]%
Senior Management						
Mr. Duan Xingji	Chief technology officer	10,878	August 31, 2021	B	1.00	[REDACTED]%
		19,109	October 13, 2022	B	6.28	[REDACTED]%
		12,000	October 1, 2023	B	8.2	[REDACTED]%
		150,000	March 1, 2026	A	11.9	[REDACTED]%

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Scheme Participant	Position in the Group	Number of Shares underlying the Options Granted	Date of Grant	Expiry date of the vesting period ⁽¹⁾	Exercise price per Option (RMB)	Approximate percentage of the issued Shares immediately upon completion of the [REDACTED] ⁽²⁾
Other Connected Persons						
Ms. Zhang Yan (張彥)	Financing director (a former director of the Company in the last 12 months)	1,017,859	June 20, 2018	B	0.13	[REDACTED]%
Mr. Liu Zhao (劉釗)	Deputy head of the overseas business department (a former director of the Company in the last 12 months)	15,924	October 13, 2022	B	6.28	[REDACTED]%
		10,000	October 1, 2023	B	8.20	[REDACTED]%
		90,000	March 1, 2026	A	11.9	[REDACTED]%
Mr. Song Maliang (宋馬良)	a cousin of Prof. Yu and a former employee of the Company	146,823	September 12, 2017	B	0.13	[REDACTED]%
Other Scheme Participants						
Other employee participants		1,120,081	September 12, 2017 to May 18, 2026	A; B; C	0.13 to 11.9	[REDACTED]%

Notes:

- (1) Please refer to the different categories of vesting schedules below:

Category	Expiry date of the vesting period
A	1/3 of the total granted Options shall vest at the end of the calendar year after the date of grant, with the remaining 2/3 to vest at the end of each calendar year thereafter over the next two years in equal proportion (i.e. 1/3 each calendar year)
B	100% of the total granted Options shall vest on the date of grant
C	25% of the total granted Options shall vest at the end of the calendar year after the date of grant, with the remaining 75% to vest at the end of each calendar year thereafter over the next three years in equal proportion (i.e. 25% each calendar year)

- (2) These percentages are calculated on the basis of [REDACTED] Shares in issue immediately upon completion of the [REDACTED], assuming the [REDACTED] is not exercised.

OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or our subsidiaries.

2. Litigation

Save as disclosed in this document, to the knowledge of our Directors, no member of our Group has significant litigation or claims pending or threatened against any member of our Group.

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3. Sole Sponsor

The Sole Sponsor has made an [REDACTED] on our behalf to the [REDACTED] for the [REDACTED] of, and permission to [REDACTED], our H Shares. All necessary arrangements have been made to enable the securities to be admitted into [REDACTED].

The Sole Sponsor has declared its independence pursuant to Rule 3A.07 of the Listing Rules.

The Sole Sponsor will receive an aggregate fee of US\$1 million for acting as the Sole Sponsor for the [REDACTED].

4. Qualification of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
Huatai Financial Holdings (Hong Kong) Limited	A licensed corporation under the SFO for carrying on type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) of the regulated activities as defined under the SFO
JunHe LLP	Legal advisor to our Company as to PRC laws
Deloitte Touche Tohmatsu	Certified Public Accountants Registered Public Interest Entity Auditors
Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo)	Legal advisor to our Company as to International Sanctions
China Insights Industry Consultancy Limited	Industry consultant

None of the experts named above has any of our shareholding interests in any member of our Group or rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities in any member of our Group.

5. Binding Effect

This document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

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6. Bilingual Document

The English language and Chinese language versions of this document are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

7. Promoters

The promoters of our Company consist all of the 39 Shareholders of our Company as at December 31, 2025 before our conversion into a joint stock limited liability company, including Prof. Yu, Beijing CHN Energy, Ningbo Tage, Boton Investment, Shengshi Yuheng, Jinsha River III, Hefei Industrial, Yingke Digital Innovation, Pufeng Yunhua, Qianhai Investment, Puhe Investment, Boton Chentao, Jinsha Emerging, Qingrui Huaying, Panorama Technology, Zhonghuan Xieli, Zhongyuan Qianhai, IDriver Yunchuang, Mr. Xu, Mr. Zeng, Shanghai Zhige, Jiuchuang Investment, Zhiyi Xingnan, Shangshi Growth, Shangshi Growth II, Lanyan Maozhu, Zhongtaida, Tsingstone Jingchen, Hefei Xinyuan, Lucion Wanneng, Mr. Zhou, Nuohao Jinxin, Huangshan New Era, Tianjin Xishan, Huaize Zhongzhao, Lanyan Runzhu, BUAA Holdings, Zhongxin Botong and Xinda Puchuang.

Save as disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters in connection with the [REDACTED] or the related transactions described in this document.

8. Compliance Advisor

Our Company has appointed Maxa Capital Limited as its compliance advisor in compliance with Rule 3A.19 of the Listing Rules.

9. Preliminary Expenses

Our Company did not incur any material preliminary expenses.

10. Material Adverse Change

Our Directors confirm that, as of the date of this document, there has been no material adverse change in our financial position or prospects since December 31, 2025, being the end date of our latest audited financial statements, and up to the Latest Practicable Date.

11. Miscellaneous

Save as disclosed in this document:

- (a) within the two years preceding the date of this document: (i) we have not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any shares of our Company;
- (b) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;
- (c) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;
- (d) there are no arrangements under which future dividends are waived or agreed to be waived;

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- (e) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;
- (f) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months;
- (g) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;
- (h) no part of the equity or debt securities of our Company, if any, is currently **[REDACTED]** on or **[REDACTED]** in on any stock exchange or trading system, and no such **[REDACTED]** or permission to **[REDACTED]** on any stock exchange other than the Hong Kong Stock Exchange is currently being or agreed to be sought; and
- (i) our Company has no outstanding convertible debt securities or debentures.

APPENDIX VII

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG AND AVAILABLE ON DISPLAY

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) the written consents referred to in “Appendix VI — Statutory and General Information — Other Information — 4. Qualification of Experts”; and
- (b) a copy of each of the material contracts referred to in “Appendix VI — Statutory and General Information — Further Information about our Business — Summary of Material Contracts”.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at www.hkexnews.hk and our website at www.i-tage.com during a period of 14 days from the date of this document:

- (a) the Articles of Association;
- (b) the Accountants’ Report prepared by Deloitte Touche Tohmatsu, the text of which is set forth in Appendix I to this document;
- (c) the audited consolidated financial statements of our Company for the three financial years ended December 31, 2025;
- (d) the report from Deloitte Touche Tohmatsu on the unaudited [REDACTED] financial information of our Group, the text of which is set forth in Appendix II to this document;
- (e) the material contracts in “Appendix VI — Statutory and General Information — Further Information about our Business — Summary of Material Contracts”;
- (f) the written consents referred to in “Appendix VI — Statutory and General Information — Other Information — 4. Qualification of Experts”;
- (g) the service contracts referred to in “Appendix VI — Statutory and General Information — Further Information about our Directors, Management and Substantial Shareholders — 3. Service Contracts”;
- (h) the legal opinions issued by JunHe LLP, our PRC Legal Advisor, in respect of, among other things, the general corporate matters and the property interests of our Group under PRC law;
- (i) the legal memorandum issued by Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo), our International Sanctions Legal Advisor, in respect of certain International Sanctions matters of our Group;
- (j) the industry report issued by China Insights Industry Consultancy Limited, the summary of which is set forth in the section headed “Industry Overview” in this document;
- (k) the terms of the Share Incentive Scheme; and
- (l) a copy of the PRC Company Law, the PRC Securities Law, the Overseas Listing Trial Measures, together with unofficial English translations.