The information and statistics set forth in this section and elsewhere in this document have been extracted from the F&S Report commissioned by us, as well as from various official government publications and other publicly available sources. We have engaged F&S to prepare an independent industry report, the F&S Report, in connection with the **[REDACTED]**. *We believe that the sources of such information are appropriate and have exercised reasonable care in extracting and reproducing such data. We have no reason to believe that any such information is false or misleading, or that any fact has been omitted that would render such information false or misleading. Information derived from official government sources has not been independently verified by us, the Sole Sponsor, the* **[REDACTED]**, *the* **[REDACTED]** *and the* **[REDACTED]**, *any of their respective directors or advisers, or any other person or party involved in the* **[REDACTED]**, *and no representation is made as to its accuracy.*

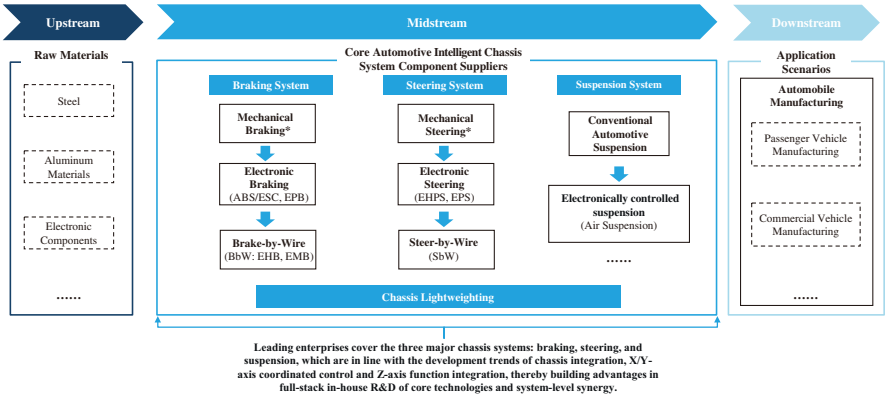
OVERVIEW OF GLOBAL AND CHINA'S AUTOMOTIVE CHASSIS SYSTEM INDUSTRY

As the physical carrier of vehicle motion, the automotive chassis mainly comprises the drive and braking systems for longitudinal (X-axis) acceleration and deceleration control, the steering system for lateral (Y-axis) path determination, and the suspension system for vertical (Z-axis) ride comfort and smoothness regulation. With the continuous advancement of vehicle electrification, intelligence, and lightweighting, chassis systems are evolving toward highly electronic and integrated architectures. Against this backdrop, the intelligent chassis is gradually becoming a key direction in automotive chassis development, centered on the coordinated control of core chassis systems such as braking, steering, and suspension via electronic control, by-wire technologies, and software algorithms. Compared to traditional chassis systems that rely on mechanical/hydraulic direct transmission and passive response, the intelligent chassis achieves a transition from "mechanics-led" to "software-defined + electrical-signal-driven", significantly improving vehicle response speed, control precision and consistency, and offering systemic advantages in shorter braking distance, enhanced handling stability, optimized ride comfort, improved energy recuperation efficiency, and superior execution capability for intelligent driving functions. In longitudinal control, braking systems are shifting from traditional hydraulic-mechanical structures to integrated electronic solutions. EPB has become widely adopted in parking brake systems, while BbW is emerging as the mainstream direction for driving brakes, with electro-hydraulic braking ("**EHB**") currently the primary application and electro-mechanical braking ("**EMB**") still in R&D and validation stages. The intellectualization of longitudinal control enables more precise braking force distribution and faster braking response, while supporting energy recuperation and coordinated braking control, and providing redundant braking and emergency braking strategies for intelligent driving scenarios. In lateral control, steering systems are gradually evolving from EPS to steer-by-wire ("**SbW**"), supporting the deployment of advanced intelligent driving functions and improved cabin space layout. The electronic control of lateral steering enables dynamic adjustment of steering ratios, vehicle-speed-adaptive steering gains, and high-precision execution of functions such as lane keeping and automatic parking. At the same time, by eliminating or reducing mechanical linkages (in the SbW stage), it enhances design freedom of the cabin and provides critical redundant steering capability and functional safety foundation for high-level intelligent driving. In vertical control, suspension systems are also moving from traditional passive structures toward electronically controlled active structures, with diversified technological pathways. The intellectualization of vertical control allows the vehicle to dynamically adjust damping and stiffness based on road conditions and driving intentions, effectively suppressing body pitch, roll and jolts, improving ride comfort and high-speed stability, while enhancing tire road-holding and handling limits under various operating conditions, and strengthening body attitude control capability and perception stability in intelligent driving scenarios.

Driven by technological transformation and supportive policies, automotive chassis systems are shifting from a decentralized collection of components toward integrated control under domain-controller architectures. The industry is moving from separately managed braking, steering, and suspension systems to unified chassis solutions that coordinate longitudinal (X-axis) and lateral (Y-axis) control, with increasing integration of vertical (Z-axis) functions. Companies with full-stack capabilities across braking, steering, and suspension can achieve system-level synergy advantages. By enabling data

interoperability among actuators at the foundational level, such companies can develop more adaptive coordinated control strategies and provide OEMs with holistic hardware-software decoupled solutions, thereby effectively reducing system integration complexity and shortening vehicle development cycles.

Industry Chain Landscape of Automotive Intelligent Chassis



Source: *Frost & Sullivan*

*Note**: Mechanical braking products (brakes, brake calipers) and mechanical steering products (steering columns, steering gears, steering intermediate shafts) are chassis actuators. They can work in coordination with electronically controlled braking, electronically controlled steering, and by-wire technologies, serving as important components of an intelligent chassis system.

OVERVIEW OF GLOBAL AND CHINA'S AUTOMOTIVE BRAKING SYSTEM INDUSTRY

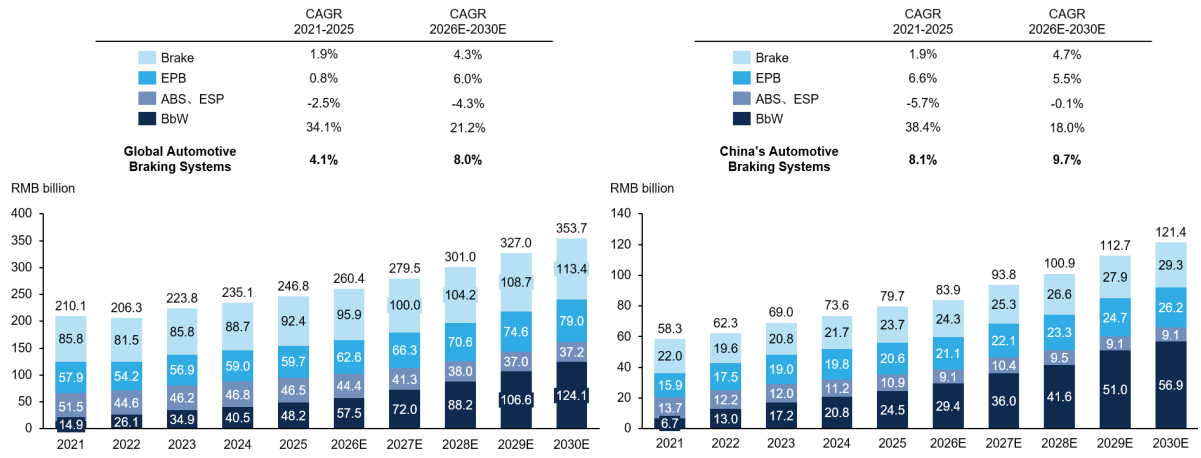
Introduction to Automotive Braking Systems

Braking systems are a core vehicle safety component. Its principal functions include controlling vehicle deceleration and stopping, maintaining speed stability during downhill driving, and ensuring that a vehicle remains stationary when parked. An efficient and reliable braking system is indispensable to driving safety and exerts a profound influence on overall vehicle performance and active safety systems. Based on functional distinctions in their operational processes, automotive braking systems may be divided into actuating units and control units. The control unit is responsible for receiving braking signals, performing logical computations and distributing braking force, while the actuating unit translates these control commands into actual physical deceleration through wheel-end hardware such as brakes. Automotive braking systems primarily include conventional hydraulic braking systems (e.g., ABS/ESP), EPB, EHB and EMB. ABS/ESP and EPB have already achieved large-scale application, EHB is undergoing rapid adoption, and EMB remains at the exploratory stage of mass production.

Market Size of Global and China's Automotive Braking Systems

As the global and China automotive industries continue shifting toward electrification and intelligence, braking system is experiencing steady growth while moving toward greater electronization and integration. In terms of parking brake technology, EPB has become the mainstream solution, with penetration rate in China's automobile sales reaching approximately 90% in 2025 and expected to exceed 95% by 2030, while penetration rate in global automobile sales is approximately 80% in 2025 and is projected to approach 90% by 2030. In terms of driving brake systems, BbW is entering rapid adoption as it integrates functions such as ABS and ESP into a more centralized braking control architecture and supports intelligent driving execution. As the underlying industry chain matures and the vehicle electronic and electrical architecture continues to upgrade, the installation rate of BbW in new vehicle models is steadily increasing. By 2030, BbW penetration rate in the Chinese automotive sales is expected to exceed 80%, while its penetration rate in global automotive sales is expected to rise rapidly to over 50%.

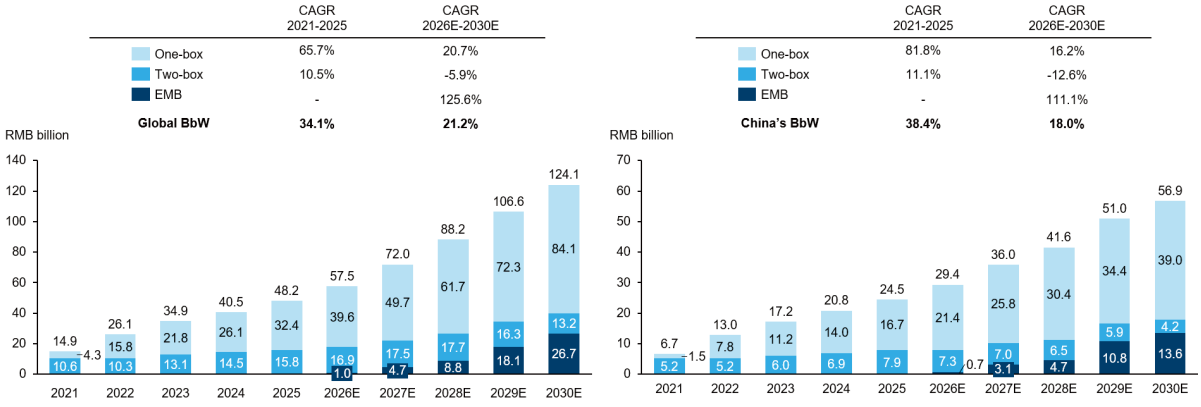
Market Size of Global and China's Automotive Braking System Industry by Revenue, 2021–2030E



Source: CAAM, Frost & Sullivan

In terms of specific technological evolution, the highly integrated and lightweight One-box solution has emerged as the mainstream choice in the current BbW market. In 2025, One-box systems accounted for approximately 70% of the global and China's BbW industry. Meanwhile, EMB, as the next-generation cutting-edge technology that entirely eliminates hydraulic pipelines, remains in the stage of technical validation and ongoing optimization. It is expected to gradually enter commercial mass production during the forecast period, thereby driving automotive chassis systems towards a higher level of pure BbW architecture.

Market Size of Global and China's Automotive BbW Industry by Revenue, 2021–2030E



Source: CAAM, Frost & Sullivan

Market Drivers and Development Trends of the Global and China's Automotive Braking System Industry

Electrification and Intelligentization Accelerate the Adoption of BbW

As the automotive industry undergoes a profound transformation towards electrification and intelligence, the significance of BbW in NEVs continues to grow. In terms of electrification, such systems eliminate reliance on traditional vacuum boosters and enable more precise brake force distribution and regenerative braking energy management through electronic control, thereby enhancing vehicle energy efficiency and driving range. In terms of intelligence, intelligent driving technologies impose increasingly stringent requirements on chassis systems in terms of response speed and functional safety. By electronically decoupling pedal input from brake actuation mechanisms, BbW can respond directly to braking commands from vehicle control units and intelligent driving systems,

enabling coordination with perception and decision-making systems. As a result, BbW is becoming a key enabling hardware for intelligent driving and is gradually extending from premium vehicle models to a wider range of models.

Continuous Upgrade of BbW Technologies

Currently, BbW primarily follows two technological pathways: EHB and EMB. EHB technology is highly mature and has achieved large-scale commercial production, and it is expected to remain the mainstream solution in the BbW market in the short term. Within the EHB framework, the One-box solution, distinguished by higher integration, lighter weight, and more favorable cost compared with the modular Two-Box solution, has been proven by the industry as the mainstream technological route at this stage. Meanwhile, EMB, as a next-generation technology using electric motors for direct actuation, offers simpler structure and faster response, and is expected to gain broader adoption over time.

Competitive Landscape of China's Automotive Braking System Industry

In 2025, the top five EPB suppliers in Chinese market accounted for an aggregate market share of 71.6% in terms of revenue, reflecting a relatively concentrated market. In 2025, our Company ranked third among EPB suppliers in China's EPB market and first among Chinese brand suppliers, with a market share of 14.2%.

Ranking of EPB Suppliers in China by Revenue, 2025

Ranking	Company Name	Market Share
1	Company A	22.4%
2	Company B	19.9%
3	**The Company**	**14.2%**
4	Company C	10.2%
5	Company D	4.9%
Top 5		**71.6%**

Source: Annual reports of listed companies, Frost & Sullivan

Notes:

1. Company A was established in 1915 and is headquartered in Germany. It principally engaged in chassis system-related products and solutions, with a focus on steering, braking, suspension and vehicle motion control.
2. Company B was established in 1871 and is headquartered in Germany. It is listed on the Frankfurt, Hamburg, Hanover and Stuttgart stock exchanges. It currently focuses on automotive chassis-related businesses.
3. Company C was established in 2001 and is headquartered in Japan. It primarily engaged in automotive braking systems and related components, including braking systems and brake products.
4. Company D was established in 1962 and is headquartered in Korea. It is listed on the Korea Exchange, principally engaged in chassis-related components and solutions covering braking, steering, suspension and ADAS.

In 2025, the top five BbW suppliers in Chinese market accounted for an aggregate market share of 66.1% in terms of revenue. Our Company was the second largest supplier in China's BbW market and first among Chinese brand suppliers in 2025, with a market share of 8.6%. In 2025, the top five One-box suppliers in Chinese market accounted for an aggregate market share of 70.9% in terms of revenue. Our Company was the second largest supplier in China's One-box market and first among Chinese brand suppliers in 2025, with a market share of 12.7%.

Ranking of BbW Suppliers in China by Revenue, 2025

Ranking	Company Name	Market Share
1	Company E	40.7%
2	**The Company**	**8.6%**
3	Company B	6.9%
4	Company A	6.1%
5	Company D	3.7%
Top 5		**66.1%**

Ranking of One-box Suppliers in China by Revenue, 2025

Ranking	Company Name	Market Share
1	Company E	42.0%
2	**The Company**	**12.7%**
3	Company B	6.0%
4	Company A	5.4%
5	Company D	4.8%
Top 5		**70.9%**

Source: Annual reports of listed companies, Frost & Sullivan

Note:

1. Company E was established in 1886 and is headquartered in Germany. It principally engaged in automotive chassis control, braking, steering, vehicle motion control, and related intelligent mobility technology solutions.

OVERVIEW OF GLOBAL AND CHINA'S AUTOMOTIVE STEERING SYSTEM INDUSTRY

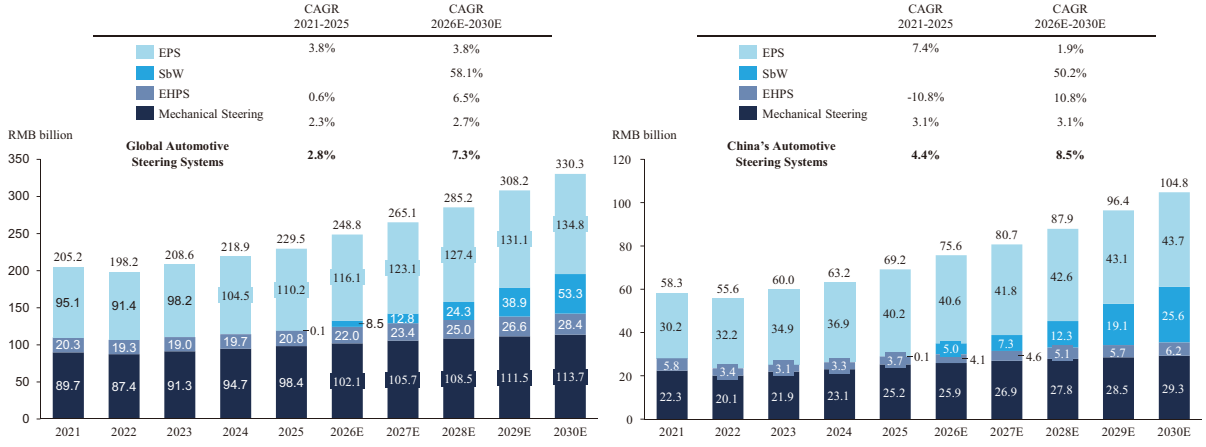
Introduction to Automotive Steering Systems

The automotive steering system is a key vehicle safety and control system. Its principal function is to alter or maintain the direction of vehicle travel in accordance with the driver's operating instructions, thereby ensuring sound handling stability, steering precision and driving safety under diverse driving conditions. Current automotive steering systems can be divided into mechanical steering components and power-assisted/steer-by-wire steering systems. Mechanical steering components principally include steering columns, steering gears and steering intermediate shafts, which respectively perform the fundamental functions of transmitting steering input and converting steering motion. Built upon this foundation, various forms of power assistance and control solutions have been developed, primarily including electro-hydraulic power steering (EHPS) system, EPS system and SbW system. EHPS is widely applied in commercial vehicles, EPS is extensively deployed in passenger vehicles, while SbW systems remain at an early stage.

Market Size of Global and China's Automotive Steering System Industry

In the automotive steering sector, EPS currently dominates both the global and Chinese automotive steering system markets, while SbW is expected to accelerate its market penetration in the future. By 2030, penetration rate of SbW is expected to reach approximately 5% in the global automotive sales, while in the Chinese market where intelligent mobility is advancing more rapidly, penetration rate of SbW is expected to reach approximately 10% in the Chinese automotive sales.

Market Size of Global and China's Automotive Steering System Industry by Revenue, 2021–2030E



Source: CAAM, Frost & Sullivan

Market Drivers and Development Trends of the Global and China's Automotive Steering System Industry

Steer-by-wire Represents the Long-Term Technological Evolution of Steering Systems

SbW replaces traditional mechanical transmission structures with electronic signals and motor actuators, thereby decoupling the steering wheel from the road wheels and advancing steering systems from electromechanical coupling architectures toward pure electric control architecture. This technological pathway redefines steering control at the system level, and defines and adjusts steering ratios, steering characteristics and steering feel through software. It also offers structural advantages in lightweight design, vehicle layout flexibility, and functional scalability. Moreover, SbW is inherently compatible with centralized and domain-controlled electronic and electrical architectures and possesses the technological foundation for in-depth integration with overall vehicle control systems. Accordingly, it is widely regarded as the core steering solution for future intelligent vehicles and represents a highly certain long-term technological direction.

Deployment of Advanced Intelligent Driving Places Higher Demands on Steering Systems

As advanced intelligent driving functions gradually transition from demonstration applications to large-scale deployment, steering systems are evolving from conventional auxiliary execution components into critical safety control actuators. In intelligent driving scenarios, steering systems must respond to domain controller commands with high speed, continuity and precision, while also possessing multiple redundancies, fault self-diagnosis capabilities, and failure protection mechanisms in order to satisfy high-level functional safety requirements. Traditional mechanical or hydraulic power steering systems are inherently constrained in terms of control precision and system integration, whereas highly electronic solutions represented by SbW are better suited to achieving centralized coordination of chassis execution systems and cross-system collaboration, thereby serving as an essential foundation for SbW chassis architectures and advanced intelligent driving functions.

OVERVIEW OF GLOBAL AND CHINA'S LIGHTWEIGHT AUTOMOTIVE CHASSIS COMPONENTS INDUSTRY

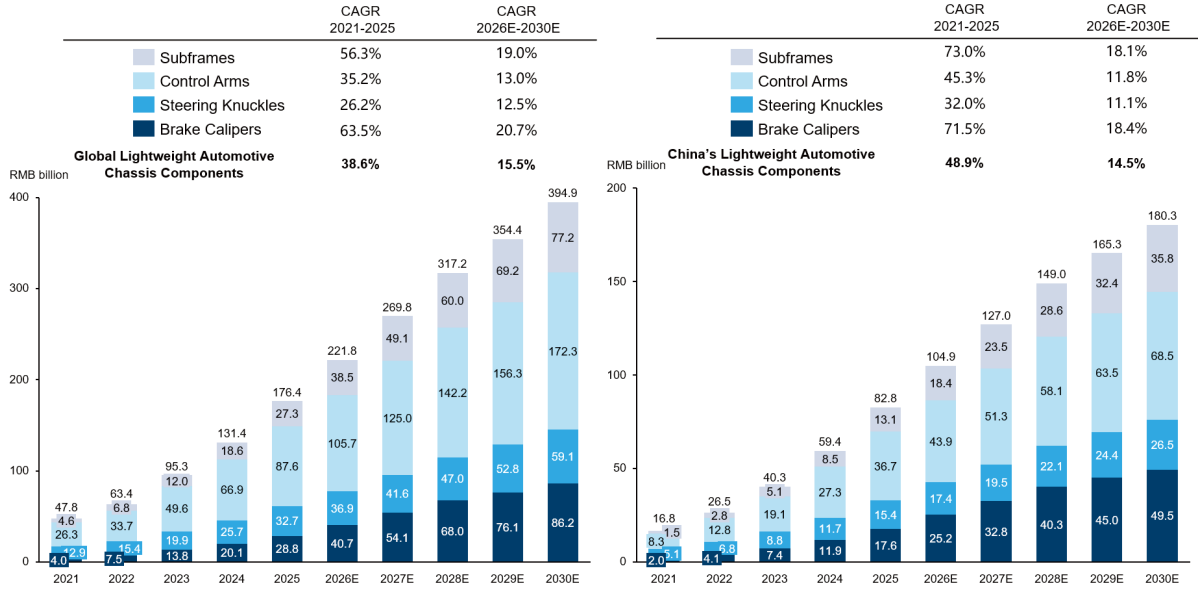
Introduction to Lightweight Components for Automotive Chassis

Chassis lightweighting refers to the process of reducing the weight of a vehicle chassis while maintaining its structural strength and safety performance. The chassis components beneath the vehicle springs generally bear more than 70% of the vehicle's total weight. Reducing chassis weight is an effective means of enhancing vehicle performance, ride comfort and safety, while also contributing to energy conservation and emissions reduction in both fuel vehicles and NEVs. The main components involved in chassis lightweighting include subframes, control arms, steering knuckles, and brake calipers.

Market Size of Lightweight Automotive Chassis Components Industry

The global and China's lightweight automotive chassis components have demonstrated a sustained growth trend. Looking ahead, under the combined impetus of increasingly stringent emissions and energy-efficiency standards, advances in lightweight materials and manufacturing technologies, and the accelerated adoption of NEVs, the market size of the global and China's lightweight chassis systems industry is expected to continue expanding.

Market Size of Global and China's Lightweight Automotive Chassis Components Industry by Revenue, 2021–2030E



Source: CAAM, Frost & Sullivan

Market Drivers and Development Trends of the Global and China's Lightweight Automotive Chassis Components Industry

National Policies in Major Markets Promote the Development of Lightweight Vehicles

Major economies are continuously tightening automotive fuel consumption and emissions standards. Europe is advancing from Euro 6 to Euro 7 while extending regulation to full lifecycle carbon footprints. In 2024, the U.S. Environmental Protection Agency (EPA) introduced stricter GHG and pollutant emission standards for light- and medium-duty vehicles from model years (MYs) 2027 and later. In China, the "China VI" standards have significantly raised emission requirements. Meanwhile, supportive industrial policies are also in place: China's "Industrial Structure Adjustment Guidance Catalogue (2024 Edition)" (《產業結構調整指導目錄(2024年本)》) classifies the application of lightweight materials as an encouraged industry category; the EU promotes lightweight R&D through Horizon Europe; and the U.S. supports related technologies through the Department of Energy's Vehicle Technologies Office (VTO). These combined regulatory and policy measures are accelerating automotive lightweighting globally.

Demand for Lightweight Energy Reduction and Upgrades in New Materials and Manufacturing Processes Forms a Technological Closed Loop

Among energy-saving and emission-reduction approaches, lightweighting stands out due to its relatively low implementation complexity, broad applicability, and significant efficiency gains. For fuel vehicles, a 10% weight reduction can cut fuel consumption by 6%–8% and CO_2 emissions by around 4%. Lightweighting helps NEVs reduce energy consumption and extend driving range without increasing battery size, while also improving performance and driving experience. Material and process innovations provide key support, with aluminum alloys increasingly used in chassis components, alongside advanced forming technologies that enable stronger and thinner structures. As technologies mature and costs decline with scale, the economic feasibility of lightweight solutions has improved, supporting continued growth of the lightweight chassis components market.

Competitive Landscape of China's Lightweight Automotive Chassis Components Industry

The lightweight automotive chassis components industry in Chinese market shows a relatively concentrated structure. Leading players typically have strong capabilities in lightweight materials, structural design, and manufacturing processes, and maintain long-term stable relationships with OEMs.

In 2025, the top five lightweight steering knuckle suppliers in China accounted for an aggregate market share of 70.1% in terms of revenue. Our Company ranked fifth in China's lightweight steering knuckle market and first among Chinese brand suppliers in 2025, with a market share of 9.2%.

Ranking of Lightweight Steering Knuckle Suppliers in China by Revenue, 2025

Ranking	Company Name	Market Share
1	Company A	17.9%
2	Company F	16.4%
3	Company G	14.9%
4	Company D	11.7%
5	**The Company**	**9.2%**
Top 5		**70.1%**

Source: Annual reports of listed companies, Frost & Sullivan

Notes:

1. Company F was established in 1957 and is headquartered in Canada. It is listed on the Toronto Stock Exchange and the New York Stock Exchange. Its principal chassis-related businesses include chassis systems and ADAS-related engineering solutions.
2. Company G was established in 1876 and is headquartered in Austria. It principally engaged in chassis-related products and solutions, including front and rear subframes, torsion beam axles, control arms, steering knuckles, and chassis modules.

OVERVIEW OF GLOBAL AND CHINA'S AUTOMOTIVE SUSPENSION SYSTEM INDUSTRY

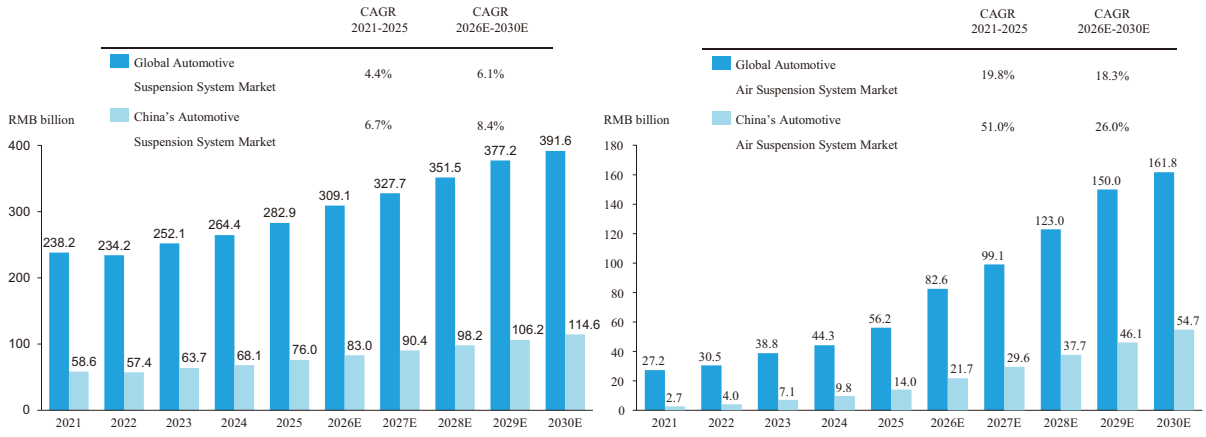
Introduction to Automotive Suspension Systems

The automotive suspension system is an important system assembly connecting the vehicle body and the wheels. It undertakes the core functions of supporting the vehicle body, cushioning road impacts, and ensuring vehicle handling stability. Through the synergistic action of elastic elements and damping devices, it enhances ride comfort while ensuring stability and safety during acceleration, braking, and steering. As vehicle intelligence and electronic control levels continue to improve, the suspension system is evolving from traditional passive mechanical structures to perceptible and adjustable electronically controlled active structures. As a key upgrade direction for suspension technology, air suspension is one of the representative electronically controlled suspension solutions. It replaces traditional steel springs with air springs, achieving dynamic control of vehicle body height and stiffness by adjusting air pressure, thereby improving ride comfort and off-road capability while enhancing stability under complex road conditions. A typical air suspension system consists of an air supply unit, air springs, electronic dampers, and a control unit, with all components working together to provide a complete suspension adjustment system.

Market Size of Global and China's Automotive Suspension System Industry

The global and China automotive suspension system markets have shown steady growth. With the shift toward electrification and intelligence, and OEMs' increasing focus on chassis performance and ride comfort, demand for suspension systems continues to expand. Meanwhile, rising NEV penetration and vehicle configuration upgrades are driving faster adoption of air suspension systems, which offer better height adjustment and comfort. By 2030, air suspension penetration in both global and Chinese automotive sales is expected to reach 15%–20%, respectively.

Market Size of Global and China's Automotive Suspension and Air Suspension System Industry by Revenue, 2021-2030E



Source: CAAM, Frost & Sullivan

Market Drivers and Development Trends of the Global and China's Automotive Suspension System Industry

Electrification and Intelligentization are Driving the Evolution of Suspension Technologies

Compared with traditional fuel vehicles, NEVs have higher vehicle mass and changed weight distribution due to battery systems, increasing requirements for suspension load capacity, stability, and responsiveness. As a result, suspension systems are shifting toward electronically controlled and actively adjustable solutions. At the same time, domain-control-based chassis integration in intelligent vehicles is strengthening the coordination between suspension, braking, and steering systems, supporting wider adoption of advanced technologies such as air suspension. By dynamically adjusting vehicle height and stiffness, air suspension improves stability and ride comfort, and is expected to see continued penetration growth in both global and China markets.

Performance and Technological Breakthroughs

The air suspension industry is undergoing technological and performance upgrades and is becoming a key direction in the high-end and intelligent evolution of automotive chassis systems. Advances in core components have improved response speed, energy efficiency, and ride comfort while optimizing cost structures and reducing reliance on high-spec single components. For example, dual-mode air supply systems enhance adjustment efficiency and energy saving, while innovations in materials and processes improve weight, durability, and stability. These breakthroughs have eased traditional technical constraints and lowered application barriers, supporting faster market penetration of air suspension systems.

OVERVIEW OF GLOBAL AND CHINA'S EMBODIED ROBOTICS INDUSTRY

Definition and Current Development Status of Embodied Robotics

Core Components Form Physical Entry Barriers: Embodied robots refer to intelligent systems possessing physical form, capable of perceiving, learning and executing tasks in real-world physical environments, thereby extending artificial intelligence from the digital world into the physical world. Against this backdrop, the hardware sector is committed to building the robust physical carriers that embody such intelligence, mainly divided into two major segments: upstream core components and midstream body manufacturing. The physical barrier in the industry lies in the highly precise actuation systems that emulate biological motion. In particular, joint modules, consisting of motors, reducers and rolling screws, account for the majority of the overall cost and directly determine the power output and precision of robots. Meanwhile, perception systems endow robots with the capability for refined and delicate manipulation.

Automotive Supply Chain Advantages Enable Commercialization: As critical component technologies continue to mature and industrial supply chains become increasingly integrated, the embodied robotics industry is entering a decisive breakout phase transitioning from laboratory prototypes to commercial mass production. The global embodied robotics market is expected to reach USD15.8 billion by 2030. A fundamental driver behind this growth lies in leveraging the spillover advantages of the vast NEV supply chain. Established automotive component manufacturers are able to seamlessly transfer their accumulated R&D systems and precision manufacturing expertise into the robotics sector. Their profound strengths in production consistency and engineering implementation provide a natural cross-industry advantage, which can accelerate technological iteration while substantially reducing hardware costs, thereby enabling embodied robots to overcome price barriers and evolve into universally accessible intelligent terminals for the public.

ENTRY BARRIER ANALYSIS

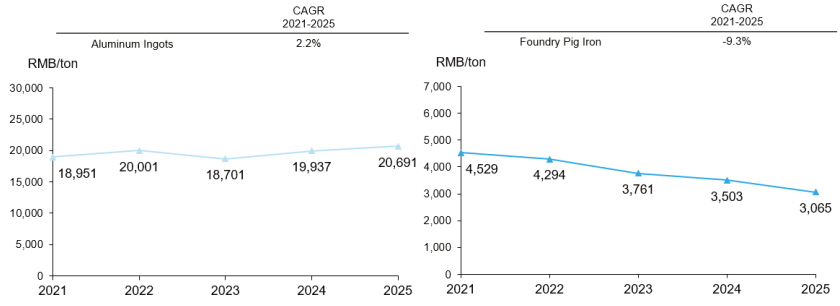
The above-mentioned automotive chassis system core components industry is characterized by significant and high entry barriers, primarily attributable to the following factors: **Customer Barrier:** Entering an OEM supply chain typically requires 2–3 years, capital-intensive validation process. OEMs impose stringent requirements on quality systems, R&D capabilities, and track records, and long-term collaborative development creates deep integration and high switching costs, making it difficult for new entrants to replace established suppliers in the short term. **Quality Barrier:** Safety-critical components such as braking and steering systems are subject to rigorous standards. Suppliers must obtain IATF 16949 certification, comply with ISO 26262 (ASIL-D), and meet AEC-Q requirements, alongside strict reliability and defect-rate thresholds. Failure to comply leads to immediate disqualification, with dynamic review mechanisms further raising entry barriers. **Technological Barrier:** Modern chassis systems integrate mechanical and electronic technologies, requiring optimization across lightweight design, strength, durability, and environmental adaptability while meeting OEM cost-performance targets. This depends on long-term accumulation of manufacturing and project expertise, creating significant challenges for new entrants lacking experienced teams. **Capital and Scale Barrier:** The industry is highly capital- and technology-intensive, requiring sustained R&D investment and advanced production capacity. Strong economies of scale favor leading players with high-volume, low-cost delivery capabilities, while new entrants face significant cash flow pressure during ramp-up and struggle to achieve cost competitiveness without substantial capital support.

In addition, the robotics components industry as a whole has relatively high barriers to entry, which are mainly reflected in the following factors. On the technology front, robotic motion control systems involve capabilities such as high-precision transmission, mechatronics and control algorithms. Their underlying technologies exhibit strong synergies with intelligent automotive chassis systems. This high transferability in hardware manufacturing processes and software algorithm development grants companies with Tier 1 capabilities in the automotive industry a natural advantage in technology transfer, while at the same time raising the entry threshold for new players. On the upstream supply chain front, embodied robotics and automotive components share a similar supplier base, enabling leading enterprises to leverage their existing supply networks to facilitate the procurement of key raw materials, achieving synergistic optimization in cost and delivery stability. On the downstream customer front, the embodied robotics industry is also characterized by customer concentration, long verification cycles and strong supply chain stickiness. Once a supplier enters the ecosystem of an original equipment manufacturer, a stable long-term cooperative relationship is typically formed.

CORE RAW MATERIAL PRICES ANALYSIS

The main raw materials used in the core components industry of automotive chassis systems include aluminum ingots and foundry pig iron. The average price of aluminum ingots has remained relatively stable in recent years, with fluctuations primarily driven by changes in energy costs and supply-demand dynamics. Aluminum ingot prices rose from RMB18,951 per ton in 2021 to RMB20,001 per ton in 2022, followed by a temporary correction in 2023. Thereafter, due to rising production costs and growing downstream demand from sectors such as NEVs, the average price of aluminum ingots rebounded to RMB20,691 per ton in 2025. During the same period, the average price of foundry pig iron declined from RMB4,529 per ton in 2021 to RMB3,065 per ton in 2025, primarily attributable to falling upstream raw material costs, capacity expansion on the supply side, and relatively weak downstream demand. Looking ahead, as the demand from NEVs and lightweight applications continues to expand, aluminum ingot prices are expected to maintain an overall upward trend. Likewise, amid ongoing optimization of the supply structure of the steel industry and the gradual recovery of downstream demand, foundry pig iron prices are also expected to maintain a relatively stable trend.

Average Prices of Aluminum Ingots and Foundry Pig Iron in China, 2021–2025



Source: National Bureau of Statistics, Wind, Frost & Sullivan

SOURCE OF INFORMATION

We commissioned Frost & Sullivan to conduct a market study on the global and China's core components for automotive chassis systems and to prepare the F&S Report. Frost & Sullivan is an independent global consulting firm established in New York in 1961, specializing in industry research and market strategy services. We have agreed to pay Frost & Sullivan a fee of RMB438,000 for the preparation of the F&S Report. In preparing the F&S Report, Frost & Sullivan conducted extensive primary research, including discussions with certain leading industry participants regarding prevailing market conditions, as well as interviews with relevant stakeholders. Frost & Sullivan also conducted secondary research, which included reviewing company reports, independent research publications, and data drawn from its own research databases. Frost & Sullivan derived estimates of total market size through historical data analysis based on macroeconomic statistics, taking into account the key industry drivers described above. Its market engineering forecasting methodology combines a variety of forecasting techniques with a system based on market engineering measurement, and relies upon the expertise of its analyst team in integrating key market factors identified during the course of the study.

These factors mainly include expert opinion forecasting methods, integrated market drivers and constraints, integrated market challenges, integrated market engineering measurement trends, and integrated econometric variables. The F&S Report has been prepared on the basis of the following assumptions: (i) the social, economic and political environments in the world and mainland China are expected to remain stable during the forecast period; and (ii) the key drivers relevant to the industry are likely to drive market growth during the forecast period. This section, together with other sections of this document, contains selected information extracted from the F&S Report for the purpose of providing prospective investors with a more comprehensive understanding of the industry in which we operate. Our Directors confirm that, to the best of their knowledge and after reasonable inquiry, there has been no material adverse change in the overall market information since the date of publication of the F&S Report that could materially qualify, contradict or affect such information.