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Application Proof of

Jiangsu Zeron Automobile Technology Company Limited
江蘇零一汽車科技股份有限公司

*(the "***Company***")*

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

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Jiangsu Zeron Automobile Technology Company Limited
江蘇零一汽車科技股份有限公司

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

[REDACTED]

Total number of [REDACTED] under the [REDACTED]	**:**	**[REDACTED] H Shares (subject to the [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED] and the [REDACTED])**
Maximum [REDACTED]	**:**	**HK$[REDACTED] per H Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application and subject to refund on final pricing)**
Nominal value	**:**	**RMB[0.10] per H Share**
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SUMMARY

***This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to* [REDACTED] *in the* [REDACTED].**

***There are risks associated with any* [REDACTED]. *Some of the particular risks in* [REDACTED] *in the* [REDACTED] *are set out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED].**

OVERVIEW

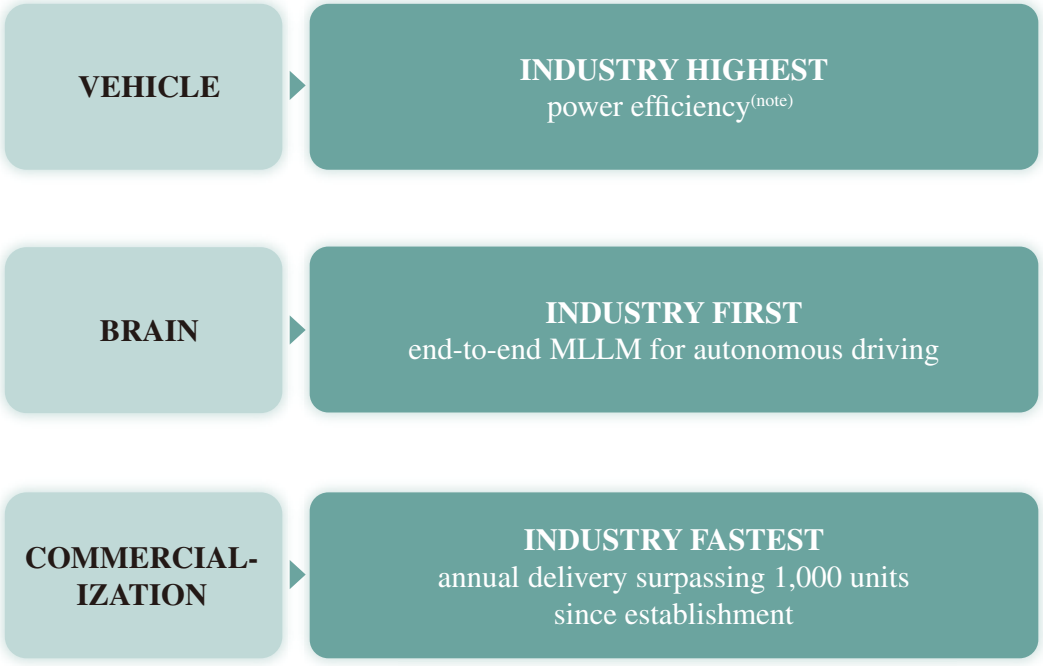
Our Vision and Mission

Shaping the next generation of global road freight robotics.

Who We Are

We are a global leading provider of new energy intelligent heavy-duty trucks, pioneering in autonomous heavy-duty trucking technology. According to Frost & Sullivan, we were the first company globally to possess both forward-engineering vehicle development capabilities and an end-to-end multimodal large language model (MLLM) for heavy-duty truck autonomous driving.

Set forth below are selected achievements demonstrating our technological leadership and strong commercialization momentum in the new energy heavy-duty truck industry:



Source: *Frost & Sullivan.*

Note: Under rated load conditions, our vehicles demonstrate the highest power efficiency among mass-produced new energy heavy-duty trucks.

Drawing on our founders' deep expertise in autonomous driving and heavy-duty truck engineering, we believe that achieving large-scale commercialization of autonomous heavy-duty trucking requires overcoming three fundamental challenges:

- **Outdated vehicle structure for the autonomous era:** Conventional heavy-duty truck platforms are not designed for autonomous road freight operations. Large-scale deployment requires forward-engineered vehicles with native autonomous integration, high redundancy, low fault rates and competitive operating economics.

- **Scattered, modular-based autonomous driving systems:** Traditional modular autonomous driving architectures are difficult to generalize across complex real-world freight scenarios. Autonomous trucking requires a more integrated, AI-native approach to handle diverse conditions with greater robustness.

- **Lack of high-quality data for iteration:** Autonomous trucking depends on large volumes of high-quality data to train models, validate performance and support continuous iteration of both software and vehicles. Such data remains scarce, particularly for heavy-duty freight applications.

Recognizing these challenges, we have built a distinctive and deeply integrated model spanning vehicle, algorithm and data capabilities, with each reinforcing the others. We believe this places us among the players best positioned to lead and capture the opportunities of the autonomous trucking era:

- **Vehicle definition**: We forward-engineered new energy intelligent heavy-duty trucks that are purpose-built for autonomous road freight operations, with strong stability and efficiency under complex and diverse operating conditions;

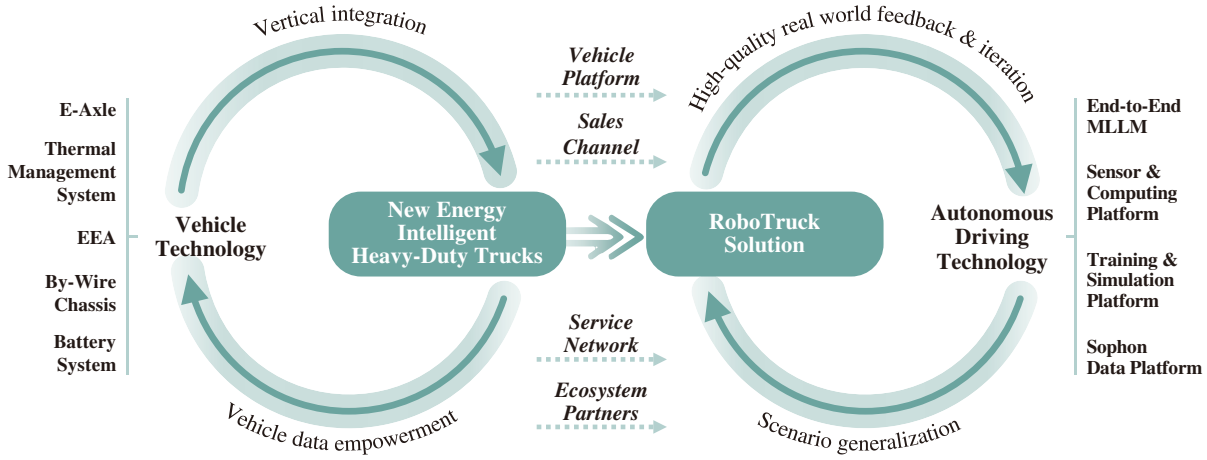
- **Model development**: We designed our end-to-end MLLM for heavy-duty truck autonomous driving, with streamlined system architecture and strong scenario generalization capabilities; and

- **Data-driven empowerment**: Our scaled commercialization enables a data-driven, closed-loop iteration process that continuously refines our vehicle design and strengthens our core technologies.

These three pillars enable us to develop high-quality data capabilities through commercialization and convert it into a powerful engine for continuous R&D advancement.

Our Business Model

The diagram below illustrates our business model, including the data-driven iteration flywheel of our vehicle and RoboTruck solution businesses, the synergies and interactions between these two segments, and our commercialization efforts that further reinforce our pioneering position:



Pioneering the large scale commercialization of RoboTruck

Developing autonomous-driving-native trucks is both critical and challenging, as it requires re-engineering vehicle architectures and components historically designed around human drivers. Accordingly, we have re-architected our heavy-duty trucks with purpose-built systems and proprietary components. According to Frost & Sullivan, our e-axles have achieved the industry's highest level of transmission efficiency among mass-produced e-axles, combining lightweight design with high efficiency; we are the first and only company in the industry to mass-produce multi-source heat-pump-based vehicle thermal management system, delivering the highest power efficiency among mass-produced thermal management systems; and we have developed a proprietary vehicle electronic control system to enhance ride smoothness, energy efficiency and operational safety. Our vehicles and technologies have been validated by the market. We are the world's fastest-growing emerging new energy heavy-duty truck company in terms of year-on-year sales volume growth in 2025, and the fastest to surpass 1,000 units in annual sales.

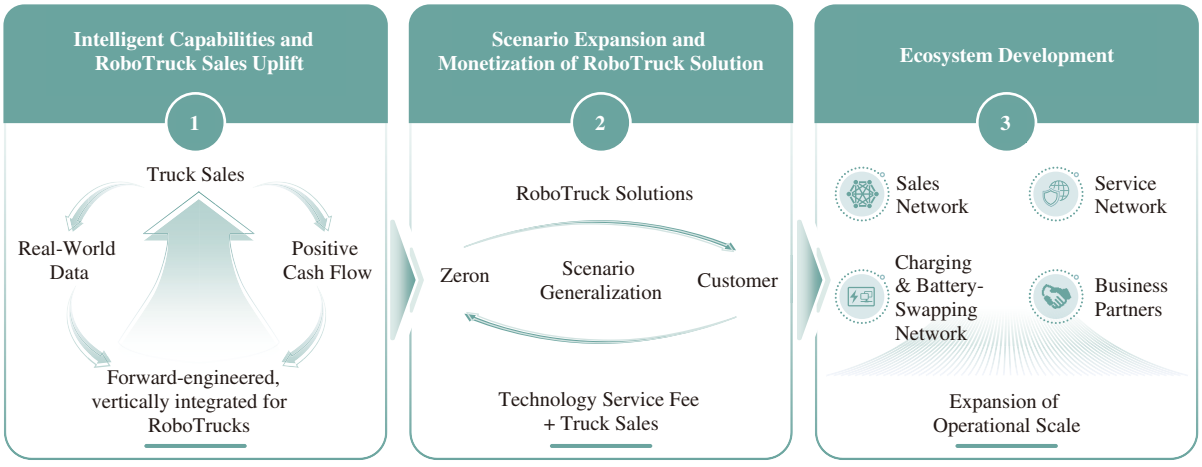
We have developed industry-leading autonomous heavy-duty truck technology, underpinned by our end-to-end MLLM and integrated with our full-vehicle engineering capabilities. Our proprietary ZERON Self-Driving ("**ZSD**") system is the industry's first end-to-end MLLM for heavy-duty truck autonomous driving. It automates the entire process from sensor inputs to driving trajectory generation, with solid algorithm performance and strong scenario generalization capabilities. We participated in the End-to-End Driving at Scale Challenge at CVPR 2024, one of the world's largest and most competitive events of its kind, where our model ranked first among camera-only solutions, demonstrating our technological advancement. Our self-developed by-wire chassis is designed for driverless deployment, featuring multi-layer redundancy and high responsiveness, providing consistent vehicle performance and system reliability. We are in the process of commercializing our RoboTruck solution and intend to use our vehicles as the entry point to expand the deployment of autonomous driving from closed environments to open-road scenarios, supporting scaled commercialization of autonomous trucking.

Through the scaled delivery and operation of our new energy intelligent heavy-duty trucks, our approach has created a flywheel. Our new energy intelligent heavy-duty trucks, operating in real-world conditions, continuously accumulate vehicle data. We access and monitor over 4,000 vehicle signals over the vehicle's lifecycle leveraging our Sophon Data Platform, which enables us to accelerate the iteration of vehicle systems, reduce failure rates, and improve overall vehicle performance. Our vehicles are designed to be able to collect extensive real-world scenario data, which would help us enhance our algorithm capabilities, develop more efficient training and simulation strategies, and support the continuous iteration of our autonomous driving system. Together, the data-driven feedback loop strengthens scenario generalization and improves operational reliability, ultimately supporting the large-scale commercialization of intelligent and autonomous heavy-duty trucks and the development of the broader ecosystem.

We continue to develop a comprehensive commercialization ecosystem for new energy intelligent heavy-duty trucks and RoboTruck solution. We have established commercial-ready delivery capabilities for our vehicles, supported by an extensive sales and distribution network that positions us for scaled deployment. Such network also enables us to engage a broad base of long-tail customers, and capture scenario-specific requirements and demands across diverse operating conditions. Furthermore, working with our ecosystem partners, we are building an integrated sales, service and maintenance network, while expanding the charging and battery-swapping infrastructure. We are also identifying scenario-specific market opportunities to better support customers across the use cases we serve.

Our Commercialization Roadmap

We are committed to realizing large-scale commercialization of autonomous trucking through a three-step strategy: (i) expanding sales of forward-engineered new energy intelligent heavy-duty trucks, (ii) advancing the deployment of our RoboTruck solution, and (iii) developing the ecosystem for full-scale commercial operations.



We plan to continue developing our industry-leading new energy intelligent heavy-duty trucks and broaden their commercial adoption. As deliveries scale, we expect to capture a growing volume of real-world vehicle data, which will help us refine our vehicles to meet the practical requirements of a wide range of heavy-duty trucking scenarios. At the same time, we expect higher sales volumes to enhance operating cash flow, supporting the ongoing validation and iterative improvement of our vehicle development capabilities and our autonomous driving technologies.

Furthermore, we are advancing the commercialization of generalized autonomous heavy-duty trucks by expanding both applicable operating scenarios and monetization models. We provide customers with a comprehensive RoboTruck solution spanning vehicles, our ZSD system, and a cloud-based digital platform for operation management. We have been delivering vehicles as part of our RoboTruck solution since 2025, and intend to charge technology service fees. Building on these initial deployments, we plan to expand our RoboTruck solution to more scenarios over time.

Ultimately, we are committed to developing a comprehensive commercialization ecosystem and further scaling our operations. As enabling infrastructure continues to mature, we plan to advance the commercialization of road freight robotics across a broader range of use cases on a global scale. We plan to further strengthen the commercialization ecosystem for new energy intelligent heavy-duty trucks and RoboTruck solution. In particular, we intend to expand our sales, service and maintenance network and work with ecosystem partners to build out charging and battery-swapping networks. Over time, we also expect to further deepen collaboration with ecosystem partners in areas such as asset management, fleet operations and dispatch. Through these initiatives, we aim to build a comprehensive industry ecosystem and reinforce our position as a long-term industry leader.

Our Vehicles and Solutions

We have launched two new energy intelligent heavy-duty truck models, Awaken (驚蟄) and Ripen (小滿). We forward-engineer our new energy intelligent heavy-duty trucks to address the primary customer requirements of operating efficiency and performance, while meeting the demands of intelligent operations. We develop the key vehicle systems for new energy applications in-house, including our Matrix four-in-one e-axle, multi-source thermal management system and intelligent vehicle control system, integrating them into a unified vehicle platform.

Building on the foregoing technologies, we offer a comprehensive RoboTruck solution, including vehicles equipped with by-wire chassis designed for autonomous driving, supported by our proprietary ZSD system, and a cloud-based digital platform that can be integrated with each customer's specific operating scenario. Our RoboTruck solution is underpinned by our industry-leading end-to-end MLLM for heavy-duty freight applications with strong scenario generalization capabilities. It is designed for businesses with heavy-duty road freight demands and seek safer, more efficient and less labor-dependent freight operations.

Our Market Opportunities

Driven by the growing demand for cost reduction and efficiency improvement as well as technology advancement, the global market size of new energy heavy-duty trucks increased from 12.2 thousand units in 2021 to 267.6 thousand units in 2025 by sales volume, representing a CAGR of 116.4% from 2021 to 2025, according to Frost & Sullivan. The global market size of new energy heavy-duty trucks is expected to grow from 360.0 thousand units in 2026 to approximately 1.2 million units in 2030 by sales volume, representing a CAGR of 34.1% from 2026 to 2030. New energy intelligent heavy-duty trucks are expected to experience rapid growth and accelerate the replacement of retrofit electrified heavy-duty trucks, which primarily serve as transitional solutions. By 2030, the penetration rate of new energy intelligent heavy-duty trucks within the overall new energy heavy-duty truck market is expected to increase from 6.3% in 2025 to 33.9% in 2030, representing a CAGR of 86.8% from 2026 to 2030.

Autonomous heavy-duty truck is poised to become the endgame for technological iteration and autonomous trucking solutions for road freight. According to Frost & Sullivan, the global market size of autonomous heavy-duty truck solution exceeded RMB1.5 billion by revenue in 2025. Driven by further technological maturity and regulatory opening, the application of autonomous heavy-duty truck solution in freight scenarios is expected to scale up substantially. The global market size of autonomous heavy-duty truck solution is projected to maintain rapid growth, reaching RMB192.4 billion by revenue in 2030, at a CAGR of 209.8% from 2026 to 2030. By 2035, the global market size of autonomous heavy-duty trucking solution are expected to reach over RMB1 trillion.

Our Operating Results

In 2024, we officially launched and commenced deliveries of two new energy intelligent heavy-duty truck models, Awaken and Ripen, achieving an industry record for the fastest batch delivery of a forward-engineered new energy intelligent heavy-duty truck, according to Frost & Sullivan. During the Track Record Period, we generated revenue primarily from sales of new energy intelligent heavy-duty trucks. In 2023, 2024 and 2025, we delivered 2, 272 and 1,176 new energy intelligent heavy-duty trucks, respectively. In the four months ended April 30, 2026, we delivered 778 new energy intelligent heavy-duty trucks, representing a year-on-year increase of 334.6%. In 2023, 2024 and 2025, we recorded revenue of RMB1.2 million, RMB124.1 million and RMB522.2 million, respectively, representing multi-fold growth over the Track Record Period.

We are committed to advancing the commercialization of our RoboTruck solutions. As of December 31, 2025, we had delivered 15 vehicles under the RoboTruck solution and further delivered 41 vehicles in the four months ended April 30, 2026. We plan to charge technology service fees for this solution and expand to additional application scenarios.

COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our success and differentiated us from our competitors: (i) global leading new energy intelligent heavy-duty truck technology company; (ii) vertically integrated and forward-engineering full-stack development capabilities across core vehicle systems; (iii) deep integration of vehicle platforms and autonomous driving systems to enhance scenario generalization and scalability; (iv) dual-engine growth through vehicle delivery and RoboTruck solution, underpinned by industry-leading commercialization and ecosystem development; and (v) experienced founding team with proven expertise in autonomous driving and commercial vehicles, supported by strategic shareholders.

GROWTH STRATEGIES

We plan to implement the following strategies to achieve our vision and mission: (i) accelerate forward development of vehicle technologies to enhance product competitiveness; (ii) continuously iterate autonomous driving algorithms to strengthen technology leadership; (iii) advance commercialization and build a scalable ecosystem for our new energy intelligent heavy-duty trucks and RoboTruck solution; (iv) enhance domestic and overseas sales networks and increase global brand awareness.

SALES AND MARKETING

We adopt a balanced sales model combining distributor-based sales and direct sales to achieve broad and efficient market coverage across diverse regions and customer segments. As a relatively young market participant, we have earned the trust of a broad distributor network, whose established customer reach, local market knowledge and service capabilities help us expand market coverage efficiently. We maintain a direct sales channel across all of our business lines, which enables us to deepen customer engagement over time.

As of December 31, 2025, we had maintained an extensive service station network of over 250 service stations across the Chinese Mainland, strategically designed to support the operating characteristics of our new energy intelligent heavy-duty trucks that typically run on short- to mid-distance routes. We follow an "expand where we sell" regional deployment strategy to ensure timely, nearby support, and we provide a one-stop, whole-vehicle service model to improve repair efficiency and customer experience through our service stations.

SUPPLY CHAIN MANAGEMENT

We operate under a vertically integrated philosophy grounded in our in-house vehicle design and engineering capabilities. We maintain control over each critical stage of the supply chain, including vehicle model design and development, procurement of raw materials and components, and collaboration with our contract assembly partners. We believe this reflects our accumulation across the heavy-duty truck value chain and enables us to ensure that the vehicles ultimately produced are consistent with our intended design, performance and quality standards. This approach differentiates us from peers and provides the foundation for delivering competitive vehicles and solution. During the Track Record Period and in line with industry practice, we collaborated with contract assembly partners, C&C Trucks, Hubei Tri-Ring and Shenhe Automobile, to assemble our new energy intelligent heavy-duty trucks. Our contract assembly partners are established vehicle manufacturers with extensive experience in the production of heavy-duty trucks with solid industry credentials. Under such collaboration arrangements, our contract assembly partners provide contract assembly services based on the vehicle design, engineering specifications and technical standards developed and provided by us, using our supply of parts and components used in vehicle assembly to ensure consistency and quality of our vehicles. We retain full ownership of all pre-existing and independently developed intellectual properties related to our vehicles, and neither party may infringe the other party's intellectual property rights.

CUSTOMERS AND SUPPLIERS

During the Track Record Period, our suppliers mainly include contract assembly partners, suppliers of batteries and vehicle components. For the years ended December 31, 2023, 2024 and 2025, our purchases from our five largest suppliers in each year during the Track Record Period in aggregate amounted to RMB18.2 million, RMB135.6 million and RMB422.6 million, respectively, representing 33.3%, 48.6% and 49.6% of our total purchases in the corresponding years. Our purchases from our largest supplier in each year during the Track Record Period amounted to RMB4.9 million, RMB67.4 million and RMB98.1 million, respectively, representing 8.9%, 24.2% and 11.5% of our total purchases in the corresponding years.

During the Track Record Period, our customers primarily consisted of our distributors and logistics companies and we did not experience any material disputes with our customers. For the years ended December 31, 2023, 2024 and 2025, our revenue generated from sales to our five largest customers in each year during the Track Record Period in aggregate amounted to RMB1.2 million, RMB75.4 million and RMB186.7 million, respectively, representing 98.9%, 60.8% and 35.8% of our total revenue in the corresponding years. Our revenue generated from sales to our largest customer in each year during the Track Record Period amounted to RMB1.2 million, RMB29.0 million and RMB65.4 million, respectively, representing 98.9%, 23.4% and 12.5% of our total revenue in the corresponding years.

During the Track Record Period, certain of our major suppliers also acted as our customer and vice versa, resulting in an overlap between our customer and supplier relationships in certain cases. For details, see "Business — Customers — Overlapping of Customers and Suppliers."

COMPETITION

The road freight industry's technological evolution has followed a clear trajectory, from traditional fuel-powered heavy-duty trucks to electrified, digitalized new energy intelligent heavy-duty trucks, and ultimately to autonomous heavy-duty trucks with end-to-end operations. Currently, we mainly compete with traditional heavy-duty truck manufacturers, construction machinery manufacturers and emerging new energy heavy-duty truck companies ("**New Force**"). Competitors differentiate themselves across vehicle platform design, electrified architecture, autonomous driving capability, vehicle performance and reliability, cost efficiency, delivery scale, sales and service network, supply chain resources, ecosystem partnerships and customer experience.

We believe our forward-engineered vehicle platform, proprietary core technologies, ZSD system, scalable delivery capabilities and growing commercialization ecosystem position us to compete effectively as the new energy intelligent heavy-duty truck and autonomous trucking markets continue to develop.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The tables below sets forth our summary financial data derived from our consolidated statements of profit or loss and consolidated cash flow statements during the Track Record Period and 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."

Summary of Consolidated Statements of Profit or Loss

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

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue	**1,163**	**100.0**	**124,091**	**100.0**	**522,170**	**100.0**
Cost of sales	(4,503)	(387.2)	(167,184)	(134.7)	(535,432)	(102.5)
Gross loss	**(3,340)**	**(287.2)**	**(43,093)**	**(34.7)**	**(13,262)**	**(2.5)**
Other net gain	1,652	142.0	7,905	6.4	5,991	1.1
Selling expenses	(3,754)	(322.8)	(24,799)	(20.0)	(47,473)	(9.1)
Administrative expenses	(24,799)	(2,132.3)	(41,283)	(33.3)	(53,778)	(10.3)
Research and development costs	(71,423)	(6,141.3)	(116,166)	(93.6)	(126,038)	(24.1)
Impairment loss on trade and other receivables and financial guarantee issued	(8)	(0.7)	(1,566)	(1.3)	(1,044)	(0.2)
Loss from operations	**(101,672)**	**(8,742.2)**	**(219,002)**	**(176.5)**	**(235,604)**	**(45.1)**
Changes in the carrying amount of ordinary shares with redemption rights	(12,100)	(1,040.4)	(20,515)	(16.5)	(41,824)	(8.0)
Other finance costs	(539)	(46.3)	(1,330)	(1.1)	(3,308)	(0.6)
Finance costs	(12,639)	(1,086.8)	(21,845)	(17.6)	(45,132)	(8.6)
Loss before taxation	**(114,311)**	**(9,829.0)**	**(240,847)**	**(194.1)**	**(280,736)**	**(53.8)**
Income tax	—	—	—	—	—	—
Loss for the year	**(114,311)**	**(9,829.0)**	**(240,847)**	**(194.1)**	**(280,736)**	**(53.8)**

NON-IFRS MEASURE

To supplement our financial information, which is presented in accordance with IFRS Accounting Standards, we also provide adjusted net loss as a non-IFRS measure, which is not required by, or presented in accordance with, the IFRS Accounting Standards. Our adjusted net loss (Non-IFRS measure) as a percentage of revenue narrowed during the Track Record Period.

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted by adding back (i) equity-settled share-based payment expenses, which are non-cash in nature, and (ii) changes in the carrying amount of ordinary shares with redemption rights, which are non-cash in nature. Such redemption liabilities will be reclassified to equity upon the **[REDACTED]**. We believe that non-IFRS measure facilitates comparisons of operating performance from period to period, aiming to provide useful information to **[REDACTED]** in understanding and evaluating our results of operations in the same manner as it helped our management. However, our presentation of adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The application of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following table reconciles our adjusted net loss (non-IFRS measure) for the periods indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year	**(114,311)**	**(240,847)**	**(280,736)**
Add:			
Equity-settled share-based payment	3,652	3,924	8,097
Changes in the carrying amount of ordinary shares with redemption rights	12,100	20,515	41,824
Adjusted net loss (non-IFRS measure)	**(98,559)**	**(216,408)**	**(230,815)**

Revenue

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

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
New energy intelligent heavy-duty trucks	**1,150**	**98.9**	**120,756**	**97.3**	**507,382**	**97.2**
Ripen	—	—	16,190	13.0	306,274	58.7
Awaken	1,150	98.9	104,566	84.3	201,108	38.5
RoboTruck solution	**—**	**—**	**—**	**—**	**8,102**	**1.5**
Others[(1)]	**13**	**1.1**	**3,335**	**2.7**	**6,686**	**1.3**
Total	**1,163**	**100.0**	**124,091**	**100.0**	**522,170**	**100.0**

Note:

(1) Others mainly represent revenue from (a) sales of spare parts and accessories, and (b) provision of technical services including R&D, maintenance and trial-drive services.

We recorded significant revenue growth during the Track Record Period, from RMB1.2 million in 2023 to RMB124.1 million in 2024 and further to RMB522.2 million in 2025. We primarily generated revenue from sales of our new energy intelligent heavy-duty trucks, including Ripen and Awaken models.

Our RoboTruck solution provides customers with RoboTruck vehicles, end-to-end MLLM, and a cloud-based digital platform that could be integrated with customer-specific operating scenarios. As of December 31, 2025, we delivered 15 vehicles under the RoboTruck solution. We plan to progressively commence charging customers technology service fees and expand our RoboTruck solution to additional application scenarios.

In addition, revenue from others complements the vehicle sales business, with the sale of parts reflecting rising after-sales demand alongside a growing installed base. We also generated revenue from provision of technical services including R&D, maintenance, and trial-drive services.

Cost of Sales

Our cost of sales primarily consist of raw material costs, manufacturing costs and provision of inventories. The following table sets forth a breakdown of our cost of sales in absolute amounts and as a percentage of our total cost of sales for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Raw material costs	1,694	37.6	149,006	89.1	513,501	95.9
Manufacturing costs	42	0.9	5,772	3.5	16,004	3.0
Provision of inventories	2,739	60.8	11,810	7.1	(9,836)	(1.8)
Others[(1)]	28	0.7	596	0.3	15,763	2.9
Total	**4,503**	**100.0**	**167,184**	**100.0**	**535,432**	**100.0**

Note:

(1) Others mainly represent costs for depreciation and logistics.

Our cost of sales increased from RMB4.5 million in 2023 to RMB167.2 million in 2024 and further to RMB535.4 million in 2025, in line with our business expansion. Our raw material costs primarily include batteries, e-axles and other vehicle components. During the Track Record Period, raw material costs constituted the largest component of our cost of sales, accounting for 37.6%, 89.1%, and 95.9% of our total cost of sales in 2023, 2024, and 2025, respectively. We recorded provision of inventories of RMB2.7 million, RMB11.8 million in 2023 and 2024, respectively, primarily because our mass-produced vehicles had not yet achieved economies of scale during the early stage of commercialization, resulting in relatively high raw material costs.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

Our gross profit/(loss) represents our revenue less our cost of sales, and our gross margin represents gross profit/(loss) divided by our revenue, expressed as a percentage. The following table sets forth a breakdown of our gross profit/(loss) and gross profit/(loss) margin by product and service category in absolute amounts and as a percentage of our total revenue for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Gross Profit/(Loss)	Gross Margin	Gross Profit/(Loss)	Gross Margin	Gross Profit/(Loss)	Gross Margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
New energy intelligent heavy-duty trucks	**(3,340)**	**(290.4)**	**(42,280)**	**(35.0)**	**(14,800)**	**(2.9)**
Ripen	—	—	(5,751)	(35.5)	(1,206)	(0.4)
Awaken	(3,340)	(290.4)	(36,529)	(34.9)	(13,594)	(6.8)
RoboTruck solution	**—**	**—**	**—**	**—**	**352**	**4.3**
Others	**—**	**—**	**(813)**	**(24.4)**	**1,186**	**17.7**
Total	**(3,340)**	**(287.2)**	**(43,093)**	**(34.7)**	**(13,262)**	**(2.5)**

Our sales of new energy intelligent heavy-duty trucks were at an early stage of commercialization during the Track Record Period. We recorded gross loss of RMB3.3 million, RMB43.1 million and RMB13.3 million in 2023, 2024 and 2025, respectively. Changes in our gross loss were primarily in relation to (i) revenue growth since the commercialization of our new energy intelligent heavy-duty trucks in 2024; and (ii) our continuing efforts in cost control and supply chain management.

Our gross loss margin narrowed significantly from 287.2% in 2023 to 34.7% in 2024 and further to 2.5% in 2025. We believe that our gross loss margin in 2023 was not indicative of our ongoing operations as it reflected our pilot sales stage with only two units delivered. The subsequent improvement was primarily driven by (i) substantial revenue growth as delivery volumes increased from 272 units in 2024 to 1,176 units in 2025, (ii) increasing economies of scale in procurement and manufacturing which strengthened our supply chain management and allowed us to source more competitive suppliers for key components, and (iii) continued technological iteration in vehicle design and core hardware systems which lowered per-unit material consumption. Furthermore, our RoboTruck solution achieved a positive gross margin of 4.3% in 2025, primarily because our vehicles equipped with by-wire chassis embody higher technology content and command higher selling prices. We expect our gross margin to continue improving as we scale up sales of our new energy intelligent heavy-duty trucks and RoboTruck solutions through continued technological iteration, and further strengthen cost management and operational efficiency.

Summary 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'000	*RMB'000*	*RMB'000*
Total non-current assets	40,834	48,668	76,690
Total current assets	98,629	118,908	607,525
Total current liabilities	248,163	514,953	1,297,748
Net current liabilities	**(149,534)**	**(396,045)**	**(690,223)**
Total assets less current liabilities	**(108,700)**	**(347,377)**	**(613,533)**
Total non-current liabilities	14,443	12,689	15,352
Net liabilities	**(123,143)**	**(360,066)**	**(628,885)**

We recorded net current liabilities of RMB149.5 million, RMB396.0 million and RMB690.2 million as of December 31, 2023, 2024 and 2025, respectively. Our net current liabilities increased during the Track Record Period primarily attributable to the increase in our ordinary shares with redemption rights, which increased from RMB215.1 million as of December 31, 2023 to RMB356.1 million as of December 31, 2024, and further to RMB723.9 million as of December 31, 2025, driven by successive pre-**[REDACTED]** financing rounds and the accretion of interest on the outstanding redemption liabilities.

We also recorded net liabilities of RMB123.1 million, RMB360.1 million and RMB628.9 million as of December 31, 2023, 2024 and 2025, respectively. Our net liabilities were primarily attributable to ordinary shares with redemption rights of RMB215.1 million, RMB356.1 million and RMB723.9 million as of December 31, 2023, 2024 and 2025, respectively, which were classified as current liabilities as the Company did not have an unconditional right to avoid redeeming its share capital for

cash. The increases in net liabilities during the Track Record Period were also attributable to accumulated losses arising from our net losses of RMB114.3 million, RMB240.8 million and RMB280.7 million in 2023, 2024 and 2025, respectively, as we continued to invest in R&D, expand our product portfolio, and scale up our sales and distribution network during the early stages of commercialization.

All ordinary shares with redemption rights will be reclassified from financial liabilities to equity upon the **[REDACTED]**, as all special rights granted to the pre-**[REDACTED]** investors will be automatically terminated before or upon the Company's **[REDACTED]** and the ordinary shares with redemption rights will be re-designated from liabilities to equity. We expect to achieve a net assets position upon the **[REDACTED]** as a result of such reclassification, together with the **[REDACTED]** from the **[REDACTED]**.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows for the years indicated:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net cash used in operating activities	(84,244)	(212,708)	(232,616)
Net cash (used in)/generated from investing activities	(31,109)	34,315	(25,537)
Net cash generated from financing activities	140,806	159,274	399,820
Net increase/(decrease) in cash and cash equivalents	**25,453**	**(19,119)**	**141,667**
Cash and cash equivalents at beginning of the year	6,636	32,089	12,970
Cash and cash equivalents at end of the year	**32,089**	**12,970**	**154,637**

We had net cash used in operating activities of RMB84.2 million, RMB212.7 million, and RMB232.6 million in 2023, 2024, and 2025, respectively, primarily attributable to our losses before taxation, together with changes in working capital arising from increased procurement of raw materials and business expansion during the Track Record Period.

Key Financial Ratios

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

	As of / For the Year ended December 31,		
	2023	**2024**	**2025**
Revenue growth rate (%)[(1)]	N/A	10,569.9	320.8
Gross loss margin (%)[(2)]	287.2	34.7	2.5
Adjusted net loss margin (non-IFRS measure) (%)[(3)]	8,474.5	174.4	44.2
Current ratio [(4)]	0.4	0.2	0.5
Quick ratio [(5)]	0.4	0.2	0.4

Note:

(1) Revenue growth rate is calculated as the year-on-year growth rate of revenue.

(2) Gross profit/(gross loss) margin is calculated as gross profit/gross loss divided by revenue, expressed as a percentage

(3) Adjusted net loss margin (non-IFRS measure) is calculated as adjusted net loss margin calculated as adjusted net loss (non-IFRS measure) divided by revenue, expressed as a percentage

(4) Current ratio represents current assets divided by current liabilities as of the relevant year end.

(5) Quick ratio represents current assets excluding inventories divided by current liabilities as of the relevant year end.

PATH TO PROFITABILITY

In the early stages of our operations, we focused on executing our development strategy, building up our full-stack vehicle platform and autonomous driving technology capabilities, and scaling up our offerings, rather than pursuing short-term financial returns or profitability. As a result, we invested significant resources in strengthening R&D capabilities, expanding our vehicle portfolio including the launch of our Awaken and Ripen models, growing our sales and distribution network, and enhancing our brand image, laying a solid foundation for long-term development and growth. This also led to certain losses during our Track Record Period. In 2023, 2024 and 2025, we incurred net losses of RMB114.3 million, RMB240.8 million, and RMB280.7 million, respectively.

Going forward, we expect to sustain our revenue growth and achieve profitability through a combination of revenue scale-up, improvement of margin profile, operating leverage and the enhancement of working capital efficiency. For details, see "Business — Path to Profitability."

RISK FACTORS

Our business and the **[REDACTED]** involve certain risks as set out in "Risk Factors" in this document. You should read that section in its entirety carefully before you decide to **[REDACTED]** in our H Shares. We believe the most significant risks we face include but are not limited to (i) the market for new energy intelligent heavy-duty trucks is evolving and highly competitive; (ii) we have a limited operating history, which makes it difficult to evaluate our business and future prospects; (iii) our future growth depends on market acceptance for our new energy intelligent heavy-duty trucks and RoboTruck solution, and demand for our vehicles may be volatile; (iv) our research and development efforts may not yield expected results; (v) our business and prospects depend on our ability to build our brands and reputation; (vi) we rely on third-party suppliers for key components and the assembly of our vehicles, and any supply disruption, delay or quality issue could adversely affect our business and operations; (vii) our business and results of operations may be adversely affected if our collaboration with our contract assembly partners is disrupted, terminated or no longer mutually beneficial; and (vii) our business may be affected by the performance, compliance and reputation of our distributors.

DIVIDENDS

We did not declare or pay dividends on our Shares during the Track Record Period. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company law. Currently, we do not have a dividend policy or pre-determined dividend payout ratio in place. As confirmed by our PRC Legal Advisor, any future net profit that we

make will have to be applied to make up for our historically accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our 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 profit to our statutory common reserve fund as described above.

USE OF [REDACTED]

We estimate that the **[REDACTED]** of the **[REDACTED]**, after deducting the estimated **[REDACTED]** commissions and other fees and expenses paid and payable by us in connection with the **[REDACTED]**, will be approximately HK$**[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the **[REDACTED]** of the indicative range of the **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per H Share), and that the **[REDACTED]** is not exercised. We currently intend to use the **[REDACTED]** from the **[REDACTED]** for following purposes:

- approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for research and development, and we intend to continuously invest in the research, development, and commercialization of core technologies to further strengthen our leading position in the new energy intelligent heavy-duty truck sector;

- approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for expanding our sales and after-sales service network to build a full-lifecycle, comprehensive, and highly responsive after-sales service ecosystem for new energy intelligent heavy-duty truck customers;

- approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for selectively pursuing strategic initiatives to strengthen the supply chain of our new energy intelligent heavy-duty trucks; and

- approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used for working capital and other general corporate purposes to support our daily operations and overall business growth.

[REDACTED]

[REDACTED] EXPENSES

[REDACTED] expenses to be borne by us are estimated to be approximately HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the **[REDACTED]** of the indicative **[REDACTED]** range of HK$**[REDACTED]** to HK$**[REDACTED]** per Share), representing approximately **[REDACTED]**% of the estimate gross **[REDACTED]** from the **[REDACTED]** assuming no Shares are issued pursuant to the **[REDACTED]**. The **[REDACTED]** consist of (i) **[REDACTED]**-related expenses, including **[REDACTED]** commission, of approximately HK$**[REDACTED]**, and (ii) non-**[REDACTED]**-related expenses of approximately HK$**[REDACTED]**, comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$**[REDACTED]**, and (b) other fees and expenses of approximately HK$**[REDACTED]**. During the Track Record Period, no **[REDACTED]** expenses were charged to our consolidated statements of profit or loss and other comprehensive income, and no issue costs were prepaid. Approximately HK$**[REDACTED]** is expected to be charged to our consolidated statements of profit or loss and other comprehensive income, and approximately HK$**[REDACTED]** is expected to be accounted for as a deduction from equity upon the **[REDACTED]**. We do not believe any of the above fees or expenses are material or are unusually high to us. The **[REDACTED]** expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Shanghai Dongyao is controlled by Mr. Huang and serves as the general partner of each of Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao, Yangzhou Shengyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi. As of the date of this document, Mr. Huang, together with his controlled entities, Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao, Yangzhou Shengyao, Shanghai Dongyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi, constituted a group of controlling shareholders (as defined in the Listing Rules) of the Company which was entitled to exercise the voting rights attached to approximately 30.05% of the total issued share capital of our Company.

Immediately following the completion of the **[REDACTED]**, Mr. Huang, together with his controlled entities (Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao, Yangzhou Shengyao, Shanghai Dongyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi) will constitute our Single Largest Group of Shareholders and will be entitled to exercise the voting rights attached to approximately **[REDACTED]**% of our total issued share capital.

EMPLOYEE INCENTIVE SCHEME

We adopted the Employee Incentive Scheme on May 20, 2026. Yangzhou Bannarui, Suzhou Bannarui, Suzhou Dongyi, Suzhou Lingdong I, Suzhou Lingdong II and Suzhou Jushi were established as the Employee Incentive Platforms of our Employee Incentive Scheme, collectively holding 5,314,287 underlying Shares of the Company (equivalent to 53,142,870 underlying Shares of the Company upon completion of the Share Subdivision). As of the date of this document, all underlying Shares of the Employee Incentive Scheme had been granted. For details, see "Appendix VI — Statutory and General Information — 4. Employee Incentive Scheme".

PRE-[REDACTED] INVESTMENTS

Since the establishment of our Group, we have attracted a broad and diversified base of Pre-**[REDACTED]** Investors through equity financings and share transfers, such as CATL, Temasek and Momenta. For details of background of the Pre-**[REDACTED]** Investors and the principal terms of the Pre-**[REDACTED]** Investments, see "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments."

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We are applying for **[REDACTED]** under Rule 8.05(3) of the Listing Rules and satisfy the market capitalization/revenue test with reference to (i) our revenue for the year ended December 31, 2025, which is over HK$500 million as required by Rule 8.05(3); and (ii) our expected **[REDACTED]** at the time of **[REDACTED]**, which, based on the **[REDACTED]**, significantly exceeds HK$4 billion as required by Rule 8.05(3).

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Recent Developments

Since the beginning of 2026, we have continued to advance the iteration and enhancement of our vehicles and solutions. During this period, our business has maintained solid growth, with the sales of our new energy intelligent heavy-duty trucks amounted to 778 units for the four months ended April 30, 2026, representing a year-on-year increase of 334.6% over the same period in 2025. In addition, for the four months ended April 30, 2026, we delivered 41 vehicles under the RoboTruck solution.

No Material Adverse Change

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm 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, which is the end date of the periods reported on in the Accountants' Report 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 Accountants' Report in Appendix I to this document.

DEFINITIONS

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

"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 Jushi"	Anhui Jushi Transmission Technology Co., Ltd. (安徽矩石傳動科技有限公司), a limited liability company established in the PRC on September 23, 2024, and a wholly-owned subsidiary of the Company
"Articles" or "Articles of Association"	the articles of association of our Company, as amended from time to time, which shall become effective on the **[REDACTED]**, a summary of which is set out in Appendix V to this document
"Beijing Zeron"	Beijing Zeron Zhika Technology Co., Ltd. (北京零一智卡科技有限公司), a limited liability company established in the PRC on April 18, 2022, and a wholly-owned subsidiary of the Company
"Board" or "Board of Directors"	the board of Directors of our Company
"business day"	a day on which banks in Hong Kong are generally open to the public for normal banking business and which is not a Saturday, Sunday or public holiday in Hong Kong

[REDACTED]

"China" or "the PRC"	the People's Republic of China, excluding, for the purpose of this document (unless otherwise indicated), the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and the Taiwan Region
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time

"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time
"Company," "our Company," or "the Company"	Jiangsu Zeron Automobile Technology Company Limited (江蘇零一汽車科技股份有限公司) (previously known as Jiangsu Zeron Automobile Technology Co., Ltd. (江蘇零一汽車科技有限公司) and Shanghai Zeron Automobile Technology Co., Ltd. (上海零一汽車科技有限公司)), a limited liability company established in the PRC on June 2, 2022, and converted into a joint stock company with limited liability on February 12, 2026
"Company Law" or "PRC Company Law"	the 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
"Compliance Advisor"	Rainbow Capital (HK) Limited, the compliance advisor of our Company
"Conversion of Unlisted Shares into H Shares"	the conversion of **[REDACTED]** Unlisted Shares into H Shares on a one-for-one basis upon the completion of the Share Subdivision. Such conversion of Unlisted Shares into H Shares had been approved by the CSRC on [•], 2026 and an application for the H Shares to be **[REDACTED]** on the Stock Exchange has been made to the Listing Committee
"CSDC"	China Securities Depository and Clearing Co., Ltd. (中國證券登記結算有限責任公司)
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"EIT"	Enterprise income taxation
"Employee Incentive Platforms"	the pre-**[REDACTED]** employee incentive platforms of our Group, namely Yangzhou Bannarui, Suzhou Bannarui, Suzhou Dongyi, Suzhou Lingdong I, Suzhou Lingdong II and Suzhou Jushi
"Employee Incentive Scheme"	the employee incentive scheme adopted by the Company on May 20, 2026, the principal terms of which are set out in "Appendix VI — Statutory and General Information — 4. Employee Incentive Scheme"

[REDACTED]

"Extreme Conditions"	the occurrence of "extreme conditions" as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale seriously affects the working public's ability to resume work or brings safety concern for a prolonged period
"F&S"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a market research and consulting company and an Independent Third Party
"F&S Report"	an independent market research report prepared by F&S, which was commissioned by our Company for the purpose of this document

[REDACTED]

"Group," "our Group," "the Group," "we," "us," or "our"	our Company and its subsidiaries, or our Company and any one or more of its subsidiaries, as the context may require
"Guide for New Listing Applicants" or "Guide"	the Guide for New Listing Applicants issued by the Stock Exchange in December 2023, with effect from January 1, 2024, as amended, supplemented, or otherwise modified from time to time
"H Share(s)"	shares in the share capital of our Company with a nominal value of RMB0.10 each, which are to be **[REDACTED]** for and **[REDACTED]** in HK dollars and to be **[REDACTED]** on the Stock Exchange

[REDACTED]

[REDACTED]

"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars," "HKD," or "HK$"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong

[REDACTED]

[REDACTED]

"IFRS"	IFRS Accounting Standards
"Independent Third Party(ies)"	any entity(ies) or person(s) who, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning of the Listing Rules

[REDACTED]

"Joint Sponsors"	has the meaning given to it in the Listing Rules and, unless the context requires otherwise, refers to the joint sponsors named in "Directors and Parties Involved in the **[REDACTED]**" in this document
"Latest Practicable Date"	May 22, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication

[REDACTED]

"Listing Committee"	the Listing Committee of the Stock Exchange

[REDACTED]

"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"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
"Ministry of Finance" or "MOF"	the Ministry of Finance of the PRC (中華人民共和國財政部)
"Mr. Huang"	Mr. Huang Zehua (黃澤鏵), our co-founder, chairperson of the Board, executive Director, chief executive officer and one of our Single Largest Group of Shareholders
"Mr. Zhang"	Mr. Zhang Hongsong (張紅松), our co-founder, executive Director and president

[REDACTED]

"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC

"PRC Legal Advisor"	Commerce & Finance Law Offices, being the legal advisor of our Company as to the PRC laws
"Pre-**[REDACTED]** Investments"	the pre-**[REDACTED]** investment(s) in our Group undertaken by the Pre-**[REDACTED]** Investors, details of which are set out in "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments"
"Pre-**[REDACTED]** Investor(s)"	the investor(s) who participated in our Pre-**[REDACTED]** Investments, details of which are set out in the section headed "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments"

[REDACTED]

"document"	this document being issued in connection with the Hong Kong **[REDACTED]**
"QIB"	a qualified institutional buyer within the meaning of Rule 144A
"Regulation S"	Regulation S under the U.S. Securities Act
"Relevant Persons"	the Joint Sponsors, the **[REDACTED]**, any of their or our Company's respective directors, officers, employees, partners, agents, advisors and any other parties involved in the **[REDACTED]**
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"S$"	Singapore dollars, the lawful currency of Singapore
"SAFE"	the State Administration of Foreign Exchange of the PRC (中國國家外匯管理局)
"SAT"	the State Administration of Taxation of the PRC (國家税務總局)
"SFC"	the 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 Dongyao"	Shanghai Dongyao Management Consulting Co., Ltd. (上海動邀管理諮詢有限責任公司), a limited liability company established in the PRC on June 23, 2022, and one of the Single Largest Group of Shareholders
"Shanghai Lingdong"	Shanghai Lingdong Zhika Automobile Technology Co., Ltd. (上海零動智卡汽車科技有限公司), a limited liability company established in the PRC on May 10, 2023, and a wholly-owned subsidiary of the Company
"Share(s)"	ordinary shares in the capital of our Company with a nominal value of RMB0.10 each upon completion of the Share Subdivision, comprising Unlisted Share(s) and H Share(s); before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each
"Share Subdivision"	the share subdivision immediately prior to the **[REDACTED]**, pursuant to which each of our Shares with a nominal value of RMB1.00 will be subdivided into ten Shares with value of RMB0.10 each
"Shareholder(s)"	holder(s) of our Share(s)
"Single Largest Group of Shareholders"	refers to Mr. Huang and his controlled entities, being Shanghai Dongyao, Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao, Yangzhou Shengyao, Suzhou Bannarui, Suzhou Dongyi, Suzhou Lingdong I, Suzhou Lingdong II and Suzhou Jushi
	[REDACTED]
"STA"	the State Taxation Administration of the PRC (中華人民共和國國家税務總局)
"State Council"	State Council of the PRC (中華人民共和國國務院)
	[REDACTED]
"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

"Suzhou Bannarui"	Suzhou Bannarui Zhika Investment Partnership (Limited Partnership) (蘇州班納瑞智卡投資合夥企業(有限合夥)), a limited partnership established in the PRC on April 3, 2026, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"Suzhou Dongyi"	Suzhou Dongyi Zhika Investment Partnership (Limited Partnership) (蘇州動壹智卡投資合夥企業(有限合夥)), a limited partnership established in the PRC on April 3, 2026, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"Suzhou Jushi"	Suzhou Jushi Zhika Investment Partnership (Limited Partnership) (蘇州矩石智卡投資合夥企業(有限合夥)), a limited partnership established in the PRC on April 3, 2026, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"Suzhou Lingdong I"	Suzhou Lingdong I Zhika Investment Partnership (Limited Partnership) (蘇州凌動智卡投資合夥企業(有限合夥)), a limited partnership established in the PRC on April 3, 2026, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"Suzhou Lingdong II"	Suzhou Lingdong II Zhika Investment Partnership (Limited Partnership) (蘇州零動智卡投資合夥企業(有限合夥)), a limited partnership established in the PRC on April 3, 2026, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"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
"Track Record Period"	the period comprising the years ended December 31, 2023, 2024, and 2025

[REDACTED]

"United States," "U.S.," or "US"	the United States of America, its territories, its possessions, and all areas subject to its jurisdiction

"Unlisted Shares"	ordinary shares in the share capital of the Company with a nominal value of RMB0.10 each upon completion of the Share Subdivision, which are not listed on any stock exchange; before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are not listed on any stock exchange
"U.S. dollars," "US dollars," "USD," or "US$"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"VAT"	value-added tax, which is an indirect tax levied on the value added at each stage in selling goods or labor services of processing, repair or replacement, selling services, intangible assets, or immovables, or importing goods within the PRC

[REDACTED]

"Yangzhou Bannarui"	Yangzhou Bannarui Zhika Investment Partnership (Limited Partnership) (揚州班納瑞智卡投資合夥企業(有限合夥)), a limited partnership established in the PRC on July 26, 2022, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"Yangzhou Dongyao"	Yangzhou Dongyao Zhika Investment Partnership (Limited Partnership) (揚州動邀智卡投資合夥企業(有限合夥)), limited partnership established in the PRC on March 10, 2023, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"Yangzhou Erjinzhi"	Yangzhou Erjinzhi Zhika Equity Investment Partnership (Limited Partnership) (揚州二進制智卡股權投資合夥企業(有限合夥)), limited partnership established in the PRC on September 1, 2022, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"Yangzhou Shengyao"	Yangzhou Shengyao Zhika Investment Partnership (Limited Partnership) (揚州盛邀智卡投資合夥企業(有限合夥)), limited partnership established in the PRC on January 24, 2024, the general partner of which is Shanghai Dongyao, and one of the Single Largest Group of Shareholders
"%"	per cent

DEFINITIONS

For the purpose of this document, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

In this document, the terms "associate(s)," "close associate(s)," "connected person(s)," "core connected person(s)," "connected transaction(s)," "controlling shareholder(s)," "substantial shareholder(s)," and "subsidiary(ies)" shall have the meanings ascribed to such terms under the Listing Rules, unless the context otherwise requires.

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.

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

GLOSSARY OF TECHNICAL TERMS

This glossary 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.

"ABS"	anti-lock braking system
"AI"	artificial intelligence
"BEV"	bird's-eye view, an elevated view of an object or location from a very steep viewing angle, creating a perspective as if the observer were a bird in flight looking downwards
"CCC"	China Compulsory Certificate, a certification of product quality and safety
"CVPR"	the Conference on Computer Vision and Pattern Recognition, a leading academic conference in the field of computer vision and artificial intelligence
"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
"EBS"	electronic braking system
"EEA"	electrical and electronic architecture, the integrated structure of a vehicle's electrical and electronic systems
"electrification"	in the automotive industry, refers to the process of powering the vehicle by electricity, replacing vehicle components that operate on a conventional energy source
"end-to-end MLLM"	an end-to-end multimodal large language model capable of processing and integrating multiple forms of data inputs, including text, images, sensor and driving data, for autonomous driving-related applications
"hp"	horsepower
"HV"	high-voltage
"km"	kilometer
"ms"	milliseconds
"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

"PTC"	positive temperature coefficient
"PTO"	power take off
"R&D"	research and development
"redundancy"	referring to employing two or more parallel systems, sensors or components that perform the same or similar functions to ensure that the vehicle can continue to operate safely in the event of partial failure
"RoboTruck solution"	an autonomous heavy-duty trucking solution developed by the Company, including vehicles equipped with by-wire chassis designed for autonomous driving, supported by the ZSD system, and a cloud-based digital platform that can be integrated with each customer's specific operating scenario
"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
"sq.m."	square meter
"TCO"	total cost of ownership, namely the complete cost of owning and operating a vehicle over its entire lifespan
"TCU"	transmission control unit, a control system that manages the transmission in coordination with the VCU to optimize energy consumption and performance
"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
"ZSD"	Zeron Self-Driving, the Company's proprietary end-to-end MLLM for heavy-duty truck autonomous driving

FORWARD-LOOKING STATEMENTS

We have included in this document forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This document contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties, including the risk factors described in this document. Forward-looking statements can be identified by words such as "may," "will," "should," "would," "could," "believe," "expect," "anticipate," "intend," "plan," "continue," "seek," "estimate," or the negative of these terms or other comparable terminology. Examples of forward-looking statements include, but are not limited to, statements we make regarding our projections, business strategy and development activities as well as other capital spending, financing sources, the effects of regulation, expectations concerning future operations, margins, profitability and competition. The foregoing is not an exclusive list of all forward-looking statements we make.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. We give no assurance that these expectations and assumptions will prove to have been correct. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. We caution you therefore against placing undue reliance on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions and the following:

- our business prospects;
- our business strategies and plans to achieve these strategies;
- future developments, trends and conditions in and competitive environment for the industries and markets in which we operate;
- general economic, political and business conditions in locations where we operate;
- our financial condition and performance;
- our capital expenditure plans;
- our dividend policy;
- changes to the regulatory environment, policies, operating conditions of and general outlook in the industries and markets in which we operate;
- our expectations with respect to our ability to acquire and maintain regulatory licenses or permits;
- the extent and nature of, and potential for, future development of our business;

- the actions of and developments affecting our competitors;
- the actions of and developments affecting our major customers and suppliers; and
- certain statements in the sections headed "Risk Factors", "Industry Overview", "Regulatory Overview", "Business", "Financial Information" and "Future Plans and Use of **[REDACTED]**" with respect to trends in interest rates, foreign exchange rates, prices, volumes, operations, margins, risk management and overall market trends.

Any forward-looking statement made by us in this document speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Subject to the requirements of applicable laws, rules and regulations, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise. In this document, statements of or references to our intentions or those of our Directors were made as of the date of this document. Any such information may change in light of future developments. All forward-looking statements contained in this document are qualified by reference to this cautionary statement.

An* [REDACTED] *in our H Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, as well as our financial statements and the related notes, and the "Financial Information" section, before deciding to* [REDACTED] *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, financial conditions, results of operations and growth prospects. In any such event, the* [REDACTED] *of the H Shares could decline, and you may lose all or part of your* [REDACTED]*. 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 RELATED TO OUR BUSINESS AND OUR INDUSTRY

The market for new energy intelligent heavy-duty trucks is evolving and highly competitive.

Driven by favorable policies, the increasing demand for logistics electrification and intelligentization, and continuing technological advancement, the market for new energy intelligent heavy-duty trucks is undergoing rapid growth and highly competitive. According to Frost & Sullivan, the global market size of new energy heavy-duty trucks is expected to grow from 360.0 thousand units in 2026 to approximately 1.2 million units in 2030 by sales volume, representing a CAGR of 34.1% from 2026 to 2030. In addition, the industry is transitioning to increasingly intelligent operations, and the global market size of autonomous driving heavy-duty truck solution is expected to reach RMB192.4 billion in 2030, with a CAGR of 209.8% from 2026 to 2030. We mainly compete with traditional heavy-duty truck manufacturers, construction machinery manufacturers and New Force. Our future success in these markets partially depends on our ability to develop and protect our technologies in a timely manner and to stay ahead of the emerging and established competitors. Our current and potential competitors may have more financial and business resources than we do, and may be able to devote greater resources to the design, development, distribution, promotion, sale and support of their vehicles. We cannot guarantee that we will be able to effectively compete with them.

We expect competition in our industry to intensify in the future in light of increased demand and regulatory push for electrification, continuing globalization and consolidation in the industry. Intense competition may lead to lower vehicle unit sales and increased inventory and downward pressure on vehicle prices, any of which could have an adverse effect on our business, financial conditions, operating results, and prospects. Our competitors may introduce new vehicles or services that are superior to our solutions, which would adversely affect our competitive position in the market. They may also offer services that better satisfy customers' operational demands with better cost efficiency. They may also offer vehicles or services at more competitive prices, which would have an adverse impact on our sales and profitability.

We have a limited operating history, which makes it difficult to evaluate our business and future prospects.

As we commenced our operations in 2022, we have a relatively limited operating history in most aspects of our business operations, especially in our provision of new energy intelligent heavy-duty trucks and RoboTruck solution. Our ability to achieve future growth largely depends on our ability to continue to develop and successfully commercialize our vehicles and solution. We have relatively limited experience in developing the capabilities required for our business, and our past operational

performance with regard to these capabilities may not accurately predict future performance in any of the areas above. If we are not able to continue to effectively manage our growth or implement our business strategies effectively, we may not be able to achieve future sustainable growth. There can be no assurance that the market will accept our technology, in which case our future business, results of operations and financial conditions could be adversely affected.

Our future growth depends on market acceptance for our new energy intelligent heavy-duty trucks and RoboTruck solution, and demand for our vehicles may be volatile.

We operate in a constantly evolving market characterized by rapidly changing technologies, prices and the competitive landscape, evolving regulation, industry standards and customer demands and behaviors, and the market opportunities we are pursuing are at an early stage of development. Traditional heavy-duty truck fleets and other carriers operating with human drivers are still the predominant operators in the market. Because of the long history of such traditional road freight transport companies serving the road freight market, there may be many constituencies in the market that would resist a shift towards new energy intelligent heavy-duty trucks or autonomous driving heavy-duty truck solutions. Even if we succeed in operating at commercial scale, because of the disruptive nature of our business to the road freight industry, key industry participants may not accept our new energy intelligent heavy-duty truck solutions, may develop competing services, or may otherwise impede our expansion and market penetration. Additionally, regulatory, safety, and reliability issues, or the perception thereof, many of which are outside of our control, could also cause the public or our potential customers to lose confidence in intelligent driving solutions in general. In addition, the safety of such technology depends in part on user interaction, as well as other drivers, pedestrians, other obstacles on the roadways or other unforeseen events. Even though incidents were unrelated to our new energy intelligent heavy-duty truck solutions and our technology, such cases resulted in significant negative publicity and, in the future, might result in suspension or prohibition of intelligent driving technologies.

During the Track Record Period, we primarily generated revenue from the sales of two new energy intelligent heavy-duty truck models, namely Awaken and Ripen. Our revenue generated from the sales of new energy intelligent heavy-duty trucks amounted to RMB1.2 million, RMB120.8 million and RMB507.4 million in 2023, 2024 and 2025, respectively, accounting for 98.9%, 97.3% and 97.2% of our total revenue in the same years. Any material adverse changes in the market acceptance of such models, whether due to competitive, quality, regulatory, or other factors, may result in significant pricing pressure and/or decline in delivery volume, which could adversely affect our revenue and results of operations. In addition, the involvement of technology service fees may face uncertainty in market acceptance, as customers may not be willing to pay such fees on a recurring or long-term basis. This business model is also subject to potential regulatory and legal uncertainties across different jurisdictions, which could affect the recognition or enforceability of such service fees. Furthermore, if we are unable to iterate and upgrade our existing truck models or develop new vehicles adapted to evolving market and customer demands in a cost-effective and timely manner, our business, reputation, financial conditions and results of operations may also be adversely affected.

Our research and development efforts may not yield expected results.

To compete successfully, we must maintain successful research and development efforts, develop new solutions, and improve our existing solutions, to stay ahead of competitors. In 2023, 2024 and 2025, our research and development costs amounted to RMB71.4 million, RMB116.2 million and RMB126.0 million, respectively, accounting for 6,141.3%, 93.6% and 24.1% of our total revenue in the

same years. However, we cannot guarantee that all of these efforts will deliver the benefits we anticipate. Our research and development expenditures were conducted based on our views of the most promising approaches to address future customer needs in rapidly evolving markets, and we cannot be certain that we will target our research and development investments appropriately, or correctly anticipate the manner in which these markets will evolve. To the extent our research and development efforts do not produce timely improvements in utility, accuracy, safety, cost and operational efficiency, our competitive position will be adversely affected.

We cannot guarantee that all of our research and development investments will turn out to be successful. Our efforts on the development and marketing of new vehicles and solution may fail, and such vehicles and solution may be rejected by regulators or may not be well received by our customers, who may turn to the adoption of competing technologies. Our research and development investments may not contribute to our future operating results for several years, if at all, and such contributions at times may not meet our expectations or even cover the costs of such investments, which would adversely affect our business, results of operations, and financial conditions.

Our business and prospects depend on our ability to build our brands and reputation.

We believe that our brand is integral to the success of our business and brand maintenance directly affects our ability to maintain our market position. Since we operate in a highly competitive market, brand maintenance directly affects our ability to maintain our market position. Any loss of trust in our vehicles and solution could harm the value of our brands, which could reduce our revenue and profitability. The successful maintenance of our brands depends on our ability to provide high-quality and competitive vehicles and solution, customers' satisfaction with our vehicles and solution and after-sale services, our ability to maintain and strengthen business relationship with our customers and the increase in brand awareness through marketing activities. In addition, any negative publicity about us, our Directors, employees, brands, vehicles and solution, whether warranted or not, may adversely affect our reputation and business. Even if it is factually incorrect or based on isolated incidents, such negative publicity could damage our reputation and undermine the trust and credibility we have established with our customers and have a negative impact on our ability to attract new customers or retain our existing customers. If our brands and reputation is damaged, we may face challenges in maintaining our current business relationships with our customers and in entering into new markets, which may adversely affect our business, financial conditions, results of operations and prospects.

We rely on third-party suppliers for key components and the assembly of our vehicles, and any supply disruption, delay or quality issue could adversely affect our business and operations.

We rely on third-party suppliers for the supply of key components and assembly of our vehicles. Any disruption, delay, quality control problem, price increase or termination in relation to such supply chain may adversely affect our production capacity, delivery schedule, vehicle quality, operating costs, business reputation, results of operations and financial conditions. In particular, fluctuations in the prices of key raw materials, such as battery cells and metals used in the key components applied to our vehicles, may lead to increases in the costs for our vehicles and solution, which could adversely affect our profitability. We may not be able to secure sufficient supply from our existing or alternative suppliers on commercially reasonable terms or in a timely manner. Our business may be adversely affected if we are unable to diversify or replace our suppliers in a timely manner in the event of supply shortage, production suspension, bankruptcy, financial difficulty or operational disruption of our key

suppliers. In addition, any failure by our suppliers to comply with applicable laws, regulations or quality standards may result in vehicle defects, recalls, regulatory penalties or reputational harm, which could in turn adversely affect our business, financial conditions, results of operations and prospects.

Our business and results of operations may be adversely affected if our collaboration with our contract assembly partners is disrupted, terminated or no longer mutually beneficial.

During the Track Record Period, we collaborated with three contract assembly partners for the production of new energy intelligent heavy-duty trucks. For details, see "Business — Supply Chain Management — Contract Assembly." As a result, our delivery capability is subject to their operational efficiency, capacity, and financial conditions, which are beyond our direct control. Any delays, suspensions, quality issues, or failure to comply with contractual obligations could adversely affect timely production and delivery. If our contract assembly partners suffer from operational difficulties, financial distress, bankruptcy or loss of key qualifications, our production and supply chain may also be adversely affected, which in turn would adversely affect our business, financial conditions and results of operations.

In addition, if our relationship with the contract assembly partners are disrupted, suspended, terminated or otherwise ceases to be mutually beneficial, due to disputes or disagreements in relation to pricing, quality control, production schedules, intellectual property, service levels or other contractual terms, we may face difficulties in identifying and engaging alternative contract assembly partners on commercially reasonable terms or in a timely manner. We may also incur additional costs, experience production interruptions, delays in product delivery, damage to our reputation and brand image, as well as disruption to our business operations.

Our business may be affected by the performance, compliance and reputation of our distributors.

We started establishing our distributor network in 2024 for broader market penetration and more efficient customer servicing, and had 33 and 98 distributors as of December 31, 2024 and 2025, respectively. We generated RMB85.2 million and RMB372.9 million of revenue from distribution in 2024 and 2025, respectively, representing 68.6% and 71.4% of total for the corresponding years. For details, see "Business — Sales and Marketing — Distributorship." As such, our distribution network is an integral part of our business operations, and our business may be affected by the performance, compliance and reputation of our distributors. If our distributors fail to effectively promote our vehicles, develop customer resources, or provide quality after-sales services, our sales volume, market penetration and brand image may be adversely affected.

We may have limited control over the business operations of our distributors. As independent companies, distributors make their own business decisions that may not always align with our interests, and we cannot assure that our distributors will comply with our policies, standards or applicable laws and regulations at all times. Any violation or alleged violation by our distributors of these distribution agreements or any applicable laws and regulations could damage our reputation, decrease the market value of our brand, and lead to negative public perception about the quality of our vehicles, which could result in an adverse effect on our business, financial condition, results of operations and prospects.

In addition, we do not restrict distributors from engaging sub-distributors as long as they obtain our consent in advance and comply with relevant laws and regulations and its management policies. We do not enter into distributor agreements with the sub-distributors. Accordingly, we generally rely on our

distributors to manage and control the sub-distributors. Our management of these sub-distributors is inherently attenuated. Actions of sub-distributors could also result in reputation damage, regulatory penalties, or disruptions to our distribution network, which could result in an adverse effect on our business, financial condition, results of operations and prospects.

We may not successfully establish or maintain an effective sales, service and maintenance network, which could adversely affect our customer satisfaction and brand reputation.

As of December 31, 2025, we have maintained a service network of over 250 service stations across the Chinese Mainland. If our sales, service and maintenance facilities are insufficient, inadequately managed, poorly located or fail to provide satisfactory services in a timely manner, customer experience and satisfaction may be adversely affected. Any failure to maintain high-quality after-sales support and maintenance services may harm our brand image and reputation, reduce customer loyalty and adversely affect our ability to attract new customers and maintain existing customer relationships. We may further expand our sales and service network, but we cannot assure you that such expansion will achieve the desired results of increasing sales and enhancing our brand awareness in a cost-efficient manner, despite the substantial capital and management resources we may invest to such expansion.

Our new energy intelligent heavy-duty trucks and RoboTruck solution may contain undetected defects, errors or vulnerabilities, which could result in safety issues, vehicle recalls, liability claims, regulatory actions or reputational damage.

Our new energy intelligent heavy-duty trucks and RoboTruck solution are complex and incorporate numerous technological innovations. They may contain undetected defects, errors, or bugs at various stages of development, testing, commercialization, and deployment. Such issues could cause safety risks, reduce customer acceptance, or adversely affect market acceptance. Defects in design, development, or integration with third-party components may only emerge after vehicles have been commercialized, leading to additional development costs, recalls, repairs or replacements, and liability for personal injury or property damage. Any such issues could also lead to product liability, breach of contract, or warranty claims, which may be costly to defend and could divert our attention, which could, individually or in aggregate, adversely affect our reputation, business, results of operations, and financial conditions.

We are subject to customer concentration risk, and the loss of any major customer could adversely affect our business and results of operations.

Revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB1.2 million, RMB75.4 million and RMB186.7 million in 2023, 2024 and 2025, respectively, accounting for 98.9%, 60.8% and 35.8% of our total revenue for the same years. In the meanwhile, revenue generated from our largest customer in each year during the Track Record Period amounted to RMB1.2 million, RMB29.0 million and RMB65.4 million in 2023, 2024 and 2025, respectively, accounting for 98.9%, 23.4% and 12.5% of our total revenue for the same years. See "Business — Customers — Our Major Customers." Our customers' demand for our trucks and solutions may fluctuate due to factors beyond our control. We could experience fluctuations in our customer base as markets and strategies evolve. A disruption in our relationship with any of our key customers could adversely affect our business. In the future, these customers may decide to reduce purchases, or to alter their purchasing patterns in some other way, which could adversely affect our business, results of operations, financial performance and prospects.

We may be subject to product liability claims, warranty claims and other legal proceedings arising from accidents, failures or defects involving our vehicles.

We may be subject to product liability claims, warranty claims and other legal proceedings arising from accidents, failures or defects involving our vehicles. The heavy-duty trucking industry is characterized by significant product liability exposure, and we face an inherent risk of such claims if our vehicles, including our new energy intelligent heavy-duty trucks and vehicles incorporated with our RoboTruck solution, do not perform as expected or malfunction, resulting in property damage, personal injury or death. An adverse outcome in any product liability claim against us could require us to pay substantial damages. Moreover, a product liability claim could generate substantial negative publicity about our vehicles and business and inhibit commercialization of our future vehicles, which would adversely affect our brand, business, prospects, cash flows, and results of operations. In the future, we may have to assist our contract assembly partners to conduct vehicle recalls, or take other remedial actions, if our vehicles, including any systems or components supplied by third parties, are found to be defective or non-compliant with applicable laws and regulations, incurring substantial costs and adversely affecting our brand image, business and results of operations. As of the Latest Practicable Date, to the best of our knowledge, there were no material outstanding product liability claims or litigation against us, and we were not aware of any circumstances that may cause an imminent vehicle recall.

Unauthorized modifications, overloading, improper usage or failure to properly maintain our new energy intelligent heavy-duty trucks may create safety risks and adversely affect our brand and business.

Users may seek to modify our vehicles, including using third-party aftermarket vehicles, to alter their appearance or enhance their performance, which could jeopardize our vehicle safety systems. We do not test, nor do we endorse, such modifications or third-party vehicles. In addition, use of our new energy intelligent heavy-duty trucks in excess of their designed load capacity, operation by untrained personnel, improper driving practices, improper external cabling, use of unsafe or non-compliant charging facilities, or failure to conduct regular maintenance in accordance with our prescribed standards may also compromise vehicle safety and reliability. Such improper use may lead to safety incidents, breakdowns, accidents, property damage, personal injury or even death. Any accidents or safety incidents resulting from unauthorized modifications, overloading, improper usage or inadequate maintenance may generate substantial negative publicity, damage our brand reputation and image, and adversely affect our business, financial conditions, results of operations and prospects.

Our customers may delay, reduce or cancel their orders.

Customers may delay, reduce or cancel their orders for many reasons beyond our control, even after payment of deposits. Many factors may affect and ultimately change customers' decision to purchase our new energy intelligent heavy-duty trucks, many of which are beyond our control, including but not limited to the fluctuations of market prices, the availability of comparable solutions with equal or more competitive performance and changes in specific customers' needs. In addition, we may face a heightened risk of order delays, reductions or cancellations if we experience delays in the delivery of our vehicles and solution. As our business scale expands, longer production and delivery cycles, increasing order volumes, and more complex project coordination requirements may further increase the volatility of our orders. Any such order delays, reductions or cancellations could adversely affect our business, brand reputation, financial conditions, results of operations and future prospects.

Our insurance coverage may not be sufficient to cover all losses or potential claims.

Our business operations are subject to various risks and uncertainties. While we maintain insurance policies that we consider to be in line with industry standards, our current insurance coverage may not be sufficient to prevent us from incurring losses in the course of our business operations. There can be no assurance that we will be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial conditions and results of operations could be adversely affected.

If we are unable to attract, retain and motivate key personnel, including experienced management, engineers and technical staff, our business and results of operations could be adversely affected.

Our future development and competitiveness depend, to a large extent, on our ability to attract, retain and motivate highly qualified management, technical, research and development and other professional personnel. Competition for experienced management, sales and marketing personnel, technical and research and development personnel in the new energy commercial vehicle and intelligent driving industries is intense. If we fail to maintain our corporate culture, provide competitive remuneration packages or offer sufficient career development opportunities, we may not be able to attract or retain key personnel. Any loss of key personnel, or our inability to recruit or integrate qualified new personnel in a timely manner, may disrupt our business operations, impede our research and development, production, commercialization and market expansion plans, and adversely affect our business, financial conditions and results of operations.

We collect, process and store data relating to vehicles, drivers and fleet operations, and any failure to protect such data or comply with applicable data protection laws may materially and adversely affect our business, reputation and results of operations.

In recent years, privacy and data protection has become an increasing regulatory focus of government authorities across the world. The PRC government has enacted a series of laws, regulations and governmental policies for data protection in the past few years. For details, see "Regulatory Overview" in this document.

We mainly collect, process and store data in relation to our vehicles, vehicle drivers, customers and fleet operations, and other data gathered through our sales activities and service provisions. We have adopted strict information security policies with a variety of technologies to protect the data we manage. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material claims, investigations or legal proceedings settled, pending or threatened for any material non-compliance with or violations of applicable PRC laws and regulations with respect to data protection. However, the laws and regulations regarding data protection in China are generally complex and evolving, with uncertainties as to the interpretation and application thereof. We cannot assure you that our privacy and data protection measures are, and will be, always considered sufficient under applicable laws and regulations.

Any cyberattacks, unauthorized access to or control of our systems, vehicles or solutions, and failure of our information systems could adversely affect our business.

Our new energy intelligent heavy-duty truck solutions contain complex information technological systems to support smart technological functions and to accept and install periodic updates. We have designed, implemented and tested security measures intended to prevent unauthorized access to our information technology networks and our new energy intelligent heavy-duty truck solutions' technological systems. For details, see "Business — Data Privacy and Security." However, our systems are vulnerable to damage or interruption from, among others, fire, terrorist attacks, natural disasters, power loss, telecommunications failures, computer viruses or other attempts to harm our systems. Data centers we use are also subject to break-ins, sabotage, and intentional acts of vandalism, and to potential disruptions. Any cyberattacks, unauthorized access, disruption, damage, or control of our information technology networks or our new energy intelligent heavy-duty truck solutions' systems or any loss or leakage of data or information stored in our systems could result in legal claims or proceedings. In addition, regardless of their veracity, reports of cyberattacks to our information technology networks or our new energy intelligent heavy-duty truck solutions' systems or data, as well as other factors that may result in the perception that our information technology networks or our new energy intelligent heavy-duty truck solutions' systems or data are vulnerable to "hacking," could adversely affect our brand and harm our business, prospects, financial conditions, and results of operation.

Our intellectual property rights may not be adequately protected, and our patents and applications may not be granted, maintained or enforced, which could adversely affect our business.

As of the Latest Practicable Date, we had 84 registered patents and 231 pending patent applications in the PRC. As of the Latest Practicable Date, we had 14 trademarks, 43 copyrights and one domain name registered in the PRC. There can be no assurance that our applications for trademarks, patents or other intellectual property rights will be approved, or our intellectual property rights will not be challenged by third parties or found by the relevant governmental or judicial authority to be invalid or unenforceable.

Especially, the rights granted under granted patents may not provide us with meaningful protection or competitive advantages. The claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. In addition, as our patents may expire and may not be extended and our patent rights may be contested, circumvented, invalidated, or limited in scope, our patent rights may not protect us effectively. In particular, we may not be able to prevent others from developing or exploiting competing technologies, which could have an adverse effect on our business operations, financial conditions, and results of operations.

We may not be able to protect our proprietary technologies, know-how and trade secrets effectively, and unauthorized disclosure or misappropriation could harm our competitive position.

We rely on proprietary information, such as trade secrets, know-how and other confidential information, to protect intellectual property that may not be patentable, or that we believe is best protected by means that do not require public disclosure. We generally seek to protect this proprietary information by entering into confidentiality agreements, or consulting, services or employment agreements that contain non-disclosure and non-use provisions with our employees, consultants,

contractors and third parties. However, we have limited control over the protection of trade secrets used by our third-party partners and could lose future trade secret protection if any unauthorized disclosure of such information occurs. In addition, our proprietary information may otherwise become known or be independently developed by our competitors or other third parties. To the extent that our employees, consultants, contractors and other third parties use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain protection for our proprietary information could adversely affect our competitive business position. Furthermore, laws regarding trade secret rights in certain markets where we operate may afford little or no protection to our trade secrets.

We may receive claims of intellectual property infringement, which could be costly to defend and adversely affect our business and results of operations.

We may receive claims of intellectual property infringement, which could be costly and may divert the efforts and attention of our management and technical personnel regardless of their merit or resolution. We may not prevail in such proceedings given the complex technical issues and inherent uncertainties in intellectual property litigation. If such proceedings result in an adverse outcome, we could be required, among other things, to pay substantial damages, discontinue the use of the infringing technology, expend significant resources to develop non-infringing technology, license such technology from the third party claiming infringement (which license may not be available on commercially reasonable terms or at all) and/or cease the infringing processes or offerings, any of which could have an adverse effect on our business.

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

During the Track Record Period, certain customers settled payments with us through accounts that do not belong to the contractual parties under the corresponding sales and purchase agreements. For our enhanced internal control measures in relation to the third-party arrangements, see "Business — Customers — Third-Party Payment Arrangements." As of the Latest Practicable Date, we had ceased all the Third-Party Payment Arrangements, except for certain payment arrangements with financial leasing companies under the finance lease arrangements. Nevertheless, we are subject to various risks relating to third-party payments, including: (i) possible claims for return of funds from third-party payors who were not contractually indebted to us; (ii) potential risks arising from the fact that we have limited knowledge about the source and purpose of the funds utilized by the third-party payors; and (iii) possible claims from liquidators of third-party payors. In the event of any claims from third-party payors or their liquidators, or legal proceedings instituted or brought against us in respect of any third-party payments, we may have to expand financial and managerial resources to defend against such claims or legal proceedings, and our financial condition and results of operations may be adversely affected as a result. In addition, third-party payments may increase our exposure to regulatory, compliance and reputational risks, as the laws and regulations relating to anti-money laundering, taxation, accounting and financial supervision are subject to interpretation and enforcement by the relevant authorities and involve inherent uncertainties. We cannot assure you that such arrangements will not be subject to increased regulatory scrutiny, or that we will not be required to make additional disclosures, implement further remedial measures or incur further compliance costs in addition to our efforts to monitor and manage payments received under third-party payments in the future.

We have incurred net losses, net liabilities and negative operating cash flows during the Track Record Period, which may continue in the foreseeable future.

We incurred net losses of RMB114.3 million, RMB240.8 million and RMB280.7 million in 2023, 2024 and 2025, respectively. We expect to continue to incur net losses in the near future as we are still in the initial stage of commercialization with increased investments in R&D, sales and marketing, production capacity and other aspects in relation to our business operations. Our ability to achieve profitability depends on many factors, including the acceptance of our solutions and services, our ability to control costs, the pricing level of our solutions, and the successful execution of our business strategies. There can be no assurance that we will achieve or sustain profitability, and continued losses could adversely affect our business, results of operations, and financial conditions.

As of December 31, 2023 and 2024 and 2025, we recorded net liabilities of RMB123.1 million, RMB360.1 million and RMB628.9 million, respectively. In addition, we recorded net current liabilities of RMB149.5 million, RMB396.0 million and RMB690.2 million as of December 31, 2023 and 2024 and 2025, respectively. Having net current liabilities may limit our financial flexibility, constrain our ability to execute business plans, and expose us to liquidity risks. We cannot assure you that we will not record net current liabilities in the future. Our liquidity position will be influenced by a number of factors, including our future operating and financial performance, conditions in our industry, and the broader economic and capital market environment, many of which are outside of our control.

In addition, we had operating cash outflows of RMB84.2 million, RMB212.7 million and RMB232.6 million in 2023, 2024 and 2025, respectively. Our negative operating cash flows could adversely affect our operations by reducing the amount of cash available to meet the cash needs for operating our business and funding our investments in technological innovation and business expansion. If our future operating cash flows fail to improve to a level to sufficiently cover our overall cash needs, we may plan to seek equity or debt financing to fund our operations in the future. If we fail to obtain the required additional financing before we are able to reach levels of revenue to meet our financial needs, we will need to delay, scale back or deviate from our business plan and may be forced to curtail or discontinue our operations.

We may be subject to risks associated with international trade policies, geopolitics and trade protection measures, including imposition of trade restrictions and sanctions.

Our business and operations may be affected by trade and regulatory measures targeting China. Certain jurisdictions, including the United States and the European Union, have imposed tariffs, sanctions, and export control restrictions on specific sectors or entities in China, including technology and new energy vehicle industries. In the future, our operations may rely on cross-border supply chains and international technology collaboration, any expansion or tightening of such measures could affect our ability to source components, cooperate with international partners, or sell vehicles in certain markets, which may in turn adversely affect our business, financial conditions, and results of operations. More broadly, international sanctions and export control regimes are becoming increasingly complex and frequently updated across various jurisdictions. Similar or even more expansive restrictions may be introduced by different countries in the future. In addition, market entry standards and regulatory requirements may vary across different jurisdictions. We may face additional legal and compliance risks arising from country-specific regulations relating to autonomous driving road testing, data localization, and cross-border data transfers. Failure to timely comply with such local regulations

could restrict our market access or delay our business expansion. As we continue to expand globally, we may be subject to heightened compliance obligations and scrutiny. Any escalation in international trade restrictions could adversely affect our global operations and financial performance.

On October 28, 2024, the U.S. Department of the Treasury (the "**Treasury**") issued a final rule titled Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern (the "**Outbound Investment Rule**") to implement Presidential Executive Order 14105, issued on August 9, 2023. The Outbound Investment Rule took effect on January 2, 2025. It imposed certain investment prohibition and notification requirements, additional diligence responsibilities, and record-keeping requirements on U.S. persons and their controlled foreign entities involving new investments in entities associated with China (including Hong Kong and Macau) that are engaged in activities involving certain sectors ("**Covered Foreign Persons**"). U.S. persons subject to the Outbound Investment Rule are prohibited from making or are required to report certain investments in Covered Foreign Persons, which are defined as "covered transactions." Covered transactions, referred to as "notifiable transaction" in the Final Rule, may include, among other things, acquisitions of equity interests, certain debt financing transactions, the formation of certain joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund. The Treasury could conclude that (a) our autonomous driving system consists in an AI system that is intended to be used for the control of robotic systems or (b) the maximum aggregate compute power used to train our system exceeds 10^23 (but is less than 10^25) computational operations. This would mean that we may be deemed as a Covered Foreign Person and certain investment in us would be notifiable to the Treasury. However, specified investments in publicly traded securities may be excepted from the Rule's notifiable transaction requirements, as set forth in 31 C.F.R. § 850.501 and clarified in the Treasury's Outbound Investment Security Program, Frequently Asked Questions. Investors should seek their own legal advice concerning any potential obligations under the Rule In addition, we cannot predict how the Outbound Investment Rule will be enforced, and neither can we guarantee that there will not be an expansion to the scope of the Outbound Investment Rule, a change in interpretation to broaden its application, or an enactment of similar laws or regulations that impinge upon our business activities in the future.

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

Our future capital requirements may deviate from our current plan, and we may need additional capital sooner than anticipated. If additional funds are raised through the issuance of equity or convertible debt securities, our stockholders may be diluted. Additional financing may not be available on favorable terms, on a timely basis, or at all. If adequate funds are not available or are not available on acceptable terms, we may be unable to continue our operations as planned, develop, or enhance our solutions, expand our sales and marketing programs, take advantage of future opportunities, or respond to competitive pressures.

We may be subject to inventory obsolescence risk.

Our inventories primarily include raw materials and finished goods. As of December 31, 2023, 2024 and 2025, we had inventories of RMB6.0 million, RMB33.6 million and RMB142.5 million, respectively. We have implemented policy, under which we generally arrange production according to existing orders in order to maintain a relatively low level of inventory. However, we may be subject to inventory obsolescence risk due to various factors beyond our control, including but not limited to changes in customer needs, technological advancements, market competition, and the inherent uncertainty regarding the success of new vehicle and solution launches. If our inventory levels exceed market demand, we may be required to recognize inventory write-downs or write-offs, or sell excess inventory at discounted prices, which would directly adversely affect our profitability. We recognized write-down of inventories of nil and RMB2.7 million in 2023 and 2024 and RMB14.5 million in 2025,

respectively. In addition, if we underestimate the demand for our vehicles and solution, we may not be able to produce a sufficient number of vehicles or solution to meet such unanticipated demand, which could result in delays in the delivery of our vehicles and solution and harm our reputation.

Changes in government incentives, subsidies, tax benefits and other preferential policies may adversely affect our business.

During the Track Record Period, we benefited from government grants, many which are non-recurring in nature or are subject to periodic review. As of December 31, 2023, 2024 and 2025, the government grants we recognized in other net gain amounted to RMB11 thousands, RMB7.4 million and RMB6.3 million, respectively. In addition, certain subsidiary was subject to income tax at a preferential tax rate of 15%. For details of the preferential tax treatments, see Note 7 to the Accountants' Report set out in Appendix I to this document.

There is no assurance that the PRC governmental authorities will maintain such preferential policies, or, in extreme cases such as fundamental changes in government policies or retrospective amendments to grant program terms and conditions, or the retroactive rescission or termination of certain government funding programs, require us to repay part or all of the government grants we previously received at any time, which could adversely affect our business, financial conditions, results of operations and prospects. As these government grants are provided typically on a one-off basis, there is no guarantee that we will continue receiving or benefiting from them in the future. In addition, we may not be able to successfully or timely obtain the government grants or preferential tax treatment that may become available to us in the future, and such failure could adversely affect our business, financial conditions, results of operations and prospects.

We are subject to credit risks associated with accounts receivable and may experience delays or defaults in collecting payments from customers.

Our trade and other receivables increased from RMB10.6 million as of December 31, 2023 to RMB72.4 million as of December 31, 2024, further to RMB148.3 million as of December 31, 2025, primarily due to the rapid growth in sales of our new energy intelligent heavy-duty trucks. As our customer base expands, we may be exposed to heightened credit risks and risks on customer management. Any failure to collect outstanding receivables on a timely basis could adversely affect our cash flow, working capital, and results of operations.

RISKS RELATED TO OUR OPERATIONS

Failure to obtain, maintain or renew requisite licenses, permits or approvals may adversely affect our business and results of operations.

According to the Administrative Measures for the Access of Road Motor Vehicle Manufacturers and Products (the "**Measures**"), manufacturers of road motor vehicles must obtain the relevant manufacturing qualifications before conducting production or sales. Since our new energy intelligent heavy-duty trucks are customized at the factories of our vehicle customization partners, they are responsible for obtaining and maintaining the requisite vehicle manufacturing qualifications and certifications. However, if any of our vehicle customization partners fail to obtain, maintain or renew the requisite manufacturing qualifications, or if there are any adverse changes in the applicable regulations governing the access of road motor vehicle manufacturers and products, our production and sales could be disrupted. In such circumstances, we may be required to suspend deliveries, identify alternative qualified partners, or apply for the relevant qualifications ourselves, any of which could involve significant time, costs, and regulatory uncertainties.

In accordance with applicable PRC laws and regulations, automobile dealers are required to register with the National Automobile Circulation Information Management System. In practice, the completion of such registration is subject to, among other factors, the acceptance of the registration by the local branch of the Ministry of Commerce and compliance with relevant rules governing motor vehicle sales. From time to time, we may be required to take additional steps to complete or renew such registration. If we fail to complete the registration within the prescribed timeframe, the relevant authorities may impose penalties ranging from a warning to a fine of up to RMB10,000. As of the Latest Practicable Date, we had not been subject to any penalties related to non-registration. However, we cannot assure you that we will not be subject to fines or rectification requirements in the future, which may increase our administrative burden and compliance costs.

Furthermore, the regulatory framework governing new energy intelligent heavy-duty trucks and intelligent road freight solutions in China is evolving rapidly. Future changes in applicable laws, regulations, or policies may introduce new qualification, licensing, or certification requirements for vehicle manufacturing, distribution, or intelligent operation services. If additional licenses or permits are required for our business or if renewal conditions become more stringent, we may incur additional compliance costs or experience delays in obtaining the necessary approvals. Any failure to obtain, maintain, or renew such licenses or permits could adversely affect our ability to carry out our business and, consequently, our operating results.

We are subject to evolving laws and regulations relating to new energy vehicles, commercial vehicles, autonomous driving and intelligent connected vehicles, and any changes or heightened regulatory scrutiny may adversely affect our business.

We must comply with all applicable laws and regulations relating to new energy vehicles, commercial vehicles, autonomous driving and intelligent connected vehicles, subject to any changes or heightened regulatory scrutiny. Our operations are regulated by a comprehensive set of laws, regulations, industry standards and regulatory policies in China. For details, see "Regulatory Overview". These laws, regulations and standards are frequently updated and may become more stringent in the future. We may be required to incur substantial additional costs to adjust our R&D directions, vehicle designs, data management systems and operational procedures to comply with new or revised regulatory requirements. Any failure to comply with such regulatory requirements may result in suspension of production and sales, fines, orders for rectification, vehicle recalls or revocation of qualifications. In addition, intensified regulatory scrutiny and changes in industry policies may restrict our business development, market expansion and vehicle launches, which could adversely affect our business, prospects, financial conditions and results of operations.

New energy intelligent heavy-duty trucks are subject to extensive motor vehicle standards and regulatory requirements, and failure to satisfy such mandated standards could adversely affect our business.

In China, vehicles must meet or exceed all mandated safety standards. Rigorous testing and the use of approved materials and equipment are among the requirements for achieving such standards. Vehicles must pass various tests and undergo a certification process and be affixed with China Compulsory Certification ("**CCC**") before receiving delivery from the factory, being sold, or being used in any commercial activity, and such certification is also subject to periodic renewal. Although vehicles we currently sell have received CCC certifications, we cannot assure you that each of vehicle models we sell in the future will be able to receive such certifications. Furthermore, the government carries out the supervision and scheduled and unscheduled inspection of certified vehicles on a regular basis. In the

event that our certification fails to be renewed upon expiry, a certified vehicle has a defect resulting in quality or safety accidents, or consistent failure of certified vehicles to comply with certification requirements is discovered during follow-up inspections, the CCC may be suspended or even revoked. With effect from the date of revocation or during suspension of the CCC, any vehicle that fails to satisfy the requirements for certification may not continue to be delivered, sold, or used in any commercial activity. Failure of any of vehicles we sell to satisfy motor vehicle standards would have an adverse effect on our business, prospects, financial conditions, and results of operations.

There may be uncertainties in effecting service of legal process, enforcing foreign judgments against us or our directors and senior management personnel in the PRC.

We are a company incorporated under the laws of the PRC and a substantial majority of our assets and subsidiaries are located in mainland China. The majority of our Directors and senior management reside within mainland China. The assets of these Directors and senior management also may be located within mainland China. As a result, it may be difficult or impossible to effect service of process within jurisdictions outside China upon us, our directors and executive officers. Even if you obtain a judgment against us, our directors, executive officers or the expert named in this document in courts outside China, you may not be able to enforce such judgment against us or them in China unless there are treaties providing for the reciprocal recognition and enforcement of judgments of courts between the two countries. In addition, you may not be able to bring original actions in China based on foreign laws against us, our directors, executive officers or the expert named in this document.

According to Article 177 of the PRC Securities Law which became effective in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the territory of the PRC. Accordingly, without the consent of the competent PRC securities regulators and relevant authorities, no organization or individual may provide the documents and materials relating to securities business activities to overseas parties. While detailed interpretation of or implementation rules under Article 177 of the PRC Securities Law is not yet available, the inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within China may further increase difficulties faced by investors in protecting your interests.

We may be subject to the approval, filing or other requirements of the CSRC or other PRC governmental authorities in connection with future offshore offering or capital raising activities, and we cannot predict whether we will be able to obtain such approval or complete such filing.

On July 6, 2021, the General Office of the State Council, together with another regulatory authority, jointly promulgated the Opinions on Strictly Combating Illegal Securities Activities in Accordance with the Law (《關於依法從嚴打擊證券違法活動的意見》), which calls for, among others, enhanced administration and supervision of overseas-listed China-based companies, proposes to revise the relevant regulation governing the overseas issuance and listing of shares by such companies, and clarifies the responsibilities of competent domestic industry regulators and government authorities. On February 17, 2023, the CSRC released 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》) and five supporting guidelines (together, the "**Trial Measures**"), which came into effect on March 31, 2023. Pursuant to the Trial Measures, domestic companies that seek to list overseas, both directly and indirectly, should fulfill the filing procedure and report relevant information to the CSRC. For details, see "Regulatory Overview — Regulations on Overseas Listing."

There is uncertainty as to whether we will be able to complete the filing procedures or obtain approval for this **[REDACTED]** in a timely manner or at all. If a domestic company fails to complete the filing procedure or conceals any material fact or falsifies any major content in its filing documents, such domestic company may be subject to administrative penalties, such as orders to rectify, warnings, fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines.

Holders of H Shares may be subject to PRC income taxes.

Holders of H Shares that are non-PRC resident individuals or non-PRC resident enterprises, whose names appear on the register of members of H Shares of our Company, are subject to PRC income tax in accordance with the applicable tax laws and regulations, on dividends received from us and gains realized through the sale or transfer by other means of H shares by such shareholders. According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) and the Implementation Regulations for the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》), which both came into effect on January 1, 2019, the tax applicable to non-PRC resident individuals is imposed at a rate of 20% for any dividends obtained from within China or gains on the transfer of shares and shall be withheld and paid by the withholding agent. For non-PRC resident enterprises that do not have establishments or premises in China, and for those that have establishments or premises in China but whose income is not related to such establishments or premises, under the EIT Law and its implementation regulations, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of H Shares are subject to PRC income tax at a 10% rate. Therefore, non-PRC resident holders of our H Shares should be aware that they may be obligated to pay PRC income tax on the dividends and gains realized through sales or transfers by other means of the H Shares.

Any failure to comply with relevant laws, regulations and industry standards or any adverse actions by the regulatory authorities against us could negatively impact our reputation and our business, financial conditions and results of operations.

Any failure to comply with relevant laws, regulations and industry standards or any adverse actions by the regulatory authorities against us could negatively impact our reputation and our business, financial conditions and results of operations. Our business is subject to complex and evolving laws, regulations and industry standards in China, including those relating to the production, sale and certification of new energy intelligent heavy-duty trucks, intelligent driving functions, vehicle quality, road transportation safety, environmental protection, energy consumption, data security, personal information protection, labor and employment, social insurance, housing fund and safety production.

We may be unable to timely comply with newly issued or revised laws, regulations, industry standards or mandatory certification requirements. For instance, our new energy intelligent heavy-duty trucks must meet mandatory national standards for vehicle safety, performance, energy consumption and intelligent driving functions. Any failure to obtain or maintain required qualifications, permits, certifications or announcements in a timely manner may result in suspension of production or sales, fines, rectification orders or other penalties.

In addition, we are subject to supervision and inspection by regulatory authorities such as the Ministry of Industry and Information Technology, Ministry of Transport, Ministry of Ecology and Environment, Ministry of Public Security, State Administration for Market Regulation and local counterparts. Any violation findings, penalties, public reprimands or mandatory rectification

requirements imposed by such authorities may disrupt our production and operation, damage our brand image and customer confidence, and adversely affect our business, financial conditions and results of operations.

We may be exposed to environmental liabilities or compliance costs that could adversely affect our business and results of operations.

To identify, manage, and mitigate environmental, social and governance ("**ESG**") risks, we may incur additional costs and expenses which could impact our financial performance. We monitor environmental risks that may impact on our business, strategy and financial performance and evaluate the magnitude of the resulting impact over the short-, medium- and long-term horizons. We monitor several indicators and are committed to providing adequate support to our employees to nurture a safe, comfortable and inclusive workplace environment. This commitment may entail incurring substantial additional costs and would potentially impact our profitability. For details, see "Business — Environmental, Social and Governance." In addition, the increasing ESG-related regulatory requirements, including various ESG disclosure mandates in the jurisdictions where we operate, may lead to rising compliance costs and cost of sales may rise. Failure to adapt to new regulations or meet evolving industry expectations and standards could result in customers choosing vehicles and solution from other companies, which may adversely affect our results of operations and financial conditions.

Our business growth and results of operations may be affected by changes in global and regional macroeconomic conditions, natural disasters, health epidemics and pandemics, and social disruption and other outbreaks.

Uncertainties about global economic conditions, regulatory changes, geographic tensions 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 adversely affect demand for our vehicles and solution. Escalation of geopolitical conflicts may lead to disruptions in global energy prices and increased volatility in global markets. The relationship between China and other countries with respect to trade policies, treaties, government regulations and tariffs, among other matters, may also affect the macroeconomic environment and potentially leave an impact on the market we operate in. In addition, 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 research and development and commercialization activities and business operations, all of which could adversely affect our business, results of operations, financial conditions and prospects.

We may from time to time be subject to claims, disputes, lawsuits, investigations and other legal or administrative proceedings.

We and certain of our directors and management may from time to time in the future be, subject to or involved in various claims, disputes, lawsuits, and other legal and administrative proceedings. Lawsuits and litigations may cause us to incur defense costs, utilize a significant portion of our resources and divert management's attention from our day-to-day operations, any of which could harm our business. Claims arising out of actual or alleged violations of law, breach of contract or torts could be asserted against us by customers, business partners, suppliers, competitors, employees or governmental entities in investigations and legal proceedings.

We may face risks relating to labor relations, labor disputes, labor shortages and increases in labor costs.

Our business relies on skilled employees, technicians, sales and management personnel. We are subject to various PRC labor laws and regulations, including those relating to labor contracts, social insurance, housing fund, working hours, overtime compensation and employee welfare. Despite the measures we have adopted to maintain harmonious labor relations, we may face labor disputes, claims, arbitration or litigation from current or former employees in the ordinary course of business. Any labor disputes may divert the attention of our management, result in additional legal and settlement costs, disrupt our operations and adversely affect our reputation. In addition, competition for skilled and experienced personnel in the new energy vehicle and intelligent driving industries is intense. We may face labor shortages or difficulties in recruiting and retaining qualified employees, which may impede our production, R&D and business expansion. Furthermore, increases in social security contribution rates, minimum wage standards and overall labor costs in China may increase our operating expenses and reduce our profit margins. If we fail to comply with applicable labor laws and regulations or effectively manage labor-related risks, it may adversely affect our business, financial conditions and results of operations.

We are subject to certain risks relating to our leased properties, and any failure to renew or maintain such leases may adversely affect our operations.

As of the Latest Practicable Date, two of our leased properties were not registered with the appropriate government authorities in the Chinese Mainland. As advised by our PRC Legal Advisor, failure to complete the registration of lease agreements may lead to a fine ranging from RMB1,000 to RMB10,000 imposed by the relevant authorities in the Chinese Mainland for such lease agreements if we fail to complete the registration of lease agreements within the stipulated period. We are of the view that, as advised by our PRC Legal Advisor, such administrative penalties are unlikely to have a material adverse impact on our business, financial condition or results of operations. For details, see "Business — Properties." In addition, as our leases expire, we may face difficulties renewing them, either on commercially acceptable terms or at all. Our inability to enter into new leases or renew existing leases on terms acceptable to us could adversely affect our business, results of operations or financial conditions.

RISKS RELATED TO THE [REDACTED]

There has been no prior [REDACTED] for our H Shares and their liquidity and [REDACTED] following the [REDACTED] may be volatile.

Prior to the completion of the **[REDACTED]**, there has been no **[REDACTED]** for our H shares. We cannot assure you that an active **[REDACTED]** for our H Shares on the Stock Exchange will develop or be sustained. Factors such as fluctuations in our revenue, earnings, cash flows, new investments, regulatory development, additions or departures of key personnel, or actions taken by competitors could adversely affect the **[REDACTED]** or **[REDACTED]** of our H Shares, and as a result our **[REDACTED]** may experience substantial losses.

Future sales or perceived sales of our H Shares in the [REDACTED] could adversely affect the [REDACTED] of our H Shares and our ability to raise additional capital in the future.

Future sales of a substantial number of our H Shares, especially by our directors, executive officers and existing Shareholders, or the perception or anticipation of such sales, could negatively impact the **[REDACTED]** of our H Shares in Hong Kong and our ability to raise equity capital in the future at a time and **[REDACTED]** that we deem appropriate. The Shares held by our existing Shareholders are subject to certain lock-up periods. See "History, Development and Corporate Structure — Free Float" and "**[REDACTED]**." After the restrictions lapse, we cannot assure you that they will not dispose of any Shares they may own now or in the future. The effect of such disposal, if any, on the **[REDACTED]** of the H Shares cannot be predicted.

You will incur immediate and substantial dilution and may experience further dilution if we issue additional Shares in the future.

The **[REDACTED]** of the H Shares is higher than the net tangible asset value per H Share immediately prior to the **[REDACTED]**. Therefore, purchasers of the H Shares in the **[REDACTED]** will experience an immediate dilution. To expand our business, we may consider **[REDACTED]** and issuing additional Shares in the future. If we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time or issue Shares through the employee incentive platforms, Shareholders' interests in our Company may be diluted.

There can be no assurance that we will declare and distribute any amount of dividends in the future.

We cannot guarantee when and in what form dividends will be paid on our **[REDACTED]** following the **[REDACTED]**. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, such as our business and financial performance, capital and regulatory requirements and general business and operation conditions. For details of our dividend policy, see "Financial Information — Dividends". We may not have sufficient or any profits to enable us to make dividend distributions to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable.

Our Single Largest Group of Shareholders have significant influence over our Company and their interests may not be aligned with the interests of our other shareholders.

Immediately upon the completion of the **[REDACTED]**, without taking into account any Shares which may be issued pursuant to the exercise of the **[REDACTED]**, our Single Largest Group of Shareholders will collectively be entitled to exercise approximately **[REDACTED]**% voting power at general meetings of our Company. Our Single Largest Group of Shareholders have significant influence over our business and affairs, while they may not act in the best interests of our minority Shareholders. Concentration of ownership may also discourage, delay, or prevent a change in control of our Company, which could deprive our Shareholders of an opportunity to receive a premium for the Shares as part of a sale of our Company and may significantly reduce the **[REDACTED]** of our Shares.

Certain facts, forecasts and statistics contained in the document are derived from publicly available official sources and may not be accurate, reliable, complete or up to date.

Certain facts, forecasts, estimates and other statistics in this document, particularly in the "Industry Overview" section, have been collected from various official government sources. While we have exercised reasonable care in compiling and reproducing such information and statistics derived from government publications, we cannot assure you nor make any representation as to the accuracy or completeness of such information. The information and statistics from official government sources have not been independently verified by us or any other parties involved in the **[REDACTED]**, and no representation is given as to its accuracy. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, such information and statistics may not be comparable to those produced with respect to other countries or those available from other sources. In all cases, you should carefully consider how much weight or importance you should attach to or place on such information or statistics.

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

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as "anticipate," "believe," "could," "going forward," "intend," "plan," "project," "seek," "expect," "may," "ought to," "should," "would" or "will" and similar expressions. These forward-looking statements, including, among others, those relating to our future business prospects, capital reflecting the best judgment of our directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. All forward-looking statements in this document are qualified by reference to this cautionary statement. 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.

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

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the **[REDACTED]**. Prior to the publication of this document, there has been press and media coverage regarding us. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and you should not rely on such information.

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:

Rules	Subject matter
Rules 3.28 and 8.17 of the Listing Rules	Appointment of joint company secretaries
Rules 8.12 and 19A.15 of the Listing Rules	Management presence in Hong Kong
Rule 8.05 of the Listing Rules	Shorter trading record period

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rule 8.17 of the Listing Rules, we must appoint a company secretary who satisfies the requirements under Rule 3.28 of the Listing Rules. According to Rule 3.28 of the Listing Rules, we must appoint as our company secretary an individual, who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, 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); or

(c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

In addition, pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing "relevant experience", the Stock Exchange will consider the individual's:

(a) length of employment with the issuer and other issuers and the roles he or she played;

(b) familiarity with the Listing Rules and other relevant law and regulations including the SFO, 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.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

Pursuant to Chapter 3.10 of the Guide for New Listing Applicants, the waiver under Rule 3.28 of the Listing Rules will be granted for a fixed period of time but in any event not exceeding three years from the date of **[REDACTED]** and on the following conditions:

(a) the relevant company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as joint company secretary throughout the waiver period; and

(b) the waiver can be revoked in the event of a material breach of the Listing Rules by our Company.

We have appointed Mr. He Xiongsong ("**Mr. He**") as our joint company secretary with effect from the **[REDACTED]**. Our Group's key operations and principal business activities are conducted outside of Hong Kong. We believe that it would be in the best interests of our Company and our corporate governance to have as its joint company secretary a person such as Mr. He, who is an employee of our Company and who has day-to-day knowledge of our Company's affairs. As our executive Director, Mr. He is deeply familiar with our operations and is able to cultivate strong relationships with both the Board and the management. Our Directors believe that Mr. He's intimate knowledge of our Company and operations is essential for the performance of company secretary duties in the most effective and efficient manner. For his biographical details, see "Directors and Senior Management" in this document.

Since Mr. He does not possess the qualifications stipulated in Rule 3.28 of the Listing Rules, he is not able to fulfill the requirements to act as a company secretary of a listed issuer stipulated under the Listing Rules. To support Mr. He in performing the duties of company secretary, we have appointed Ms. Liu Shengyun ("**Ms. Liu**"), who is an associate of each of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom and meets the requirements under Rule 3.28 of the Listing Rules, as a joint company secretary to provide assistance for a three-year period from the **[REDACTED]** so as to enable Mr. He to acquire the relevant experience as required under Note 2 to Rule 3.28 of the Listing Rules to duly discharge his duties.

Accordingly, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Mr. He as our joint company secretary for a period of three years from the **[REDACTED]**. Such waiver has been granted on the conditions that:

(i) Mr. He is assisted by Ms. Liu, who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as our joint company secretary throughout the three-year waiver period, to discharge his function as a company secretary and gain the relevant experience under Rule 3.28 of the Listing Rules; and

(ii) this waiver will be revoked in the event of any material breaches of the Listing Rules by our Company.

In addition, Mr. He will comply with the annual professional training requirements under Rule 3.29 of the Listing Rules and enhance his understanding of the Listing Rules during the three-year period from the **[REDACTED]**. We will further ensure that Mr. He has access to the relevant training and support to familiarize himself with the Listing Rules and the duties of a company secretary of an issuer **[REDACTED]** on the Stock Exchange. Prior to the expiration of the three-year period, we will further evaluate the qualifications and experience of Mr. He to determine whether he has satisfied the

requirements as stipulated under the Listing Rules and whether he needs further assistance. We will liaise with and seek the Stock Exchange's confirmation on whether Mr. He, having benefited from the assistance of Ms. Liu for three years, has acquired the skills necessary to carry out the duties of a company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules and is capable of discharging the functions of company secretary alone so that a further waiver will not be necessary.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

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

We currently do not have two executive Directors who are ordinarily resident in Hong Kong for the purposes of Rule 8.12 of the Listing Rules. Since our headquarters and most of our business operations are managed and conducted in the PRC, it is in our best interest for them to be based in the places where our Group has significant operations. We consider it practically difficult and commercially unreasonable and undesirable for our Company to arrange for two executive Directors to be ordinarily resident in Hong Kong, either by means of relocation of existing executive Directors or appointment of additional executive Directors. Therefore, we do not, and do not contemplate in the foreseeable future that we will, have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules.

Accordingly, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules, on the basis that we implement the following arrangements to ensure there is an effective channel of communication between our Company and the Stock Exchange:

(a) **Authorized representatives**: both of our Company's authorized representatives, Mr. He, our executive Director and joint company secretary, and Ms. Liu, our joint company secretary, will act as our principal channels of communication with the Stock Exchange. Accordingly, our authorized representatives will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone, facsimile and/or email to promptly deal with enquiries from the Stock Exchange;

(b) **Directors:** each of our authorized representatives has means to contact all members of our Board (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the members of our Board for any matters. In the event that any Director expects to travel or otherwise be out of office, he/she will provide a contactable phone number of him/her to the authorized representatives. Pursuant to Rule 3.20 of the Listing Rules, each of our Directors shall provide their telephone number, mobile phone number, facsimile number (if available), email address (if available), residential address and correspondence address to the Stock Exchange. To the best of our knowledge and information, each Director who does not ordinarily reside in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange;

(c) **Compliance advisor**: we have appointed Rainbow Capital (HK) Limited as our Compliance Advisor upon **[REDACTED]** pursuant to Rule 3A.19 of the Listing Rules, who will, in addition to the authorized representatives and our Directors, act as an additional channel of communication with the Stock Exchange for a period commencing on the **[REDACTED]** and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the **[REDACTED]**. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will have access at all times to our authorized representatives, the Directors and other senior management. We shall also ensure that our authorized representatives, Directors and senior management will promptly provide such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, authorized representatives, Directors, senior management and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between the Stock Exchange and us. Any meeting between the Stock Exchange and our Directors will be arranged through the authorized representatives or the Compliance Advisor or directly with our Directors within a reasonable time frame. We will also inform the Stock Exchange promptly in respect of any change in the Compliance Advisor; and

(d) **Hong Kong legal advisor**: we will retain a Hong Kong legal advisor to advise us on the on-going compliance requirements, any amendment or supplement to and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong after the **[REDACTED]**.

WAIVER IN RESPECT OF SHORTER TRADING RECORD PERIOD

Pursuant to Rule 8.05 of the Listing Rules, a new applicant must satisfy either the profit test in Rule 8.05(1) or the market capitalization/revenue/cash flow test in Rule 8.05(2) or the market capitalization/revenue test in Rule 8.05(3). Each test requires (i) a trading record of not less than three financial years (e.g., Rule 8.05(3)(a)), and (ii) management continuity for at least the three preceding financial years (e.g., Rule 8.05(3)(b)).

Pursuant to Rule 8.05A of the Listing Rules, in the case of the market capitalization/revenue test under Rule 8.05(3), the Stock Exchange will accept a shorter trading record period under substantially the same management as required under Rules 8.05(3)(a) and 8.05(3)(b) if the new applicant is able to demonstrate to the Stock Exchange the satisfaction of the following:

(a) the directors and management of the new applicant have sufficient and satisfactory experience of at least three years in the line of business and industry of the new applicant. Details of such experience must be disclosed in the listing document of the new listing applicant; and

(b) management continuity for the most recent audited financial year.

Our Company was incorporated in June 2022 and began delivering our new energy intelligent heavy-duty trucks in 2023. While the Company recorded a revenue from the sales of new energy intelligent heavy-duty trucks of RMB1.2 million for the financial year ended December 31, 2023, the Company only first recorded meaningful revenue since December 2023 when the first contract was

signed and the delivery of our first vehicle began. Therefore, the first eleven months of 2023 cannot be counted towards the satisfaction of the requirement of a trading record under Rule 8.05(3) of the Listing Rules.

The members of the core management team of our Company, comprising Mr. Huang, Mr. Zhang, Mr. Zhang Wei, Mr. He Xiongsong, Ms. Yang Dan and Mr. Li Kanghua, all have sufficient and satisfactory experience of at least three years in the new energy vehicle/automobile industry. For their detailed biographies, please see the section headed "Directors and Senior Management" in this document.

During the year ended December 31, 2025 ("**FY2025**"), being the most recent audited financial year of our Group, and up to the Latest Practicable Date, our Group had been controlled and managed by the Company and Mr. Huang, Mr. Zhang, Mr. Zhang Wei, Mr. He Xiongsong, Ms. Yang Dan and Mr. Li Kanghua were primarily responsible for the results of the Group in FY2025.

Accordingly, pursuant to Rule 8.05A of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rule 8.05(3) of the Listing Rules on the following basis that:

(a) the executive Directors and senior management of the Company have sufficient and satisfactory experience of at least three years in the line of business and industry of the Company;

(b) the Company has satisfied management continuity for the most recent audited financial year; and

(c) the Company has satisfied the other requirements set out in Rule 8.05(3) of the Listing Rules, namely ownership continuity and control requirement, market capitalization requirement and revenue requirement.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Huang Zehua (黃澤鏵)	No. 101, Building G Xinsha Mingyuan, Zhilan Subdistrict Wuling District, Changde City Hunan Province PRC	Chinese
Mr. Zhang Hongsong (張紅松)	No. 201, Unit 1, Building 4 Yulang Xiyuan Xicheng District Beijing PRC	Chinese
Mr. Zhang Wei (張偉)	Room 302, Gate 2, Building 61 No. 2 Courtyard, Xierqi West Road Haidian District Beijing PRC	Chinese
Mr. He Xiongsong (賀雄松)	No. 135, Group 6 Daping Village, Hutian Town Xiangxiang City Hunan Province PRC	Chinese
Non-executive Directors		
Dr. Xia Yan (夏炎)	Room 201, Gate 5, Building 17 West Area 1, Dongwangzhuang Residential Community Haidian District Beijing PRC	Chinese
Mr. Li Xiao (李瀟)	Room 10B, Building 9 Yujing Dongfang Garden, No. 168 Baishi Road Nanshan District, Shenzhen Guangdong Province PRC	Chinese

Independent Non-executive Directors

Dr. Hou Anping (侯安平)	Room 601, Building 8 Taiyueyuan Residential Community Haidian District Beijing PRC	Chinese
Mr. Lyu Xiaofan (吕曉帆)	Room 2, 7/F, Unit 1, Building 14 Vanke Nanhu Feicui Yuntai, No. 6 Qianshuiwan Road, Hongshan District, Wuhan Hubei Province PRC	Chinese
Ms. Ng Weng Sin (吳永蒨)	5/F, 267 Castle Peak Road Cheung Sha Wan, Kowloon Hong Kong	Chinese

For detailed information of our Directors, see "Directors and Senior Management".

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors

Goldman Sachs (Asia) L.L.C.
68/F, Cheung Kong Center
2 Queen's Road Central
Hong Kong

Haitong International Capital Limited
Suites 3001–3006 and 3015–3016
One International Finance Centre
No. 1 Harbour View Street
Central
Hong Kong

[REDACTED]

[REDACTED]

Legal Advisors to our Company	*As to Hong Kong and U.S. laws:* **Kirkland & Ellis** 26/F, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong *As to PRC law:* **Commerce & Finance Law Offices** 12–15/F, China World Office 2 1 Jianguomenwai Avenue Beijing PRC
Legal Advisors to the Joint Sponsors and [REDACTED]	*As to Hong Kong and U.S. laws:* **Slaughter and May** 47/F, Jardine House One Connaught Place Central Hong Kong *As to PRC law:* **Jingtian & Gongcheng** 34/F, Tower 3, China Central Place 77 Jianguo Road Beijing PRC
Auditors and Reporting Accountants	**KPMG** *Certified Public Accountants* *Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance* 8th Floor, Prince's Building 10 Chater Road, Central Hong Kong
Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square 1717 West Nanjing Road Jing'an District Shanghai PRC

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Compliance Advisor	**Rainbow Capital (HK) Limited** Office No. 710, 7/F Wing On House 71 Des Voeux Road Central Central Hong Kong
	[REDACTED]

CORPORATE INFORMATION

Headquarters and Registered Office in the PRC	Building 17 No. 525 Lingang South Road, Yuewang Taicang District Jiangsu PRC
Principal Place of Business in Hong Kong	46/F Hopewell Centre 183 Queen's Road East, Wan Chai Hong Kong
Company's Website	**https://www.zerontruck.com/** *(Information contained on this website does not form part of this document)*
Joint Company Secretaries	**Mr. He Xiongsong (賀雄松)** No. 135, Group 6 Daping Village, Hutian Town Xiangxiang City Hunan Province PRC **Ms. Liu Shengyun (柳聖云)** *(Associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* 46/F Hopewell Centre 183 Queen's Road East, Wan Chai Hong Kong
Authorized Representatives	**Mr. He Xiongsong (賀雄松)** No. 135, Group 6 Daping Village, Hutian Town Xiangxiang City Hunan Province PRC **Ms. Liu Shengyun (柳聖云)** *(Associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* 46/F Hopewell Centre 183 Queen's Road East, Wan Chai Hong Kong

CORPORATE INFORMATION

Audit Committee	Mr. Lyu Xiaofan (吕曉帆) *(Chairperson)* Dr. Hou Anping (侯安平) Ms. Ng Weng Sin (吳永蒨)
Nomination Committee	Mr. Huang Zehua (黃澤鏵) *(Chairperson)* Dr. Hou Anping (侯安平) Ms. Ng Weng Sin (吳永蒨)
Remuneration Committee	Dr. Hou Anping (侯安平) *(Chairperson)* Mr. Huang Zehua (黃澤鏵) Ms. Ng Weng Sin (吳永蒨)

[REDACTED]

Principal Bank	**Bank of Communications Co., Ltd., Taicang Branch** No. 8 Shanghai East Road Chengxiang Subdistrict, Taichung City Jiangsu Province PRC

The information and statistics set out in this section and other sections of this document were extracted from the Frost & Sullivan Report prepared by Frost & Sullivan, which was commissioned by us, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the* [REDACTED]*. The information from official government sources has not been independently verified by us, the Joint Sponsors,* [REDACTED]*, any of their respective directors and advisers or any other persons or parties involved in the* [REDACTED]*, and no representation is given as to its accuracy.

STATUS AND EVOLUTION OF THE HEAVY-DUTY TRUCKING MARKET

Heavy-duty trucking is a critical component of global trade and industrial supply chains. According to Frost & Sullivan, the gross transaction value ("**GTV**") of the global heavy-duty trucking industry exceeded RMB18 trillion in 2025, with more than 20 million heavy-duty trucks in operation worldwide. Due to their high payload capacity, long-haul capabilities and adaptability across multiple operating scenarios, heavy-duty trucks have long served as the backbone of the road freight industry and are widely used in industrial production, commercial circulation and resource transportation.

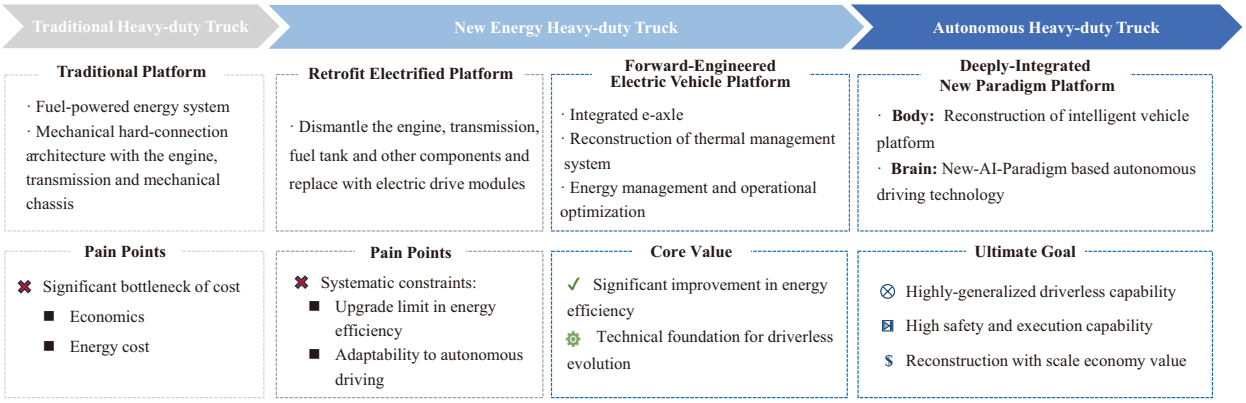
The road freight industry remains highly fragmented, with freight rates fluctuate with supply and demand. According to the World Bank and Frost & Sullivan, global logistics costs were approximately 15% of global GDP in 2025 and are largely passed through to commodity prices. Improving logistics efficiency therefore supports goods circulation and broader economic activity.

Pain Points of the Heavy-Duty Trucking Industry

Transportation operators rely on continuous improvements in two core areas, namely, energy efficiency and operational efficiency. Improvements in efficiencies are ultimately translated into measurable total cost of ownership ("**TCO**") advantages over the vehicle lifecycle. For conventional fuel-powered heavy-duty trucks, energy consumption and labor costs are typically the two largest components of TCO, generally accounting for more than 60% in aggregate.

Conventional fuel-powered heavy-duty trucks are gradually approaching the physical limits of drivetrain efficiency, while operations management remains heavily reliant on the experience and judgment of drivers and fleet managers, with limited access to vehicle status and operational data. As a result, further efficiency gains remain constrained. These challenges are further exacerbated by tightening driver supply and an aging workforce.

Against this backdrop, the industry's technological evolution has followed a clear trajectory: from traditional fuel-powered heavy-duty trucks to electrified and digitalized new energy intelligent heavy-duty trucks, and ultimately toward autonomous heavy-duty trucks with end-to-end operations. New energy platforms enable system-level optimization in efficiency, energy management, and digitalization, and provide a more suitable foundation for large-scale deployment and long-term operation of autonomous driving systems.



Forward-Engineering New Energy Heavy-Duty Trucks Enhance Energy Efficiency and Establish the Foundation for Autonomous Driving

Energy efficiency is typically the primary determinant of heavy-duty truck TCO and directly affects fleet profitability and resilience. The industry has historically relied on two vehicle platform approaches: (i) conventional fuel-powered heavy-duty trucks, which are constrained by the physical limits of engine thermal efficiency and transmission losses, leaving limited room for further improvement; and (ii) retrofit electrified heavy-duty trucks, which replace the powertrain on an existing fuel-powered chassis, while the transmission architecture, thermal management system and control strategies remain constrained by the existing platform architecture, limiting improvements in energy consumption and driving range performance.

Accordingly, manufacturers need forward-engineered new energy platforms purpose-built around electric powertrain characteristics. This also requires native re-architecture and coordinated optimization of key vehicle systems to improve overall energy efficiency. Specifically:

- ***Integrated e-axle***: The e-axle sits at the core of the powertrain and directly affects how efficiently energy is converted into tractive force at the wheels. An integrated e-axle combines the electric motor, transmission and axle, among others, into a single unit, effectively shortening the power transmission path and reducing intermediate losses. This, in turn, improves powertrain efficiency and overall energy utilization at the vehicle-system level.

- ***Reconstructed thermal management systems***: Thermal management system helps improve energy utilization efficiency under varying operating conditions and extend the lifespan of critical components, thereby optimizing driving range and charging efficiency while reducing lifecycle costs.

- ***Energy management and operational optimization***: Energy-consumption strategies can be implemented based on routes, payloads and operating condition. Combined with the continuous accumulation of engineering data through vehicle data platforms, they enable iterative control optimization and extend benefits from single vehicles to fleet-level efficiency.

Forward-engineered new energy platforms also support autonomous driving deployment and long-term operations. Electric-drive architectures strengthen drive-by-wire consistency, provide system-wide power and interfaces for sensors and computing units, support system redundancy, and enable more centralized collection and management of vehicle-status data.

Vertically Integrated Autonomous Heavy-Duty Trucks Unlock Operational Efficiency Enhancement

In heavy-duty operations, drivers manage multiple critical tasks beyond driving including condition assessment, fault handling, and energy management. Accordingly, autonomous operations create value not only by reducing reliance on single driver, but also by shifting dispatch and maintenance from experience-driven to data-driven models and improving scale efficiency.

The commercial deployment of autonomous heavy-duty trucks fundamentally depends on the deep integration between the vehicle itself and the "brain," the autonomous driving system. The autonomous driving system is responsible for perception, computation and decision-making, while the vehicle hardware and electrical/electronic architecture (EEA) provide the execution capability and safety redundancy.

- ***Autonomous driving systems***: Next-generation autonomous driving technologies based on end-to-end foundation models and other advanced artificial intelligence paradigms are improving system generalization capabilities in complex operating environments and enhancing the handling of long-tail scenarios, while also potentially reducing large-scale deployment costs. However, transforming decision outputs into stable and controllable vehicle actions still depends on the capabilities of the vehicle-side execution platform.

- ***Vehicle platform***: Vehicle-platform robustness is a prerequisite for meeting safety and operational responsibilities. However, its key value is often underestimated. According to Frost & Sullivan, in 2025, investment in vehicle platforms accounted for approximately 20% of global autonomous-driving-related investment, while investment in autonomous driving systems accounted for more than 70%.

    - *Performance*: Autonomous driving requires actuators such as steering, braking and propulsion systems to deliver stable, continuous and predictable responses. Electrified platforms are more conducive to implementing drive-by-wire and centralized EEA, thereby providing a more consistent control foundation for autonomous driving systems.

    - *Safety*: Under heavy loads and long-duty cycles, failures are more likely and consequences more severe for heavy-duty trucks. In driverless operation, the vehicle platform must support continuous health monitoring, safety-critical data logging/transmission, fault diagnosis, and risk prediction, while enabling fallback and minimum-risk maneuvers.

Accordingly, autonomous heavy-duty trucks are not simply conventional vehicles equipped with externally added autonomous driving systems, but rather vertically integrated system centered on the deep integration of the "brain" and the vehicle.

Vertical integration serves as an important metric for assessing new energy intelligent heavy-duty trucks' capabilities. In general, a higher degree of vertical integration enables more effective cross-system data interoperability and more coordinated control strategies. It can also reduce redundant hardware and lower integration costs. As a result, overall vehicle performance may improve, including in energy consumption, reliability, and upgrade/iteration capability. This, in turn, helps lay the foundation for large-scale operations and continued technological evolution of autonomous heavy-duty trucks.

OVERVIEW OF THE NEW ENERGY HEAVY-DUTY TRUCK MARKET

Definition and Classification of the New Energy Heavy-Duty Truck Market

New energy heavy-duty trucks refer to heavy-duty trucks equipped with new energy power systems that replace traditional diesel internal combustion engine propulsion through electrification and other alternative technologies. Based on differences in vehicle design architecture, new energy heavy-duty trucks are generally classified into retrofit electrified heavy-duty trucks and new energy intelligent heavy-duty trucks.

- Retrofit electrified heavy-duty trucks refer to heavy-duty trucks converted from conventional fuel-powered trucks by removing components such as engines, transmissions and fuel tanks and replacing them with electric drive modules. This design approach inherently limits the platform architecture and functional modules from fully accommodating the requirements of electrified systems, resulting in constraints in areas such as energy efficiency and transmission efficiency. In addition, their distributed system architecture restricts system coordination and response capabilities, making further upgrades toward autonomous heavy-duty trucks difficult.

- New energy intelligent heavy-duty trucks adopt forward-engineered pure electric platforms with architectures specifically designed around the requirements of electrified systems. Such forward-engineered pure electric platforms provide the necessary hardware foundation for the deployment of autonomous driving systems and serve as the cornerstone for the transition of heavy-duty trucks toward autonomous operation.

The value chain of the new energy heavy-duty truck industry consists of upstream suppliers providing core components, including battery systems, electric drivetrain systems, chassis systems and other critical modules; midstream participants engaged in vehicle design, manufacturing and integration; and downstream applications covering various heavy-duty trucking transportation scenarios. Certain technologically advanced companies extend upstream through in-house development of core modules, enabling a higher degree of vertical integration in overall vehicle design.

Drivers and Trends of the New Energy Heavy-Duty Truck Market

Accelerated Replacement of Conventional Fuel-Powered Heavy-Duty Trucks by New Energy Heavy-Duty Trucks

Against the backdrop of increasing industry focus on operational economics within the heavy-duty trucking sector, new energy heavy-duty trucks are expected to accelerate the replacement of conventional fuel-powered heavy-duty trucks due to their TCO advantages. Energy cost represents one of the most significant advantages of new energy heavy-duty trucks compared with conventional

fuel-powered heavy-duty trucks. In conventional fuel-powered heavy-duty trucks, energy costs can account for more than 30% of total TCO, making them the largest cost component. By replacing fuel consumption with electricity, new energy heavy-duty trucks can reduce the proportion of energy costs in total TCO to approximately 20%. Accordingly, driven by these cost advantages, downstream customers are increasingly inclined to adopt new energy heavy-duty trucks.

Technology Upgrade Centered on Forward-Engineered Platforms

The new energy heavy-duty truck industry is rapidly transitioning from retrofit electrification platforms toward new energy intelligent heavy-duty trucks centered on forward-engineered architectures. As a transitional solution, retrofit electrification platforms face significant bottlenecks in terms of performance and upgrade potential. New energy intelligent heavy-duty trucks are expected to become the dominant development trend in the future.

New energy intelligent heavy-duty trucks feature higher levels of system integration and vehicle intelligence, as well as more integrated vehicle architectures and core hardware modules, including e-axles, thermal management systems and electronic control systems. These capabilities provide a solid vehicle hardware foundation for autonomous heavy-duty trucks and are more aligned with the industry's technological evolution. Going forward, the penetration rate of new energy intelligent heavy-duty trucks is expected to increase rapidly.

Further Advancement Toward Autonomous Heavy-Duty Trucks

As the heavy-duty trucking industry continues to evolve toward autonomous operation, requirements relating to the reliability, controllability, diagnosability and maintainability of vehicle platforms are expected to increase further. Accordingly, vehicle design for new energy heavy-duty trucks is also evolving toward compatibility with autonomous driving system deployment, thereby facilitating deeper integration between the vehicle body and the "brain" (i.e., the autonomous driving system).

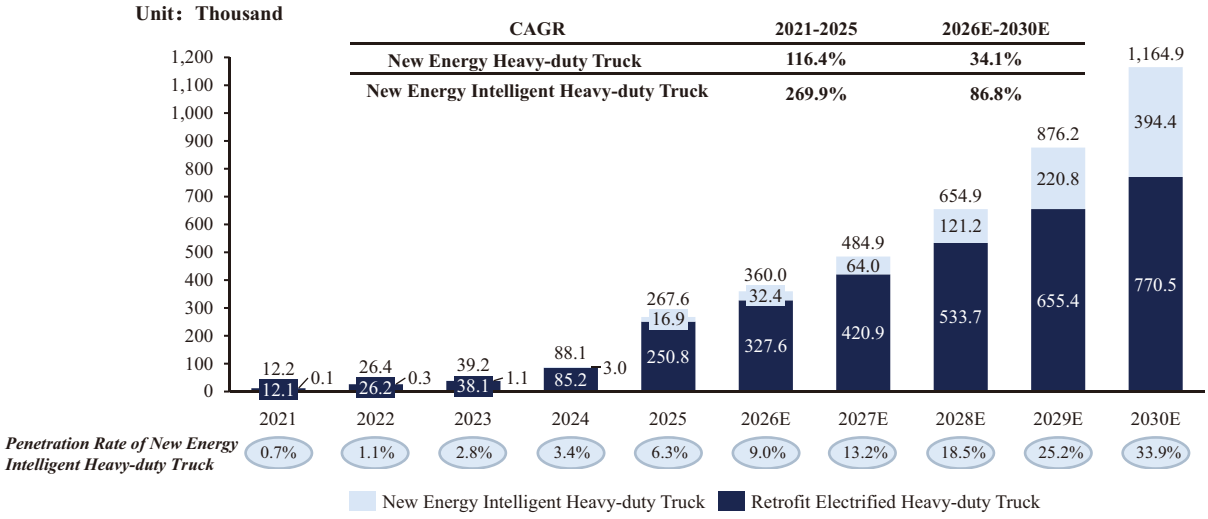
Increasing vertical integration represents a key development trend for new energy intelligent heavy-duty trucks. Vehicle-level intelligent design promotes deep adaptation among core hardware systems and close coordination between software systems and execution units, thereby further improving vehicle operability, safety and operational efficiency. Enhancing vertical integration is expected to become a core competitive advantage for industry participants.

Market Size of the New Energy Heavy-Duty Truck Market

Driven by the growing demand for cost reduction and efficiency improvement in heavy-duty truck operation, as well as the continuous advancement of new energy heavy-duty truck manufacturing technologies, the global market size of new energy heavy-duty trucks increased from 12.2 thousand units in 2021 to 267.6 thousand units in 2025 by sales volume, representing a CAGR of 116.4% from 2021 to 2025, according to Frost & Sullivan.

In the future, continued upgrades in core technologies of new energy heavy-duty trucks and the gradual improvement of energy replenishment infrastructure will promote the penetration of new energy heavy-duty trucks. According to Frost & Sullivan, the global market size of new energy heavy-duty trucks is expected to grow from 360.0 thousand units in 2026 to approximately 1.2 million units in 2030 by sales volume, representing a CAGR of 34.1% from 2026 to 2030. New energy intelligent heavy-duty trucks are expected to experience rapid growth and accelerate the replacement of retrofit electrified heavy-duty trucks, which primarily serve as transitional solutions. By 2030, the penetration rate of new energy intelligent heavy-duty trucks within the overall new energy heavy-duty truck market is expected to increase from 6.3% in 2025 to 33.9% in 2030, representing a CAGR of 86.8% from 2026 to 2030.

Global Market Size of New Energy Heavy-duty Truck, by Sales Volume



Source: OICA, CAAM, Relevant Company Annual Reports, Expert Interviews, Frost & Sullivan

Competitive Landscape of the Global New Energy Heavy-Duty Truck Market

Players in the global new energy heavy-duty truck market mainly include traditional enterprises such as traditional heavy-duty truck manufacturers and construction machinery manufacturers, as well as emerging new energy heavy-duty truck companies ("**New Force**"). Compared with traditional heavy-duty truck manufacturers and construction machinery manufacturers, New Force companies have generally adopted forward-looking technological strategies aligned with the industry's transformation pathway toward forward-engineered new energy intelligent heavy-duty truck platforms.

The global market size of new energy heavy-duty trucks reached 267.6 thousand units by sales volume in 2025. Among them, traditional enterprises accounted for more than 80% of the market share, benefiting from mature production systems, abundant engineering experience and comprehensive sales networks. In recent years, the market of the New Force participants has been rapidly increasing.

The table below sets forth the competitive landscape of global New Force participants in the new energy heavy-duty truck market in 2025. Among such companies, the Company achieved the highest level of integration of mass-produced e-axle, the fastest ramp-up to annual deliveries of 1,000 units since establishment and the highest sales growth rate during the past year among New Force participants.

Ranking	Company	Sales Volume, in Units, 2025	Integration Level of Mass-produced E-axle[5]	Establishment to Annual Delivery of 1,000 Units[6]	Sales Growth in the Past Year
1	Company A[1]	~ 8,000		Approx. 4 years (Established for 6 years)	~170%
2	The Company	1,191		Approx. 3 years (Established for 4 years)	>300%
3	Company B[2]	< 300		Not yet (Established for 9 years)	~50%
4	Company C[3]	~ 200		Not yet (Established for 4 years)	-[7]
5	Company D[4]	~ 100		Not yet (Established for 4 years)	-[7]

Source: Relevant Company Annual Reports, Relevant Company Annual Websites, Expert Interviews, Frost & Sullivan

Notes:

1. Company A is a company focused on the R&D, production, and sales of new energy heavy-duty trucks, covering trunk logistics, closed-scenario automated transportation, and other fields. It was founded in 2020 and is headquartered in Anhui, China.

2. Company B is a company engaged in the R&D, production, and sales of new energy vehicles (including heavy-duty trucks), energy equipment, and intelligent software services, covering passenger vehicles, commercial vehicles, and other fields. It was founded in 2003, is headquartered in the United States, and was listed on the NASDAQ Stock Market in 2010.

3. Company C is a company providing R&D, production, and sales of complete vehicle solutions for new energy heavy-duty trucks. It was founded in 2022 and is headquartered in Jiangsu, China.

4. Company D is a company focused on the R&D, production, and sales of new energy commercial vehicles, powertrain systems, and fleet operation management systems. It was founded in 2022 and is headquartered in Fujian, China.

5. The integration grade of mass-produced e-axles refers to the extent to which core modules, including motors, gearboxes, e-axles and power take-off systems, are integrated into a single e-axle assembly that has achieved mass production. Higher e-axle integration improves vehicle structural optimization as well as transmission and thermal management efficiency.

6. Time from establishment to annual delivery of 1,000 units refers to the period required for a New Force participant to achieve annual deliveries of 1,000 new energy heavy-duty trucks in a single year after establishment. Within the new energy intelligent heavy-duty truck industry, annual deliveries of 1,000 units are generally regarded as a milestone marking the transition from research and smallscale operation to large-scale commercialization.

7. As the sales volumes of Company C and Company D in 2024 were fewer than 100 units, they were not included in the statistics.

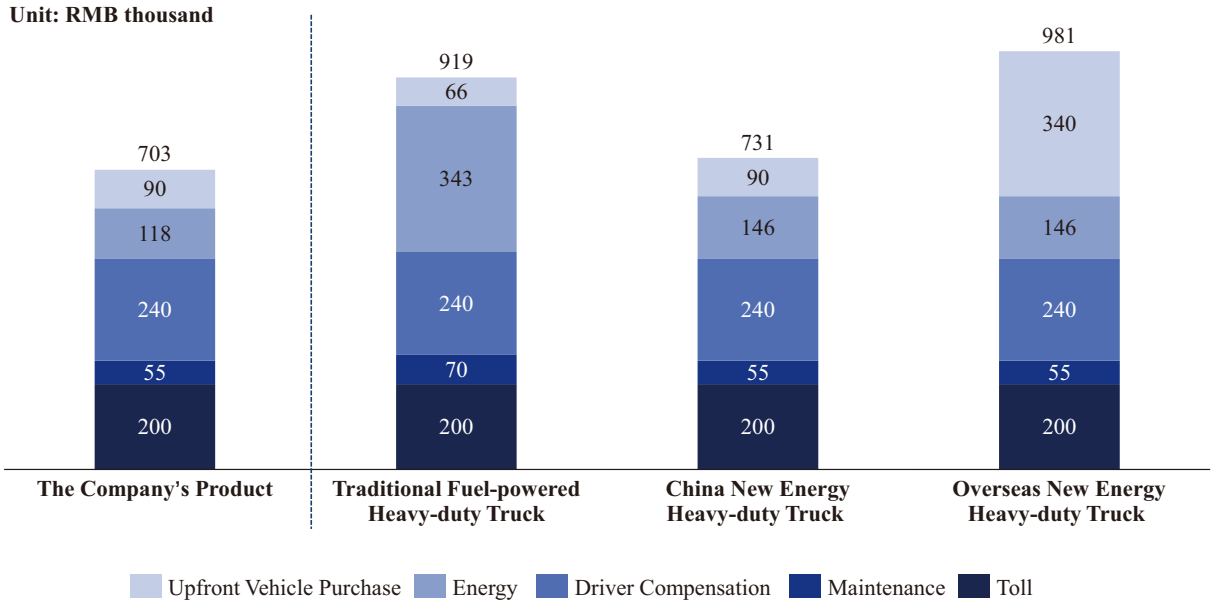
Vertical integration is a crucial metric for assessing the capabilities of new energy heavy-duty trucks, and serves as the foundation for the future development towards autonomous heavy-duty trucks. The chart below illustrates the comparison between Our Company and industry peers in the new energy heavy-duty truck industry in terms of key technical dimensions of vertical integration. Overall, Our Company outperforms in terms of vertical integration.

Technical Dimension	The Company	Industry Peers
Electric Driving System	Self-developed electric driving system with four-in-one deep integration of motor, gearbox, e-axle and power take-off, enabling weight reduction, volume optimization and system simplification.	Adopt integration of motor and gearbox, with separately deployed e-axle and power take-off, suffering from low integration and excessive dead weight.
Thermal Management System .	Self-developed multi-source heat pump thermal management system, realizing full-range thermal regulation and effectively improving vehicle range and all-scenario operational stability.	Independent temperature control for single battery system and cockpit, with relatively high energy consumption under low-temperature conditions and low heat recovery efficiency.
Autonomous Driving System. . .	End-to-end architecture and pure-vision solution, reducing hardware and data annotation costs with stronger scenario generalization and algorithm iteration efficiency.	Multi-LiDAR fusion schemes, with relatively high overall costs of hardware, mapping and data annotation for large-scale deployment.
Data Management System	Comprehensive data management platform with multi-dimensional perception of whole vehicle, applying for driving habit optimization, vehicle system iteration and fleet operation management.	On-board data management platforms for statistics of basic vehicle operational data.

Source: Relevant Company Annual Reports, Relevant Company Annual Websites, Expert Interviews, Frost & Sullivan

The chart below illustrates annual TCO comparison of traditional fuel heavy-duty trucks, China new energy heavy-duty trucks, global new energy heavy-duty trucks and the Company's vehicles. The annual TCO consists of upfront vehicle purchase, energy cost, driver compensation, maintenance and toll fees. Overall, the Company's vehicles demonstrates significant TCO advantages against traditional fuel heavy-duty trucks and global new energy heavy-duty trucks, and relatively outperform the average annual TCO of China new energy heavy-duty trucks.

Annual TCO Comparison of Heavy-duty Truck



Source: Public Information of Relevant Companies, Frost & Sullivan

Notes:

1. Assuming that the average holding period for vehicles is five years.

2. The annual TCO of traditional fuel-powered heavy-duty trucks, China new energy heavy-duty trucks and overseas new energy heavy-duty trucks are calculated by the average cost of heavy-duty truck industry.

Barriers to Entry in the New Energy Heavy-Duty Truck Market

Vehicle Design Barriers

New energy heavy-duty trucks are built upon electrified powertrain systems, requiring companies to possess core technological capabilities relating to three-electric systems integration, vehicle electrification and related technologies. The research, development and manufacturing logic of such vehicles differs substantially from that of conventional fuel-powered heavy-duty trucks. Relevant technological capabilities require long-term research and development accumulation as well as validation under real-world operating conditions.

Supply Chain Barriers

New energy heavy-duty trucks impose stringent requirements on the stability, cost control and delivery capability of core components, while the supply chain for key components is characterized by a high degree of specialization and concentration. Leading industry participants have accumulated strong resource integration capabilities and established stable and cost-efficient supply chain systems. New entrants generally face difficulties in rapidly establishing mature supply chain networks.

Technology Upgrade Barriers

As the industry evolves toward new energy intelligent heavy-duty trucks centered on forward-engineered pure electric platforms, higher requirements are being imposed on vehicle platform forward-design capabilities. At the same time, the in-house development and systematic integration of core hardware modules, including e-axles, thermal management systems and electronic control systems, together with software modules such as digital platforms and autonomous driving systems, require strong system-level research and development capabilities. It is difficult for new entrants to establish such technological capabilities within a short period of time and thereby achieve the design and development of new energy intelligent heavy-duty trucks.

OVERVIEW OF THE AUTONOMOUS HEAVY-DUTY TRUCK SOLUTION MARKET

Definition of Autonomous Heavy-duty Truck

Autonomous heavy-duty truck refers to heavy-duty trucks equipped with L4 or above driverless technology. It achieves full-process unmanned autonomous driving via multi-sensor fusion, autonomous driving algorithms and by-wire chassis. Autonomous heavy-duty truck represents the ultimate development direction of technological evolution in the heavy-duty truck industry.

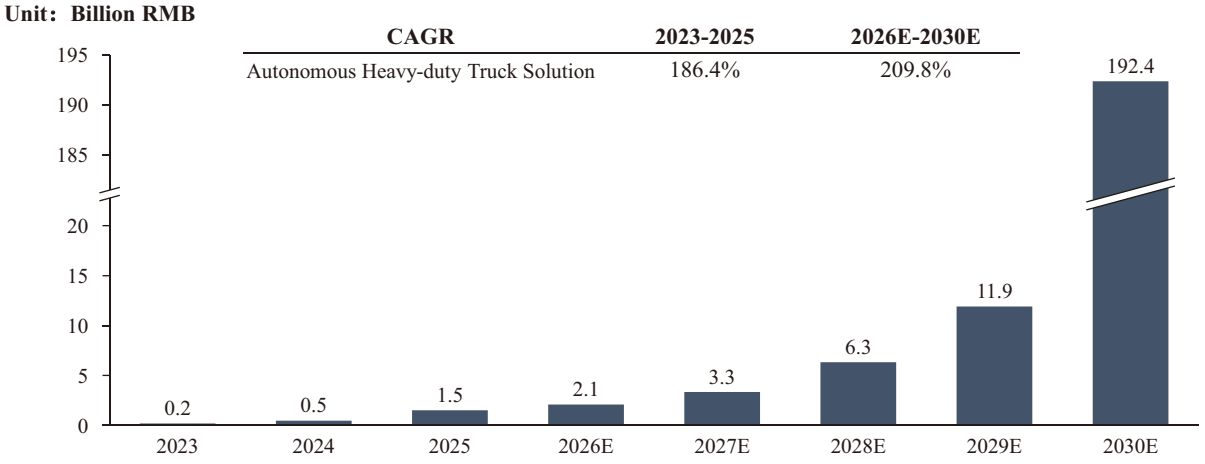
The traditional road freight industry continues to face challenges such as low operational efficiency and limited scalability. Autonomous heavy-duty truck utilize intelligent algorithms and systems to build efficient and integrated intelligent freight system, effectively address industry pain points, and reshape the operating model of the traditional road freight industry. With the business model of autonomous heavy-duty truck sales and driverless technology service for freight enterprises, autonomous heavy-duty truck solutions will become a new automated and intelligent paradigm for the global road freight industry.

Market Size of the Autonomous Heavy-duty Truck Solution

According to Frost & Sullivan, the global market size of autonomous heavy-duty truck solution exceeded RMB1.5 billion by revenue in 2025. The continuous maturity of driverless technology has steadily enhanced autonomous heavy-duty truck's capabilities in perception, decision-making, control and system collaboration. Meanwhile, major economies including China, the U.S. and the EU have published supportive policies for autonomous heavy-duty truck technical validation and commercialization, supporting its shift from pilot verification to large-scale deployment.

Driven by further technological maturity and regulatory opening, the application of autonomous heavy-duty truck in freight scenarios will scale up substantially. According to Frost & Sullivan, the global market size of autonomous heavy-duty truck solution is projected to maintain rapid growth, reaching RMB192.4 billion by revenue in 2030, with a CAGR of 209.8% from 2026 to 2030. 2030 will act as a critical acceleration node, as the orderly opening of road rights and large-scale deployment in open scenarios will boost industry expansion, accelerate the intelligent and scaled development of the global road freight market, and fundamentally reshape the freight market landscape. By 2035, the global market size of autonomous heavy-duty truck solution are expected to reach over RMB 1 trillion.

Global Market Size of Autonomous Heavy-duty Truck Solution, by Revenue



Source: Relevant Company Annual Reports, Expert Interviews, Frost & Sullivan

Barriers to Entry in the Autonomous Heavy-Duty Truck Solution Market

Vehicle Adaptation Barriers

Unlike passenger vehicles, heavy-duty trucks operate in driving scenarios characterized by long braking distances, substantial variations in vehicle mass and complex motion systems, typically consisting of both tractors and trailers. Accordingly, autonomous driving systems for heavy-duty trucks must achieve long-range perception, tracking and prediction capabilities, highly coordinated module execution and control, and motion control algorithms specifically adapted to heavy-duty trucking scenarios.

These characteristics impose extremely high requirements on both the intelligence level of vehicle hardware systems and the design of autonomous driving algorithms. New entrants are generally unable to accumulate sufficient technological capabilities within a short period of time, nor can autonomous driving technologies developed for passenger vehicles be directly transferred to heavy-duty trucking applications.

Algorithm and Data Barriers

The development of autonomous driving algorithms and models involves substantial technological barriers, with high overall research and development thresholds and long technology iteration cycles. Autonomous driving systems require extremely high levels of algorithmic accuracy, latency control and generalization capability across perception, control and decision-making processes. The continuous improvement of such capabilities depends on the accumulation of massive amounts of real-world operational data.

Companies must establish a full-cycle closed-loop data infrastructure encompassing data collection, annotation, model training and algorithm optimization. New entrants generally face significant challenges in building competitive algorithmic and data capabilities within a short timeframe.

Drivers and Trends of the Autonomous Heavy-Duty Truck Solution Market

The rapid development of the autonomous heavy-duty truck solution market is driven by three core factors: cost, safety and operational efficiency. These factors reinforce one another and form a positive feedback loop, thereby establishing a solid foundation for the large-scale commercial deployment of autonomous heavy-duty trucks.

Significant Cost Advantages

By reducing reliance on human drivers through autonomous driving algorithms and systems, autonomous heavy-duty trucks fundamentally address operational efficiency pain points within the traditional freight transportation industry and optimize full-process operating costs. Electrified chassis platforms and by-wire chassis systems simplify mechanical structures and improve modularization, thereby reducing maintenance frequency and lifecycle depreciation costs and further strengthening cost advantages.

Improved Safety Performance

Autonomous heavy-duty trucks utilize multi-sensor fusion, real-time perception and active obstacle avoidance functions, thereby fundamentally reducing accidents caused by human error. The precise control capabilities of electric chassis systems, combined with the high reliability of by-wire chassis architectures and optimized autonomous driving algorithms, enable standardized driving operations and improve operational stability and safety.

Enhanced safety performance reduces accident-related losses, improves market acceptance and creates the necessary preconditions for large-scale deployment.

Improvement in Operational Efficiency

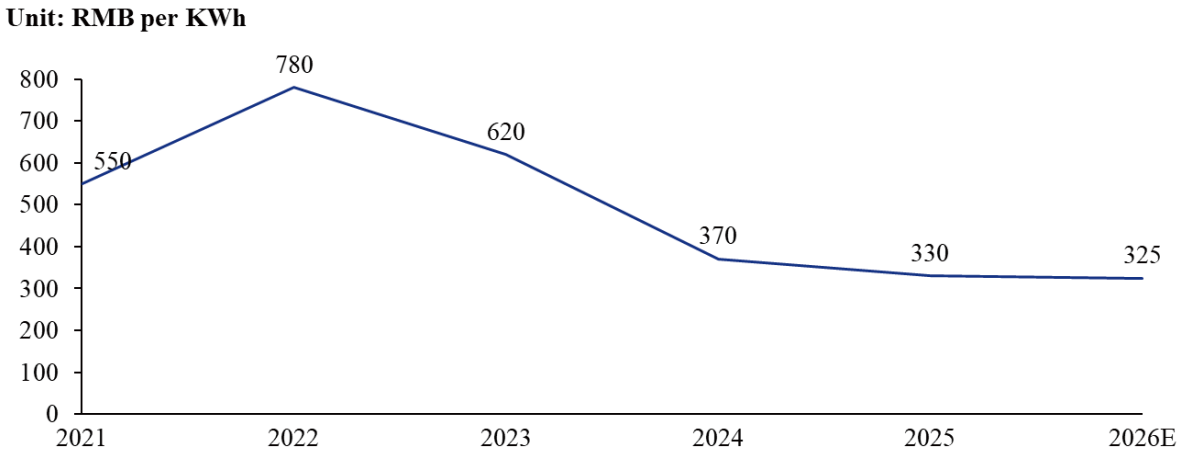
Autonomous heavy-duty trucks substantially improve vehicle utilization and transportation efficiency. Intelligent centralized management systems expand fleet management scope, reduce driver-to-vehicle ratios and improve overall management efficiency. Through deep integration with logistics dispatch systems, autonomous heavy-duty trucks can optimize the matching of vehicles, cargo and routes, thereby reducing empty-load mileage and improving overall fleet efficiency.

In addition, the massive operational data accumulated through large-scale deployment provides continuous feedback for algorithm iteration and further optimization of autonomous heavy-duty truck operating systems.

PRICE ANALYSIS OF COMPONENTS

LFP battery is one of the major components for new energy heavy-duty. According to Frost & Sullivan, the price of LFP battery cells increased from 2021 to 2022, mainly due to higher lithium salt and other upstream raw material prices. From 2023 to 2025, the price of LFP battery cells gradually declined as the price of raw material fell, while the production capacity and the maturity of related supply chain positively improved. In the future, the price of LFP battery cells is expected to move from rapid adjustment to a more stable low-level range. Further declines will mainly come from higher production efficiency, process optimization and economies of scale. Overall, the price of LFP battery cell are expected to maintain a stable status.

Price of LFP Battery Cells



Source: Shanghai Metals Market, Frost & Sullivan

SOURCE OF INFORMATION

We engaged Frost & Sullivan, an independent market research consultant, to conduct an analysis of, and to prepare a report on, the spatial design software industry in China for use in this document (the "**F&S Report**"). We have agreed to pay a fee of RMB650,000 to Frost & Sullivan in connection with the preparation of the F&S Report. We have extracted certain information from the F&S Report in this section, as well as in "Summary," "Risk Factors," "Business," "Financial Information," and elsewhere in this document to provide our potential **[REDACTED]** with a more comprehensive presentation of the industries in which we operate.

During the preparation of the F&S Report, Frost & Sullivan performed both primary and secondary research, and obtained knowledge, statistics, information, and industry insights on the industry trends of the spatial design software market in China. Primary research was conducted via interviews with key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources. The information and data collected by Frost & Sullivan has been analyzed, assessed, and validated using Frost & Sullivan's in-house analysis models and techniques.

The F&S Report was compiled based on the following assumptions: (i) the overall social, economic, and political environment in China is expected to remain stable during the forecast period, (ii) related key industry drivers are likely to continue driving growth in the spatial design software industry during the forecast period, and (iii) there will be no extreme force majeure or unforeseen industry regulations in which the market may be affected in either a dramatic or fundamental way during the forecast period.

REGULATIONS ON INCORPORATION AND FOREIGN INVESTMENT

The establishment, operation and management of companies in the PRC are governed by the PRC Company Law (《中華人民共和國公司法》). According to the PRC Company Law, companies established in the PRC are either limited liability companies or joint stock limited companies. The PRC Company Law applies to both PRC domestic companies and foreign investment companies. The MOFCOM and the SAMR promulgated the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》). Where foreign investors carry out investment activities directly or indirectly within China, foreign investors or foreign-invested enterprises shall report investment information to commerce departments. According to the Measures for the Reporting of Foreign Investment Information, a listed foreign-invested company is required to, when the change of foreign investors' shareholding ratio accumulatively exceeds 5% or the foreign party's controlling or relatively controlling status changes, report the information on the modification of investors and the shares held by them. MOFCOM and NDRC promulgated the Special Administrative Measures (Negative List) for Foreign Investment Access (Edition 2024) (《外商投資准入特別管理措施(負面清單) (2024年版)》), or the Negative List (2024).

The NPC approved the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), and the State Council promulgated the Implementing Rules of the Foreign Investment Law (《中華人民共和國外商投資法實施條例》), or the Implementing Rules, to further clarify and elaborate the relevant provisions of the Foreign Investment Law. Pursuant to the Foreign Investment Law, "foreign investments" refer to investment activities conducted by foreign investors (including foreign natural persons, foreign enterprises or other foreign organizations) directly or indirectly in the PRC, which include any of the following circumstances: (i) foreign investors setting up foreign-invested enterprises in the PRC solely or jointly with other investors, (ii) foreign investors obtaining shares, equity interests, property portions or other similar rights and interests of enterprises within the PRC, (iii) foreign investors investing in new projects in the PRC solely or jointly with other investors, and (iv) investment of other methods as specified in laws, administrative regulations, or as stipulated by the State Council.

REGULATIONS ON AUTOMOBILE SALES AND RECALL OF DEFECTIVE AUTOMOBILE PRODUCTS

According to the Measures for the Administration of Automobile Sales (《汽車銷售管理辦法》) promulgated by the MOFCOM, local competent commerce departments at or above the county level shall supervise and manage the automobile sales and related activities of providing relevant services within their respective administrative regions. Automobile suppliers and dealers shall file the basic information through the National Automobile Circulation Information Management System of the competent commerce department of the State Council within 90 days from the date of obtaining their business licenses; and such automobile suppliers and dealers must update any change to their filed information within 30 days upon such change in information. Automobile suppliers and dealers shall sell automobiles, accessories, and other related products that comply with the relevant national provisions and standards. A dealer shall, at its business premise, expressly indicate the prices of the products to be sold and the standards for various service fees and shall not sell any product at increased price or collect any additional fee. A dealer shall expressly indicate the product quality assurance, warranty services, and other after-sales service policies that consumers need to know.

According to the Regulations on the Administration of the Recall of Defective Automobile Products (《缺陷汽車產品召回管理條例》) amended by the SC, Operators engaged in the sale, leasing and maintenance of motor vehicle products (hereinafter collectively referred to as Operators) shall establish and keep relevant records of motor vehicle products in accordance with the provisions of the competent product quality supervision department of the State Council, with a retention period of no less than five years. Where an Operator becomes aware that a motor vehicle product has defects, it shall immediately cease the sale, leasing and use of such defective motor vehicle product, and assist the manufacturer in implementing the recall. An Operator shall report information about any suspected defects of motor vehicle products it has identified to the competent product quality supervision department of the State Council, and notify the manufacturer thereof accordingly.

REGULATIONS ON PRODUCT QUALITY AND PROTECTION OF CONSUMER RIGHTS AND INTERESTS

Pursuant to the Product Quality Law of the PRC (《中華人民共和國產品質量法》), the seller shall be responsible for the repair, replacement or return of the product sold if (i) the product sold does not possess the properties for use that it should possess, and no prior disclosure is given of such a situation; (ii) the product sold does not conform to the applied product standard as carried on the product or its packaging; or (iii) the product sold does not conform to the quality indicated by such means as a product description or physical sample. If a consumer incurs losses as a result of purchased products, the seller shall compensate for such losses.

The Civil Code of the PRC (《中華人民共和國民法典》) (the "**Civil Code**") was adopted by the NPCSC, according to which, a commercial seller is subject to liability for harm to persons or property caused by the product defects. The infringed may seek compensation from the commercial seller.

According to the Law of the PRC on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》) which was last amended by the Standing Committee of the National People's Congress (the "**SCNPC**"), business operators shall guarantee that their provided commodities or services meet the requirements on personal and property safety. For commodities and services which may endanger personal or property safety, business operators shall provide consumers with true explanations and clear warnings, explaining and indicating the correct methods of using commodities or receiving services and the methods for preventing damage. After discovering any defects which may endanger personal or property safety in their provided commodities or services, business operators shall immediately report to the relevant administrative departments and inform consumers; and take measures such as cessation of sale, issuance of a warning, recall, harmless treatment, destruction, and cessation of production or service. Business operators who fail to comply with consumer protection regulations are subject to civil or criminal liability in accordance with law.

FAVORABLE POLICIES ON NEW ENERGY VEHICLES IN CHINA

Exemption of Vehicle and Vessel Tax

According to the Notice of Preferential Vehicle and Vessel Tax Policies for Energy-saving and New Energy Vehicles and Vessels (《關於節能、新能源車船享受車船稅優惠政策的通知》) jointly promulgated by the Ministry of Finance of the PRC ("**MOF**"), the Ministry of Transport of the PRC ("**MOT**"), the State Taxation Administration of the PRC ("**STA**"), and the Ministry of Industry and MIIT, purely electric commercial vehicles, plug-in (including extended-range) hybrid vehicles, and fuel cell commercial vehicles are exempt from vehicle and vessel tax, whereas purely electric passenger

vehicle and fuel cell passenger vehicles are exempt from vehicle and vessel tax. The Catalogue of New Energy Vehicle Models Enjoying Vehicle and Vessel Tax Reduction and Exemption (《享受車船税減免優惠的節約能源使用新能源汽車車型目錄》) jointly promulgated by the MIIT and the STA from time to time lists the New Energy Vehicle models eligible for enjoying vehicle and vessel tax reduction and exemption.

Reduction and Exemption of Vehicle Purchase Tax

According to the Announcement on Continuing and Optimizing the Vehicle Purchase Tax Reduction and Exemption Policy for New Energy Vehicles (《關於延續和優化新能源汽車車輛購置税減免政策的公告》) jointly promulgated by the MOF, the STA and the MIIT, from January 1, 2024 to December 31, 2025, the purchase of new energy vehicles in the Catalogue of New Energy Vehicles Eligible for Vehicle Purchase Tax Reduction and Exemption (《減免車輛購置税的新能源汽車車型目錄》, "**Catalogue**") was exempted from vehicle purchase tax; from January 1, 2026 to December 31, 2027, the purchase of new energy vehicles in the Catalogue was and will be subject to vehicle purchase tax reduced by half.

Government Subsidies for New Energy Vehicle Purchasers

According to the Notice on Implementing the Policy of Large-Scale Equipment Renewal and Consumer Goods Trade-Ins for 2026 (《關於2026年實施大規模設備更新和消費品以舊換新政策的通知》) issued by the NDRC and the MOF, China will continue to support the retirement of obsolete commercial trucks meeting the "National IV" (or below) emission standard in 2026, with priority given to replacing them with electric trucks. The subsidy standards will be implemented in accordance with the Notice on Implementing the Retirement and Renewal of Old Commercial Trucks (《關於實施老舊營運貨車報廢更新的通知》) issued by the MOT, the NDRC and the MOF.

According to the Guiding Opinions on Accelerating the Promotion and Application of New Energy Vehicles (《關於加快新能源汽車推廣應用的指導意見》) issued and implemented by the General Office of the State Council, the Chinese government emphasizes continuously improving the application level of modern information technologies in the innovation of business operation models for new energy vehicles. It encourages internet enterprises to participate in the technological research and development as well as operation services of new energy vehicles, and accelerates the application of new technologies such as smart grids, mobile internet, the Internet of Things and big data, so as to bring greater convenience and benefits to the promotion and application of new energy vehicles.

Promote the Production, Research and Development of New Energy Vehicles

The Development Plan for the New Energy Vehicle Industry (2021-2035) (《新能源汽車產業發展規劃(2021-2035年)》), which was promulgated and implemented by the General Office of the State Council, designates deepening supply-side structural reform as its central guiding principle. It emphasizes the strategic direction of electrification, connectivity, and intelligence, and upholds the principles of market orientation, innovation-driven growth, coordinated development, and openness to foster the industry's high-quality and sustainable advancement. The plan proposes two phased targets, that is, by 2025, the average energy consumption of new pure electric passenger vehicles will be reduced to 12.0 kWh/100 km, and the sales volume of new energy vehicles will account for approximately 20% of total new vehicle sales. Through 15 years of sustained efforts, the vision is for pure electric vehicles to become the mainstream of new vehicle sales and for public sector vehicles to be fully electrified.

REGULATIONS ON THE IMPORT AND EXPORT OF GOODS

In accordance with the Foreign Trade Law of the People's Republic of China (《中華人民共和國對外貿易法》), and the Notice on Matters Relating to the Filing of Consignees and Consignors of Imported and Exported Goods (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》), the consignee or consignor of imported or exported goods applying for filing should obtain the qualification of the market entity, but no filing for foreign trade operators is required.

According to the Customs Law of the PRC (《中華人民共和國海關法》) promulgated by the SCNPC, the General Administration of Customs (the "**Customs**") of the PRC is vested with the authority for the supervision and administration of entry and exit points. Under the framework of pertinent laws and administrative regulations, the Customs Law exercises its jurisdiction over various aspects, including the inspection and regulation of vehicles, goods, luggage, postal articles and other items entering and departing the country. This mandate encompasses the assessment and collection of customs duties, taxes and fees, as well as the prevention and detection of smuggling activities, compilation of customs statistics and execution of related customs procedures.

Pursuant to the Provisions of the Customs of the PRC on the Administration of Registration of Customs Declaration Entities (《中華人民共和國海關關於報關單位登記管理規定》) promulgated by the GACC, "customs declaration entities" refer to the consignees or consignors of imported or exported goods or customs declaration enterprises officially registered at the Customs. An enterprise applying for registration shall obtain the market entity qualification. The registration of customs declaration entities shall remain valid indefinitely, while a temporary registration is valid for one year and may be renewed upon expiration.

According to the Regulations of the People's Republic of China on the Administration of the Import and Export of Goods (the "Goods Import and Export Regulations",《中華人民共和國貨物進出口管理條例》), enterprises engaged in import or export trading activities involving goods entering or leaving the PRC territory must comply with the provisions of the Goods Import and Export Regulations: goods prohibited from import and export shall not be imported or exported; goods restricted from import and export are subject to a licensing system or a quota system; freely imported and exported goods are not subject to any restrictions. The consignee of imported goods or the consignor of exported goods shall submit an automatic import/export license, import/export license, or quota certificate to the customs to complete customs clearance procedures.

REGULATIONS ON ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

The Action Plan for Carbon Dioxide Peaking in Industrial Sectors (《工業領域碳達峰實施方案》) issued by the Ministry of Industry and Information Technology of the PRC ("**MIIT**"), the National Development and Reform Commission of the PRC ("**NDRC**") and the Ministry of Ecology and Environment ("**MEE**") mandates expanding green and low-carbon product supply in transportation, promoting energy-saving and new energy vehicles (NEVs), advancing vehicle integration technological innovation and raising NEV industry concentration. It requires increasing NEV penetration in urban public transport, postal services, sanitation, urban logistics and personal consumption. By 2030, around 40% of newly added vehicles shall be NEV and clean energy-powered, with the CO_2 emission intensity of new passenger and commercial vehicles dropping by over 25% and 20% respectively compared with 2020.

According to the Opinions on Accelerating Comprehensive Transition Towards Green Economic and Social Development (《中共中央國務院關於加快經濟社會發展全面綠色轉型的意見》) jointly promulgated by the Central Committee of the Communist Party of China and the State Council, China will boost the development of non-fossil energy and the proportion of non-fossil energy in energy consumption will rise to about 25% by 2030. The use of low-carbon transportation vehicles is encouraged. Great efforts will be made to promote new energy vehicles, driving the electrification of urban public service vehicles. It will promote the use of clean power in ships, aircraft, and non- road mobile machinery, accelerate the phase-out of outdated transportation vehicles, advance zero-emission freight transport, strengthen the research, development and application of sustainable aviation fuels and encourage the research, production and application of net-zero emission marine fuels. By 2030, carbon emission intensity of commercial vehicles measured on the basis of converted turnover will be cut by about 9.5% compared with 2020. By 2035, new energy vehicles will become the mainstream in the sales of new vehicles.

According to the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》), hazardous waste generators must store, utilize and dispose of such waste in accordance with national provisions and environmental protection standards, and shall not arbitrarily dump or pile it up. Entities engaged in the collection, storage, utilization and treatment of hazardous waste shall apply for and obtain a relevant permit, with hazardous waste defined in the latest version of the National Catalogue of Hazardous Wastes (《國家危險廢物名錄》) issued by the MEE and other authorities. The Jiangsu Province Regulation on the Prevention and Control of Environmental Pollution by Solid Waste (《江蘇省固體廢物污染環境防治條例》) requires industrial solid waste generators to accurately record the type, quantity, flow direction, storage, utilization and disposal of such waste through the dedicated solid waste pollution prevention and control information platform.

REGULATIONS ON INTERNET INFORMATION SECURITY AND PRIVACY PROTECTION AND AUTOMOBILE DATA SECURITY

Cyber Security

Pursuant to the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) amended by the SCNPC ("**Cybersecurity Law**"), the state shall implement rules for graded protection of cybersecurity. Network operators shall, according to the requirements of the rules for graded protection of cybersecurity, develop internal security management mechanisms, and take technical measures and other necessary measures to ensure network is free from interference, disruption or unauthorized access, and prevent network data from being disclosed, stolen or tampered. The state shall, on the basis of the rules for graded protection of cybersecurity, emphasizes the protection of important sectors and areas such as public telecommunications and information services, energy, transportation, irrigation, finance, public services, and e-government, etc., and critical information infrastructure, that, once damaged, disabled or data leaked, may gravely harm national security, national economy, people's livelihood, and public interest. Personal information and important data collected and produced by critical information infrastructure during operation within PRC shall be stored within PRC; where due to business requirements it is truly necessary to provide it outside of PRC, a security assessment shall be conducted according to the requirements of relevant departments. Network operators in violation of the provisions of this law may be subject to penalties, such as being ordered to make rectifications, given warnings or fines, confiscated of unlawful gains, ordered a temporary suspension of operations, a suspension of business for corrections, a shutting down of websites, a revocation of relevant operations permits, etc.

According to the Regulations on Protecting the Security of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》) promulgated by the SC, critical information infrastructure means network facilities and information systems in important industries and fields — such as public communication and information services, energy, transportation, irrigation, finance, public services, e-government, and science and technology industries for national defense, and the important network facilities and information systems that may seriously endanger national security, national economy and people's livelihood, and public interests in the event that they are damaged or lose their functions or their data are leaked. The Regulations emphasize that no individual or organization may engage in any activity of illegally hacking into, interfering with, or damaging any critical information infrastructure or endanger the critical information infrastructure security. The relevant government departments are responsible for formulating rules for the determination of critical information infrastructure with reference to a number of factors stipulated in the Regulations, and for further determining the critical information infrastructure operators ("**CIIO**") in the relevant industries on the basis of such rules. The relevant authorities shall also notify the operator that it is recognized as a CIIO.

Data Security

According to the Data Security Law of the PRC (《中華人民共和國數據安全法》) passed by the SCNPC, the state establishes a classified and tiered system for data protection. When conducting data processing activities, one shall comply with laws and regulations, establish a sound, full-range data security and management system, organize and conduct data security education and training as well as take corresponding technical measures and other necessary measures to protect data safety. The processors of important data shall, in accordance with relevant provisions, carry out risk assessment on their data processing activities on a regular basis and submit risk assessment reports to the relevant competent authorities. Those who fail to fulfill the obligations of data security protection and provide important data abroad in violation of the law will be ordered to correct, warned, fined, suspended with their business or suspended for rectification, or revoked of relevant business licenses.

The Cyber Data Security Regulations (《網絡數據安全管理條例》) was promulgated by the SC, reiterate the general regulations for data processing activities and rules of personal information protection, important data security protection, network data cross-border transfer management, and internet platform service providers' obligations. The Cyber Data Security Regulations do not include the content related to cybersecurity review standards for listing abroad and in Hong Kong in the Administration Governing the Cyber Data Security (Draft for Comments), published on November 14, 2021.

Personal Information Protection

Pursuant to the PRC Civil Code (《中華人民共和國民法典》), personal information of natural persons is protected by law. Any organization or individual must legally obtain the relevant personal information of others and must ensure the security of the relevant information, and must not illegally collect, use, process, or transmit the personal information of others, nor illegally trade, provide, or disclose the personal information of others.

According to the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) ("**Personal Information Protection Law**") adopted by the SCNPC, personal information of natural persons is protected by law. No organization or individual may infringe upon natural persons' rights and interests relating to personal information. The Law clarifies that personal information shall be processed under the principles of lawfulness, legitimacy, necessity, and good faith and shall be

processed for a clear and reasonable purpose, directly related to the processing purpose and in a manner that has the minimum impact on the rights and interests of individuals, and limited to the minimum scope necessary for achieving the processing purpose. It shall be processed under the principle of openness, and the quality of personal information shall be guaranteed and security measures shall be taken to prevent personal information from being accessed without authorization, divulged, tampered, or lost. The Personal Information Protection Law provides that a personal information processor may process personal information in accordance therewith on the basis of the six circumstances already specified thereunder. No organization or individual may illegally collect, use, process, or transmit personal information, illegally buy or sell, provide or make personal information public, or engage in the processing of personal information that endangers the national security or public interests. The Personal Information Protection Law clarifies the definition of "sensitive personal information", which means personal information that, once leaked or illegally used, may give rise to discrimination against individuals or endanger personal or property security. Where a personal information processor processes sensitive personal information with the individual's consent, a separate consent shall be obtained from the individual. Where any law or administrative regulation provides that written consent shall be obtained for processing sensitive personal information, such provision shall prevail.

According to the Cybersecurity Review Measures (《網絡安全審查辦法》) jointly promulgated by the CAC, the NDRC, the MIIT, the MPS, the Ministry of State Security of the PRC, the MOF, the MOFCOM, the People's Bank of China, the SAMR, the State Radio and Television Administration of the PRC, the State Secrets Bureau of the PRC ("**SSB**") and the State Cryptography Administration of the PRC, operators of online platforms handling personal information of more than one million users must apply for a cybersecurity review with the Cybersecurity Review Office when they are seeking for listing in a foreign country. In the meantime, the member organizations of the cybersecurity review working mechanism have the discretion to initiate a cybersecurity review on any network product or service, or any data processing activity if they deem such network product, or service, or data processing activity affects or may affect national security.

Pursuant to the Decision on Strengthening the Protection of Online Information (《關於加強網絡信息保護的決定》), and the Order for the Protection of Telecommunication and Internet User Personal Information (《電信和互聯網用戶個人信息保護規定》), any collection and use of a user's personal information must abide by the principles of legality, legitimacy and necessity, explicitly state the purpose, manners and scopes of the information collection and uses, obtain the consent of the user. Internet information service providers must strictly keep confidential the collected users' personal information, shall not disclose, alter, damage, sell, or provide it to others. Internet information service providers shall take technical measures and other necessary measures to prevent the collected personal information from being disclosed, damaged, or lost without authorization.

Automobile Data Security

The CAC, the NDRC, the MPS, the MIIT and the Ministry of Transport jointly promulgated the Several Provisions on Automobile Data Security Management (Trial Implementation) (the "Provisions on Automobile Data Security"《汽車數據安全管理若干規定(試行)》) which took effect on October 1, 2021 and aims to regulate the collection, analysis, storage, utilization, provision, publication, and cross-border transfer of personal information and important data involved in the process of automobile design, sales, use, operation and maintenance, among others. Relevant automobile data processors include, components and parts and software suppliers, dealers, maintenance organizations, and ride-hailing and sharing service enterprises, among others. To process personal information, automobile data processors shall obtain the consent of the individual or conform to other circumstances stipulated

by laws and regulations. Pursuant to the Provisions on Automobile Data Security, important data related to automobiles shall in principle be stored within the PRC and a security assessment of cross-border data transfer shall be conducted by the national cyberspace administration authority in concert with relevant departments under the State Council if it is indeed necessary to provide such data overseas. To process important data, automobile data processors shall conduct risk assessments in accordance with regulations and submit risk assessment reports to related departments at provincial levels.

Pursuant to the Notice of the Ministry of Industry and Information Technology on Strengthening Network Safety and Data Safety Work of Vehicle Connectivity (《關於加強車聯網網絡安全和數據安全工作的通知》) promulgated by the MIIT, enterprises engaged in vehicle connectivity must strengthen the prevention and protection of intelligent connected vehicle safety, vehicle connectivity network security, service platform security, and data security. They are also required to enhance the safety standard system for network and data safety.

REGULATIONS ON INTELLECTUAL PROPERTY RIGHTS

Patents

According to the Patent Law of the PRC (《中華人民共和國專利法》) which was last amended by the SCNPC, any invention or utility model for which a patent right may be granted must meet three conditions: novelty, inventiveness, and practical applicability. Patents cannot be granted for scientific discoveries, rules and methods for intellectual activities, methods used to diagnose or treat diseases, animal and plant breeds, nuclear transformation method, or substances obtained by means of nuclear transformation. A patent is valid for a twenty-year term for an invention, a ten-year term for a utility model, and a fifteen-year term for design. Except under certain specific circumstances provided by law, any third-party user must obtain consent or a proper license from the patent owner to use the patent, otherwise it will constitute an infringement of the rights of the patent owner.

Copyrights

Pursuant to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), Chinese citizens, legal persons or unincorporated organizations shall, whether published or not, enjoy copyright in their works in accordance with the law. Unless otherwise provided in the Copyright Law of the People's Republic of China and other related systems, laws and regulations, reproducing, distributing, performing, projecting, broadcasting or compiling a work or communicating the same to the public via an information network without permission from the owner of the copyright therein shall constitute infringements of copyrights. The infringer shall, according to the circumstances of the case, undertake to cease the infringement, eliminate impact, and offer an apology, pay damages and other civil liabilities. According to the Measures for the Registration of Computer Software Copyright (《計算器軟件著作權登記辦法》) and the Regulations on Protection of Computer Software (《計算機軟件保護條例》), the State Copyright Administration shall be responsible for the administration of software copyright registration nationwide, and the China Copyright Protection Center is recognized as the software registration authority. Applicants for computer software copyright satisfying the requirements of the Measures for the Registration of Computer Software Copyright and the Regulations on Protection of Computer Software will be issued a registration certificate by the China Copyright Protection Center.

Trademarks

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》) which was last amended by the SCNPC, and the Implementation Rules of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) amended by the State Council, registered trademarks in China include commodity trademarks, service trademarks, collective marks, and certification marks.

The Trademark Office of China National Intellectual Property Administration is responsible for trademark registration and administration in China. The period of validity of a registered trademark shall be ten years. If a registrant needs to continue to use the registered trademark after the period of validity, an application for renewal of registration shall be made every ten years. Application for renewal of registration shall be submitted within 12 months prior to the expiry date. The first to file principle is adopted in the registration of trademarks in China. Where trademark for which a registration application has been made is identical or similar to another trademark which has already been registered or been subject to a preliminary examination and approval for use on the same kind of or similar commodities or services, the application for registration of such trademark may be rejected. Applying for registration of a trademark shall not prejudice the existing right first obtained by others, nor could any person register in advance a trademark that has already been used by another party and has already gained a sufficient degree of reputation through such party's use. Using a trademark identical or similar to the registered trademark on the same or similar commodities without the permission of the trademark registrant constitutes an infringement on the exclusive right to use a registered trademark. The infringer shall, in accordance with the regulations, undertake to cease the infringement, take remedial measures, and compensate for losses.

Domain Names

According to the Administrative Measures on Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT, the MIIT supervises and administrates the domain name service nationwide. Domain name registrations are handled through domain name service agencies established under the relevant regulations, and applicants become domain name holders upon successful registration.

REGULATIONS ON LABOR AND SOCIAL INSURANCE

Pursuant to the PRC Labor Law (《中華人民共和國勞動法》), amended and promulgated by the SCNPC, and the PRC Labor Contract Law (《中華人民共和國勞動合同法》), employers must execute written labor contracts with full-time employees. All employers must comply with local minimum wage standards. Violations of the Labor Contract Law and the Labor Law may result in the imposition of fines and other administrative and criminal liability in the case of serious violations.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) which last amended by the SCNPC, the Provisional Regulations for the Collection and Payment of Social Insurance Premiums (《社會保險費徵收繳費暫行條例》) which last amended by the State Council, and the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) issued by the State Council, respectively, employers are required to pay social insurance premiums such as basic pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance and maternity insurance for their employees, and contribute to housing provident funds. If the employer fails to pay the housing fund within the prescribed time, it may be ordered to pay within a certain period of time, and if it still fails to pay, compulsory enforcement by the court can be applied.

On July 31, 2025, the Supreme People's Court of the PRC has issued the Interpretation II by the Supreme People's Court of the PRC on Legal Issues 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)》) (the "**Interpretation II**"), which takes effect from September 1, 2025. Pursuant to the Interpretation II, it is a statutory obligation on both the employers and employees to participate in the social insurance. Any arrangement not to participate in social insurance, either by unilateral undertaking or mutual agreement, is invalid. Further, the Interpretation II specifies that if the employee terminates the labor contract on the grounds that the employer has failed to make social insurance contributions as required by law, and claims economic compensation from the employer, the People's Court of the PRC shall uphold the claim.

REGULATIONS ON OVERSEAS LISTING

On February 17, 2023, with the approval of the State Council, the CSRC promulgated 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》) and relevant five guidelines, which came into force on March 31, 2023. According to the Trial Administrative Measures, PRC domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and submit relevant information to the CSRC; if a domestic company fails to complete the filing procedure or conceals any material fact or falsifies any major content in its filing documents, such domestic company may be subject to administrative penalties, such as an order to rectify, warnings, fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines.

According to the Provisions on Strengthening Confidentiality and Archives Management for Domestic Enterprises Engaging in Overseas Securities Issuance and Listing (《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》) jointly issued by the CSRC, the MOF, the National Administration of State Secrets Protection, and the National Archives Administration, domestic enterprises engaged in overseas securities issuance and listing activities, as well as securities companies and securities service institutions providing related services, shall strictly comply with the relevant laws and regulations of the People's Republic of China and the requirements of this provision, enhance legal awareness of safeguarding state secrets and strengthening archives management, establish and improve confidentiality and archives management systems, take necessary measures to implement confidentiality and archives management responsibilities, and shall not disclose state secrets or state agency work secrets, nor harm national or public interests. Domestic enterprises that provide, publicly disclose, or disclose documents or materials involving state secrets or state agency work secrets to securities companies, securities service institutions, overseas regulatory authorities, or other entities or individuals, whether directly or through their overseas listing entities, shall submit such actions to the competent authority with approval authority for approval in accordance with the law and report them to the confidentiality administrative department at the same level for filing.

Full Circulation of H Shares

"Full Circulation" represents listing and circulating on the Stock Exchange of the domestic unlisted shares of an H-share listed company, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders. CSRC announced the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請"全流通"業務指引》 ("**Guidelines for the 'Full Circulation'**")). As regulated in the Guidelines for "Full Circulation," shareholders of domestic unlisted shares have the flexibility to jointly

decide the amount and proportion of shares that will be included in the circulation application. This decision should be reached through mutual consultation, ensuring compliance with relevant laws, regulations and policies governing state-owned asset administration, foreign investment and industry regulation. Meanwhile, the H-share listed company corresponding to these shares may be authorized to file for "full circulation" with the CSRC. An unlisted domestic joint stock company may file with the CSRC for "full circulation" at the time of its initial public offering and listing overseas. After domestic unlisted shares are listed and circulated on the Stock Exchange, they may not be transferred back to China. Pursuant to the Trial Administrative 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. Additionally, they are required to authorize the domestic company to submit the conversion application to the CSRC on their behalf.

OVERVIEW

Our history can be traced back to 2022 when our Company was established. Mr. Huang, our co-founder, chairperson of the Board, executive Director and chief executive officer, brings over a decade of deep domain expertise in autonomous driving industry. Our other co-founder and president, Mr. Zhang, brings over 30 years of experience in the commercial vehicle industry. For details of the biographies of Mr. Huang and Mr. Zhang, see "Directors and Senior Management". Guided by our management team with profound expertise, we are a pioneer in autonomous heavy-duty trucks. We provide new energy intelligent heavy-duty trucks and RoboTruck solution, leveraging our comprehensive autonomous road freight solution capabilities spanning vehicle, autonomous driving technologies and fleet operation systems.

BUSINESS DEVELOPMENT MILESTONES

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

Year	Milestone
2022	Our Company was founded in China.
	We began developing our end-to-end MLLM for RoboTruck solution, as well as the vehicle platform and key systems for our new energy intelligent heavy-duty trucks, including our first-generation e-axle.
2023	Our first-generation e-axle passed vehicle testing and entered the verification phase.
	Our first new energy intelligent heavy-duty truck model, Awaken, entered SoP for mass production.
2024	We officially launched and commenced commercialization of two new energy intelligent heavy-duty truck models, Awaken and Ripen, delivering 272 units for the year ended December 31, 2024.
	We commercialized the Matrix four-in-one e-axle, which was the first in the industry to achieve mass production utilizing a segmented axle-housing architecture.
	We became the first and only company in the industry to mass-produce multi-source heat-pump-based vehicle thermal management system.
	We launched our proprietary ZSD system, being the industry's first end-to-end MLLM for heavy-duty truck autonomous driving.
	We participated in the End-to-End Driving at Scale Challenge at CVPR 2024, where our model ranked first among camera-only solutions.
2025	We delivered 1,176 new energy intelligent heavy-duty trucks in the year, making us the fastest emerging new energy intelligent heavy-duty truck company to surpass 1,000 units in annual sales.

Year	Milestone
	We delivered 15 vehicles under the RoboTruck solution.
2026	In the four months ended April 30, 2026 we delivered 778 new energy intelligent heavy-duty trucks, representing a year-over-year increase of 334.6%.

OUR MAJOR SUBSIDIARIES

The following table sets out the principal business activities, place of establishment and date of establishment of our subsidiaries that made a material contribution to our results of operations during the Track Record Period.

Name of subsidiary	Place of establishment	Date of establishment	Equity interest attributable to our Group	Principal business activities
Beijing Zeron	PRC	April 18, 2022	100%	Provision of R&D services
Shanghai Lingdong	PRC	May 10, 2023	100%	Provision of R&D services
Anhui Jushi	PRC	September 23, 2024	100%	Operation of e-axle business

ESTABLISHMENT AND SHAREHOLDING CHANGES OF OUR COMPANY

1. Establishment of our Company

Our Company was established in the PRC as a limited liability company on June 2, 2022 with an initial registered capital of RMB10,000,000, which was held by Mr. Huang and Ms. Yang Dan, our director of finance, each as to 80% and 20%, respectively.

2. Angel Round Investment and equity transfers in 2022

On July 15, 2022, our Company, Beijing Zeron, Mr. Huang and Jiaxing Shinuo Venture Capital Partnership (Limited Partnership) (嘉興實諾創業投資合夥企業(有限合夥)) ("**Jiaxing Shinuo**") entered into a capital increase agreement, pursuant to which Jiaxing Shinuo subscribed for RMB2.5 million increased registered capital of our Company at a total consideration of RMB60 million.

On September 23, 2022, Mr. Huang and Yangzhou Erjinzhi entered into a share transfer agreement, pursuant to which Mr. Huang transferred RMB1.5 million registered capital of our Company to Yangzhou Erjinzhi at nil consideration. Yangzhou Erjinzhi is a shareholding platform for Mr. Zhang, our executive Director and president, with Shanghai Dongyao as its general partner. Shanghai Dongyao has been controlled by Mr. Huang and owned as to 99.00% by Mr. Huang and 1.00% by Ms. Yang Dan. On the same date, Ms. Yang Dan and Yangzhou Bannarui entered into a share transfer agreement,

pursuant to which Ms. Yang Dan transferred RMB2 million registered capital of the Company to Yangzhou Bannarui at nil consideration. Yangzhou Bannarui is a shareholding platform controlled by Shanghai Dongyao as its general partner for implementation of the Employee Incentive Scheme. Please refer to "— Employee Incentive Scheme" for further details.

3. Pre-A and Pre-A+ Investments

(i) Pre-A Investment

On March 16, 2023, our Company, Beijing Zeron, Mr. Huang, Mr. Zhang (in his capacity as the sole limited partner of Yangzhou Erjinzhi), Yangzhou Erjinzhi, Yangzhou Bannarui, Wuhan Tianshan Zhixing Venture Capital Partnership (Limited Partnership) (武漢天善知行創業投資合夥企業(有限合夥)) ("**Tianshan Zhixing**"), Jiaxing Xinyi Changxi Venture Capital Partnership (Limited Partnership) (嘉興新宜常羲創業投資合夥企業(有限合夥)) ("**Xinyi Changxi**") and Yangzhou Dongyao entered into a capital increase agreement, pursuant to which (i) Tianshan Zhixing subscribed for RMB1,343,398 increased registered capital of our Company at a total consideration of RMB50 million, (ii) Xinyi Changxi subscribed for RMB268,680 increased registered capital of our Company at a total consideration of RMB10 million, and (iii) Yangzhou Dongyao subscribed for RMB188,076 increased registered capital of our Company at a total consideration of RMB7 million. Yangzhou Dongyao is an investment platform for employees, former employee and former advisor of the Company, with Shanghai Dongyao as its general partner. On the same date, the Shareholders of the Company resolved that, other than the above mentioned capital increase, Yangzhou Bannarui subscribed for RMB1,820,624 increased registered capital of our Company at a total consideration of RMB1,820,624.

(ii) Pre-A+ Investment

On June 13, 2023, our Company, Shanghai Lingdong, Beijing Zeron, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui, Lenovo Small and Medium-sized Enterprise Development Venture Capital Fund (Tianjin) Partnership (Limited Partnership) (聯想中小企業發展創業投資基金(天津)合夥企業(有限合夥)) ("**Lenovo Fund**") and Yangzhou Dongyao entered into a capital increase agreement, pursuant to which (i) Lenovo Fund subscribed for RMB1,792,826 increased registered capital of our Company at a total consideration of RMB73.4 million and (ii) Yangzhou Dongyao subscribed for RMB14,655 increased registered capital of our Company at a total consideration of RMB600,000.

4. Series A Investments

(i) Series A1-1 Investment

On January 29, 2024, our Company, Shanghai Lingdong, Beijing Zeron, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui, Tianshan Zhixing, Ningbo Huitong Venture Capital Partnership (Limited Partnership) (寧波彗通創業投資合夥企業(有限合夥)) ("**Ningbo Huitong**") and Yangzhou Shengyao entered into a capital increase agreement, pursuant to which (i) Tianshan Zhixing subscribed for RMB250,996 increased registered capital of our Company at a total consideration of RMB15 million, (ii) Ningbo Huitong subscribed for RMB143,426 increased registered capital of our Company at a total consideration of RMB10 million, and (iii) Yangzhou Shengyao subscribed for RMB71,713 increased registered capital of our Company at a total consideration of RMB5 million. Yangzhou Shengyao is a shareholding platform for individual investors who are Independent Third Parties of the Company, with Shanghai Dongyao as its general partner.

(ii) Series A1-2 Investment

On June 4, 2024, our Company, Shanghai Lingdong, Beijing Zeron, Tianjin Zeron, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui, Momenta (Shanghai) Automotive Technology Co., Ltd. (初速度(上海)汽車技術有限公司) ("**Momenta**") and Taicang Zero One No.1 Investment Partnership (Limited Partnership) (太倉零一壹號投資合夥企業(有限合夥)) ("**Taicang No.1**") entered into a capital increase agreement, pursuant to which (i) Momenta subscribed for RMB150,597 increased registered capital of our Company at a total consideration of RMB10.5 million, and (ii) Taicang No.1 subscribed for RMB573,704 increased registered capital of our Company at a total consideration of RMB40 million.

(iii) Series A2-1 Investment

On November 28, 2024, our Company, Shanghai Lingdong, Beijing Zeron, Tianjin Zeron, Anhui Jushi, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui, Taicang Loudong Industrial Development Fund Partnership (Limited Partnership) (太倉市婁東產業發展基金合夥企業(有限合夥)) ("**Loudong Fund**"), Anhui Deying Venture Capital Partnership (Limited Partnership) (安徽德迎創業投資合夥企業(有限合夥)) ("**Anhui Deying**"), Longyan Xinjing Fuying Venture Capital Partnership (Limited Partnership) (龍岩新景富盈創業投資合夥企業(有限合夥)) ("**Xinjing Fuying**") entered into a capital increase agreement, pursuant to which (i) Loudong Fund subscribed RMB430,278 increased registered capital of our Company at a total consideration of RMB30 million, (ii) Anhui Deying subscribed for RMB717,130 increased registered capital of our Company at a total consideration of RMB50 million, and (iii) Xinjing Fuying subscribed for RMB286,852 increased registered capital of our Company at a total consideration of RMB20 million.

(iv) 2025 Equity Transfer and Series A2-2 Investment

On December 25, 2024, Jiaxing Shinuo, Xinyi Changxi, Yangzhou Dongyao and Yangzhou Huoshui Yongchao No. 1 Venture Capital Partnership (Limited Partnership) (揚州活水涌潮一號創業投資合夥企業(有限合夥)) ("**Huoshui No. 1**") entered into a share transfer agreement, pursuant to which each of Jiaxing Shinuo and Xinyi Changxi transferred RMB61,372 registered capital of our Company to Huoshui No. 1 at a consideration of RMB3,068,600, respectively. Yangzhou Dongyao transferred RMB77,256 registered capital of our Company to Huoshui No. 1 at a consideration of RMB3,862,800.

On March 3, 2025, our Company, each subsidiary of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui, Lishui Liandu District Caitong Huiying Tongfu Venture Capital Partnership (Limited Partnership) (麗水蓮都區財通匯盈通富創業投資合夥企業(有限合夥)) ("**Liandu Caitong**"), Suzhou Yuanru Venture Capital Partnership (Limited Partnership) (蘇州元如創業投資合夥企業(有限合夥)) ("**Yuanru Venture Capital**"), Momenta, Yangzhou Huoshui Yongchao No. 2 Venture Capital Partnership (Limited Partnership) (揚州活水涌潮二號創業投資合夥企業(有限合夥)) ("**Huoshui No. 2**") entered into a capital increase agreement, pursuant to which (i) Liandu Caitong subscribed RMB215,139 increased registered capital of our Company at a total consideration of RMB15 million, (ii) Yuanru Venture Capital subscribed for RMB501,991 increased registered capital of our Company at a total consideration of RMB35 million, (iii) Momenta subscribed for RMB157,769 increased registered capital of our Company at a consideration of RMB11 million and (iv) Huoshui No. 2 subscribed for RMB143,426 increased registered capital of our Company at a consideration of RMB10 million. In May 2025, due to internal reorganization, Yuanru Venture Capital transferred its obligation to subscribe the registered capital of the Company of RMB501,991 to its related party, Changzhou Kailong No.1

Management Consulting Partnership (Limited Partnership) (常州凱隆壹號管理諮詢合夥企業(有限合夥)) ("**Changzhou Kailong**"). Changzhou Kailong replaced Yuanru Venture Capital in assuming the shareholder's rights and obligations ever since.

(v) Series A2-3 Investment

On June 19, 2025, our Company, each subsidiary of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui, Momenta, Shanghang Xingchen Venture Capital Partnership (Limited Partnership) (上杭興辰創業投資合夥企業(有限合夥)) ("**Shanghang Xingchen**") and Shanghang Xinghang Xingyao Venture Capital Partnership (Limited Partnership) (上杭興杭星耀創業投資合夥企業(有限合夥)) ("**Shanghang Xinghang**") entered into a capital increase agreement, pursuant to which (i) Momenta subscribed RMB989,640 increased registered capital of our Company at a total consideration of RMB69 million, (ii) Shanghang Xingchen subscribed for RMB1,362,548 increased registered capital of our Company at a total consideration of RMB95 million, and (iii) Shanghang Xinghang subscribed for RMB444,621 increased registered capital of our Company at a consideration of RMB31 million.

5. Conversion into a joint stock company

Pursuant to the promoters' agreement dated January 4, 2026 entered into by all the then Shareholders and the shareholders' resolutions dated January 5, 2026, all promoters (being all the then Shareholders) agreed to convert our Company from a limited liability company into a joint stock limited company. Upon completion of the conversion, the share capital of our Company was RMB24,368,089 divided into 24,368,089 Shares with a nominal value of RMB1.00 each, which were subscribed by all the then Shareholders in proportion to their respective equity interests in our Company before the conversion. Our Company obtained a new business license on February 12, 2026 and was renamed as Jiangsu Zeron Automobile Technology Company Limited (江蘇零一汽車科技股份有限公司).

6. 2026 First Share Transfer and Series A+ Investment

On February 2, 2026, the Company, each subsidiary of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yanghou Bannarui, Fujian Shidai Zeyuan Equity Investment Fund Partnership (Limited Partnership) (福建時代澤遠股權投資基金合夥企業(有限合夥)) ("**Shidai Zeyuan**") and Shenzhen Jingmu Changqing Venture Capital Partnership (Limited Partnership) (深圳市景沐長青創業投資合夥企業(有限合夥)) ("**Jingmu Changqing**") entered into an investment agreement, pursuant to which (i) Mr. Huang transferred RMB712,709 registered capital of our Company to Shidai Zeyuan at a total consideration of RMB14,623,809.52, (ii) Mr. Huang transferred RMB18,334 registered capital of our Company to Jingmu Changqing at a total consideration of RMB376,190.48, (iii) each of Shidai Zeyuan and Jingmu Changqing subscribed for RMB3,495,726 and RMB89,926 increased registered capital of the Company at at a price of RMB69.72 per Share (being the cost per Share of the Series A Investment), at a total consideration of RMB243,730,158.73 and RMB6,269,841.27, respectively, and (iv) each of Shidai Zeyuan, Jingmu Changqing and Mr. Huang subscribed for RMB621,151, RMB15,979 and RMB152,911 increased registered capital of the Company at a total consideration of RMB48,746,031.75, RMB1,253,968.25 and RMB12,000,000, respectively.

7. Series B1 Investment

On February 4, 2026, our Company, each subsidiary of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui and Momenta entered into a capital increase agreement, pursuant to which Momenta (i) subscribed for RMB717,130 increased registered capital of the Company at a price of RMB69.72 per Share (being the cost per Share of the Series A Investment), at a total consideration of RMB50 million, (ii) subscribed for RMB637,130 increased registered capital of the Company at a price of RMB78.48 per Share (being the cost per Share of the Series A+ Investment), at a total consideration of RMB50 million, and (iii) subscribed for RMB903,444 increased registered capital of our Company at a total consideration of RMB100 million. On the same date, our Company, each subsidiary of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui and Hefei NIO Industrial Development Equity Investment Partnership (Limited Partnership) (合肥蔚來產業發展股權投資合夥企業(有限合夥)) ("**Hewei Investment**") entered into two capital increase agreements, pursuant to which Hewei Investment (i) subscribed for RMB637,130 increased registered capital of our Company at a price of RMB78.48 per Share (being the cost per Share of the Series A+ Investment), at total consideration of RMB50 million, and (ii) subscribed for RMB1,219,650 increased registered capital of our Company at a total consideration of RMB150 million.

On February 4, 2026, our Company, each subsidiary of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui entered into a capital increase agreement with Zhongxiao FG (Shanghai) Private Equity Fund Partnership (Limited Partnership) (中小方廣(上海)私募基金合夥企業(有限合夥)) ("**Zhongxiao FG**"), Changzhou FG Phase IV Venture Capital Partnership (Limited Partnership) (常州方廣四期創業投資合夥企業(有限合夥)) ("**Changzhou FG**"), Xiamen Jiaxin Dingsheng Investment Partnership (Limited Partnership) (廈門嘉信鼎盛投資合夥企業(有限合夥)) ("**Jiaxin Dingsheng**"), Shanghai Shenergy Venture Capital Partnership (Limited Partnership) (上海申能創業投資合夥企業(有限合夥)) ("**Shenergy Venture Capital**"), Blue Lake Capital Fund IV Investment (HK) Limited ("**Blue Lake**") and ONDINE SEA VCC ("**ONDINE SEA VCC**"), pursuant to which (i) Zhongxiao FG subscribed for RMB172,384.24 increased registered capital of our Company at a total consideration of RMB21,200,865.98, (ii) Changzhou FG subscribed for RMB234,165.76 increased registered capital of our Company at a total consideration of RMB28,799,134.02, (iii) Jiaxin Dingsheng subscribed for RMB406,550 increased registered capital of our Company at a total consideration of RMB50 million, (iv) Shenergy Venture Capital subscribed for RMB325,240 increased registered capital of our Company at a total consideration of RMB40 million, (v) Blue Lake subscribed for RMB284,585 increased registered capital of our Company at a total consideration of USD equivalent of RMB35 million, and (vi) ONDINE SEA VCC subscribed for RMB130,909 increased registered capital of our Company at a total consideration of USD equivalent of RMB16.1 million.

8. Series B2 Investment (First Closing)

On March 25, 2026, our Company, each of the subsidiaries of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi, Yangzhou Bannarui and Anhui Lingtong Group Holdings Co., Ltd. (安徽靈通集團控股有限公司) ("**Anhui Lingtong**") entered into two capital increase agreements, pursuant to which Anhui Lingtong (i) subscribed for RMB935,065 increased registered capital of the Company at a price of RMB122.99 per Share (being the cost per Share of the Series B1 Investment), at a total consideration of RMB115 million and (ii) subscribed for RMB500,752 increased registered capital of our Company at a total consideration of RMB85 million.

9. Issuance to Yangzhou Bannarui

On May 20, 2026, Yangzhou Bannarui subscribed for an increase of RMB1,493,663 registered capital of our Company at a consideration of RMB1,493,663, representing RMB1.00 for each Share in the registered capital.

10. Series B2 Investment (Second Closing) and 2026 Second Share Transfer

On December 30, 2025, the Company, Mr. Huang, and Suzhou Yifeng Equity Investment Partnership (Limited Partnership) (蘇州毅峰股權投資合夥企業(有限合夥)) ("**Suzhou Yifeng**") entered into a warrant purchase agreement, pursuant to which the Company irrevocably granted Suzhou Yifeng or its designated affiliate, on the drawdown date of the convertible loans under the CB Agreement (as defined below), the right to subscribe for or acquire Shares at an aggregate exercise consideration of no more than RMB12.5 million. Further on February 10, 2026, the Company issued a warrant confirmation letter to Suzhou Yifeng, pursuant to which Suzhou Yifeng was granted a warrant of the Company to receive a total of 101,637 Shares at RMB122.99 per Share upon exercise. All of the warrants have been fully exercised and 101,637 Shares were issued to Suzhou Yifeng on May 20, 2026 as described below.

On December 30, 2025, the Company entered into a convertible loan agreement (the "**CB Agreement**") with Suzhou Yifeng, pursuant to which Suzhou Yifeng agreed to provide the Company with a loan in an aggregate principal amount of up to RMB50 million, subject to the Company's drawdown request. Under the terms of the CB Agreement, Suzhou Yifeng has the right to convert all or part of the outstanding loan into increased registered capital of the Company. Pursuant to a commitment letter issued by Suzhou Yifeng, the conversion and relevant procedures must be completed no later than the date on which the Company first submitted its **[REDACTED]** to an approved stock exchanges, otherwise the conversion right will lapse. As of the date on which the Company first filed its **[REDACTED]** to the Hong Kong Stock Exchange (which is an approved stock exchange), Suzhou Yifeng had not requested to exercise its conversion right. As a result, the conversion right of Suzhou Yifeng under the CB Agreement has lapsed, and the outstanding loan will be treated as indebtedness of the Company since then.

On May 20, 2026, the Company, each subsidiary of our Company, Mr. Huang, Mr. Zhang, Yangzhou Erjinzhi and Yangzhou Bannarui Suzhou Yifeng, Taibai Investments Pte. Ltd. ("**Taibai**"), True Light Investments P Pte. Ltd. ("**True Light**"), BSW Holdings Limited ("**BSW**"), Sanya Gaocheng Huarui Investment Partnership (Limited Partnership) (三亞高成華瑞投資合夥企業(有限合夥)) ("**Gaocheng Huarui**") and ONDINE SEA VCC entered into an investment agreement, pursuant to which (i) Suzhou Yifeng subscribed for RMB101,637 increased registered capital of the Company at a total consideration of RMB12.5 million, (ii) Taibai subscribed for RMB1,963,731 increased registered capital of the Company at a total consideration of RMB320 million, (iii) True Light subscribed for RMB490,933 increased registered capital of the Company at a total consideration of RMB80 million, (iv) BSW subscribed for RMB1,432,910 increased registered capital of the Company at a total consideration of USD equivalent of RMB233.5 million, (v) Gaocheng Huarui subscribed for RMB61,367 increased registered capital of the Company at a total consideration of RMB10 million, and (vi) ONDINE SEA VCC subscribed for RMB84,318 increased registered capital of the Company at a total consideration of USD equivalent of RMB13.74 million.

On May 20, 2026, each of Haining Yuzun Chaosheng Innovation Investment Partnership (Limited Partnership) (海寧譽尊潮升創新投資合夥企業(有限合夥)) ("**Yuzun Investment**"), Sanhua Holdings Group Co., Ltd. (三花控股集團有限公司) ("**Sanhua Holdings**"), Sichuan Changshi Venture Capital

Partnership (Limited Partnership) (四川長石創業投資合夥企業(有限合夥)) ("**Sichuan Changshi**"), Zijin Xinda Industrial Investment Partnership (Limited Partnership) (紫金礦業信達(廈門)產業投資合夥企業(有限合夥)) ("**Zijin Xinda**"), Zijin Zidun Investment Partnership (Limited Partnership) (紫金礦業紫盾(廈門)投資合夥企業（有限合夥）) ("**Zijin Zidun**"), Shandong Green New Energy Industry Equity Investment Fund Partnership (Limited Partnership) (山東省綠色新能源產業股權投資基金合夥企業(有限合夥)) ("**Lvneng Fund**"), Moutai (Guizhou) High-Quality Growth Equity Investment Partnership (Limited Partnership) (茅臺(貴州)高質量成長股權投資合夥企業(有限合夥)) ("**Maotai Investment**") and Shanghai Yuanhe Puhua Private Equity Fund Partnership (Limited Partnership) (上海元禾璞華私募基金合夥企業(有限合夥)) ("**Yuanhe Puhua**") entered into a joinder agreement in respect of the Company, pursuant to which (i) Yuzun Investment subscribed for 184,100 Shares of the Company at a total consideration of RMB30 million, (ii) Sanhua Holdings subscribed for 184,100 Shares at a total consideration of RMB30 million , (iii) Sichuan Changshi subscribed for 184,100 Shares at a total consideration of RMB30 million , (iv) Zijin Xinda subscribed for 165,690 Shares of the Company at a total consideration of RMB27 million, (v) Zijin Zidun subscribed for 49,093 Shares at a total consideration of RMB8 million , (vi) Lvneng Fund subscribed for 184,100 Shares at a total consideration of RMB30 million , (vii) Maotai Investment subscribed for 184,100 Shares at a total consideration of RMB30 million, and (viii) Yuanhe Puhua subscribed for 61,367 Shares of the Company at a total consideration of RMB10 million. On May 21, 2026, Zhangjiagang Zhaoxi Advantage No. 2 Equity Investment Partnership (Limited Partnership) (張家港朝希優勢貳號股權投資合夥企業(有限合夥)) ("**Zhaoxi No.2**") entered into a joinder agreement, pursuant to which Zhaoxi No.2 subscribed for 368,200 Shares of the Company at a total consideration of RMB60 million.

On May 20, 2026, Tianshan Zhixing, Lenovo Fund, Jiaxing Shinuo, Taibai and True Light entered into a share transfer agreement in respect of the Company, pursuant to which (i) Tianshan Zhixing transferred RMB381,195 registered capital of the Company to Taibai at a total consideration of RMB52.8 million, (ii) Tianshan Zhixing transferred RMB95,299 registered capital of the Company to True Light at a total consideration of RMB13.2 million, (iii) Lenovo Fund transferred RMB433,176 registered capital of the Company to Taibai at a total consideration of RMB60 million, (iv) Lenovo Fund transferred RMB108,294 registered capital of the Company to True Light at a total consideration of RMB15 million, (v) Jiaxing Shinuo transferred RMB340,766 registered capital of the Company to Taibai at a total consideration of RMB47.2 million, and (vi) Jiaxing Shinuo transferred RMB85,191 registered capital of the Company to True Light at a total consideration of RMB11.8 million. On the same date, Jiaxing Shinuo and BSW entered into a share transfer agreement, pursuant to which Jiaxing Shinuo transferred RMB794,156 registered capital of the Company to BSW at a total consideration of USD equivalent of RMB110 million.

11. Share Subdivision

We expect to conduct the Share Subdivision immediately prior to the **[REDACTED]**, pursuant to which each of our Shares with par value of RMB1.00 will be subdivided into [ten] Shares with par value of RMB[0.10] each. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB[43,041,326], will be divided into [430,413,260] Shares with par value of RMB0.10 per Share, which will be subscribed by all our then Shareholders in proportion to their respective equity interests in our Company immediately before the **[REDACTED]**, and the number of our issued Shares will be [430,413,260], without taking into consideration the new Shares to be issued for the **[REDACTED]**.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Track Record Period and up to the Latest Practicable Date, we had not conducted any acquisitions, disposals or mergers that we consider material to us.

PRE-[REDACTED] INVESTMENTS

The table below summarizes the principal terms of the Pre-**[REDACTED]** Investments:

Equity Financing

Series	Date of investment agreements	Date of full settlement	Amount of consideration paid	Approximate cost per Share paid[(1)]	Discount to the [REDACTED][(2)]	Post-money valuation of our Company[(3)]
Angel round	July 15, 2022	August 3, 2022	RMB60.00 million	RMB2.40	[REDACTED]%	RMB300.00 million
Pre-A Investment. . .	March 16, 2023	March 23, 2023	RMB67.00 million	RMB3.72	[REDACTED]%	RMB600.00 million[(4)]
Pre-A+ Investment . .	June 13, 2023	June 25, 2023	RMB74.00 million	RMB4.09	[REDACTED]%	RMB734.00 million[(5)]
Series A Investments .	January 29, 2024 June 4, 2024 November 28, 2024 March 3, 2025 June 19, 2025 February 2, 2026 February 4, 2026	February 13, 2026	RMB746.50 million	RMB5.98[(11)] and RMB6.97	[REDACTED]% and [REDACTED]%	RMB1,996.50 million[(6)]
Series A+ Investment.	February 2, 2026 February 4, 2026	February 24, 2026	RMB162.00 million	RMB7.85	[REDACTED]%	RMB2,412.00 million[(7)]
Series B1 Investment.	February 4, 2026 March 25, 2026	March 25, 2026	RMB556.10 million	RMB12.30	[REDACTED]%	RMB4,336.10 million[(8)]
Series B2 Investment (First Closing) . . .	March 25, 2026	March 25, 2026	RMB85.00 million	RMB16.97	[REDACTED]%	RMB6,085.00 million[(9)]

Series	Date of investment agreements	Date of full settlement	Amount of consideration paid	Approximate cost per Share paid[1]	Discount to the [REDACTED][2]	Post-money valuation of our Company[3]
Series B2 Investment (Second Closing). .	May 20, 2026	May 26, 2026	RMB924.74 million[14]	RMB12.30[12] and RMB16.30[13]	[REDACTED]% and [REDACTED]%	RMB7,009.74 million[10]

Notes:

(1) The cost per Share is calculated based on dividing the consideration by the number of Shares subscribed or acquired as adjusted by the Share Subdivision to be undertaken immediately prior to the **[REDACTED]**, to facilitate the illustration of premium or discount to the **[REDACTED]**.

(2) The discount to the **[REDACTED]** is calculated based on the **[REDACTED]** of HK$**[REDACTED]** per H Share (being the **[REDACTED]** of the indicative **[REDACTED]** range).

(3) Post-money valuation is calculated on the basis of (a) cost per Share; and (b) the total number of Shares of our Company upon completion of the relevant round of the Pre-**[REDACTED]** Investment, adjusted when applicable to reflect the joint stock company conversion.

(4) The increase from the post-money valuation of Angel round Investment to the post-money valuation of Pre-A Investment was determined based on arm's length negotiations between our Company and the Pre-**[REDACTED]** Investors of the Pre-A Investment taking into account the Company's completion of its initial core-technology roadmap and assembly of a core team, as well as investor confidence in the new-energy commercial-vehicle sector.

(5) The increase from the post-money valuation of Pre-A Investment to the post-money valuation of Pre-A+ Investment was determined based on arm's length negotiations between our Company and the Pre-**[REDACTED]** Investors of the Pre-A+ Investment taking into account the milestone progress in R&D, validated vehicle feasibility, and improved business certainty.

(6) The increase from the post-money valuation of Pre-A+ Investment to the post-money valuation of Series A Investment was determined based on arm's length negotiations between our Company and the Pre-**[REDACTED]** Investors of the Series A Investment taking into account favorable industry policies, expansion of downstream customers, and steady commercialization progress.

(7) The increase from the post-money valuation of Series A Investment to the post-money valuation of Series A+ Investment was determined based on arm's length negotiations between our Company and the Pre-**[REDACTED]** Investors of the Series A+ Investment taking into account a strengthened supply-chain system and growing market recognition.

(8) The increase from the post-money valuation of Series A+ Investment to the post-money valuation of Series B1 Investment was determined based on arm's length negotiations between our Company and the Pre-**[REDACTED]** Investors of the Series B1 Investment taking into account progress toward mass production and deliveries.

(9) The increase from the post-money valuation of Series B1 Investment to the post-money valuation of Series B2 Investment (First Closing) was determined based on arm's length negotiations between our Company and the Pre-**[REDACTED]** Investors of the Series B2 Investment enhanced scaled-operation capabilities, stronger technology and market barriers to entry, and a clear long-term growth outlook.

(10) The increase from the post-money valuation of Series B2 Investment (First Closing) to the post-money valuation of Series B2 Investment (Second Closing) was determined based on arm's length negotiations between our Company and the Pre-**[REDACTED]** Investors of the Series B2 Investment taking into account large-scale delivery, advanced autonomous driving technology capabilities, and the Company's ability to expand into new industry scenarios.

(11) Tianshan Zhixing subscribed for RMB250,996 increased registered capital of our Company at a total consideration of RMB15 million, among which a portion was subscribed pursuant to its pre-emptive rights at a discount price.

(12) Pursuant to the warrants granted to Suzhou Yifeng, Suzhou Yifeng is entitled to subscribe for a total of 101,637 Shares at RMB122.99 per Share (being the cost per Share of the Series B1 Investment) upon exercise. For details, see "— Establishment and Shareholding Changes of our Company — 10. Series B2 Investment (Second Closing) and 2026 Second Share Transfer."

(13) The cost per Share in the Series B2 (Second Closing) was lower than that in Series B2 (First Closing) as a result of the dilutive effect of Shares subscribed by Yangzhou Bannarui between the two closings.

(14) Part of the consideration was paid in USD equivalent to RMB16 million by ONDINE SEA VCC and USD equivalent to RMB35 million by Blue Lake.

Equity Transfer

	Date of agreements	Date of full settlement	Amount of consideration paid	Approximate cost per Share paid[1]	Discount to the [REDACTED][2]
2025 Equity Transfer	December 25, 2024	March 12, 2025	RMB10.00 million	RMB5.00	**[REDACTED]**%
2026 First Share Transfer	February 2, 2026	March 9, 2026	RMB15.00 million	RMB2.05[3]	**[REDACTED]**%
2026 Second Share Transfer . .	May 20, 2026	May 28, 2026	RMB310.00 million	RMB13.85[4]	**[REDACTED]**%

Notes:

(1) The cost per Share is calculated based on dividing the consideration by the number of Shares subscribed or acquired as adjusted by the Share Subdivision to be undertaken immediately prior to the **[REDACTED]**, to facilitate the illustration of premium or discount to the **[REDACTED]**.

(2) The discount on the **[REDACTED]** is calculated based on the **[REDACTED]** of HK$**[REDACTED]** per H Share (being the **[REDACTED]** of the indicative **[REDACTED]** range).

(3) The cost per Share of the 2026 First Share Transfer was lower than that of 2025 Equity Transfer as the cost per Share was arrived after arm's length negotiation between the relevant transferors and transferees and the underlying Shares were acquired or subscribed by the transferors in previous rounds of Pre-**[REDACTED]** Investments with relatively lower costs.

(4) Part of the consideration was paid in USD equivalent to RMB110 million by BSW to Jiaxing Shinuo.

Basis of consideration

The basis of consideration of each tranche of the Pre-**[REDACTED]** Investments was determined by the relevant Pre-**[REDACTED]** Investors through arm's length negotiations between the parties based on the valuation of our Group at the time of the investment, taking into account the timing of the investment, the then status of the businesses carried out by our Group, the business milestones achieved by our Group at the relevant time, the outlook/growth potential and financial performance of our Group, and the industry in which we operate in.

Use of proceeds [REDACTED]

We utilized the **[REDACTED]** from the Pre-**[REDACTED]** Investments for the development and operations of our business, including but not limited to research and development, personnel recruitment and sales and marketing, as well as other general corporate purposes. As of the Latest Practicable Date, approximately 50% of the **[REDACTED]** raised from the Pre-**[REDACTED]** Investments had been utilized.

Lock-up

Pursuant to the PRC Company Law, all the Pre-**[REDACTED]** Investors are subject to a 12-month lock-up period from the **[REDACTED]**.

Strategic benefits of the Pre-[REDACTED] Investments

At the time of the Pre-**[REDACTED]** Investments, the Directors were of the view that our Company would benefit from the strategic or financial value that the Pre-**[REDACTED]** Investors would bring to our business, the additional capital provided by the Pre-**[REDACTED]** Investors' investments in our Company and their knowledge relevant to our business. Our Pre-**[REDACTED]** Investors include renowned professional investors, which can provide us with professional advice on our Group's development and improve our corporate governance, financial reporting and internal control.

Moreover, our Directors were of the view that our Group could benefit from the Pre-**[REDACTED]** Investments as the Pre-**[REDACTED]** Investors' investments demonstrated their confidence in the operations of our Group and served as an endorsement of our Company's performance, strengths and prospects.

Special rights of the Pre-[REDACTED] Investors

Certain special rights were granted to our Pre-**[REDACTED]** Investors under the relevant agreements, such as anti-dilution rights, redemption rights, liquidation preferences rights, right to appoint directors or observers on the board, rights of first refusal, and information and inspection rights. No Pre-**[REDACTED]** Investors had exercised their redemption rights or liquidation preferences rights.

Pursuant to the special rights termination agreement dated May 28, 2026, entered into, among others, our Company and the Pre-**[REDACTED]** Investors, the redemption right was terminated unconditionally with effect from the day immediately preceding the date on which our Company first submitted the **[REDACTED]** to the Stock Exchange and shall be *void ab initio* and all other special rights of the Pre-**[REDACTED]** Investors shall be terminated unconditionally and irrevocably with effect from the day immediately preceding the **[REDACTED]** and shall be *void ab initio*, provided that the redemption right shall unconditionally and automatically be reinstated upon the earliest occurrence of any of the followings: (i) the Company voluntarily withdraws its **[REDACTED]** from the CSRC, the SFC or the Stock Exchange, or fails to re-submit or supplement its application within six months (or such other period as agreed by the investors) after the application materials are returned or the application lapses; (ii) the Company fails to complete the **[REDACTED]** within 18 months from the date on which the Company first submits its **[REDACTED]** to the Stock Exchange (inclusive) (or such longer period as agreed by the investors in writing) or by December 31, 2029, whichever is earlier; or (iii) the SFC, the Stock Exchange or the CSRC refuses, terminates, or declines to approve or file the Company's **[REDACTED]**.

Compliance with the Pre-[REDACTED] Investment guidance

On the basis that (i) the consideration for the Pre-**[REDACTED]** Investments was irrevocably settled more than 120 clear days before the **[REDACTED]**, and (ii) the special rights granted to the Pre-**[REDACTED]** Investors have been or will be terminated on the basis as disclosed in "— Special rights of the Pre-**[REDACTED]** Investors" above, the Joint Sponsors have confirmed that the Pre-**[REDACTED]** Investments are in compliance with Chapter 4.2 of the Guide.

Information on the Pre-[REDACTED] Investors

Set out below are details of our Pre-**[REDACTED]** Investors who held more than 0.5% of the total issued Shares of our Company as of the Latest Practicable Date. To the best of our Company's knowledge, information and belief and having made all reasonable enquiries, save as otherwise disclosed below, all other Pre-**[REDACTED]** Investors and their respective ultimate beneficial owners are Independent Third Parties.

CATL (including Shidai Zeyuan and Jingmu Changqing)

Shidai Zeyuan is a limited partnership established under the partnership laws of the PRC. The general partner of Shidai Zeyuan is Xiamen Puquan Private Fund Management Partnership (Limited Partnership) (廈門溥泉私募基金管理合夥企業(有限合夥)) ("**Xiamen Puquan**"). None of the 25 limited partners holds 30% or more interest in Shidai Zeyuan.

Jingmu Changqing is a limited partnership established under the partnership laws of the PRC. The general partner of Jingmu Changqing is Xiamen Puquan. Saved for Mr. Li Xiao (李瀟) holding 32.01% limited partnership in Jingmu Changqing. None of the remaining seven limited partners holds 30% or more interest in Jingmu Changqing.

Xiamen Puquan is owned as to (i) 25.00% by Hu Dianjun (胡殿君) as its general partner, (ii) 45.00% by Contemporary Amperex Technology Industry Investment Co., Ltd. (寧德時代新能源產業投資有限公司) ("**CATL Investment**") as a limited partner; and (iii) 30.00% by the other three limited partners. CATL Investment is wholly owned by Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司) (a company listed on Shenzhen Stock Exchange (stock code: 300750) and the Stock Exchange (stock code: 3750)).

Temasek

Taibai

Taibai is an indirect wholly-owned subsidiary of Temasek Holdings (Private) Limited ("**Temasek**"). Temasek is a global investment company headquartered in Singapore, with a net portfolio value of S$434 billion as at 31 March 2025. Temasek's Purpose "So Every Generation Prospers" guides it to make a difference for today's and future generations. Temasek seeks to build a resilient and forward-looking portfolio that will deliver sustainable returns over the long term. It has 13 offices in nine countries around the world: Beijing, Hanoi, Mumbai, Shanghai, Shenzhen, and Singapore in Asia; and Brussels, London, Mexico City, New York, Paris, San Francisco, and Washington DC outside Asia.

True Light

True Light is a private company limited by shares incorporated in Singapore, which is indirectly wholly-held by True Light Capital GP Pte. Ltd. ("**True Light GP**"), in its capacity as general partner, for and on behalf of a fund managed by True Light Capital Pte. Ltd. ("**True Light Capital**"). Established in 2021, True Light Capital is an asset manager headquartered in Singapore with offices in both Singapore and Shanghai. True Light Capital manages funds that are focused on investing in Greater China. It applies a theme-driven approach, investing across asset classes, sectors and stages, and has the ability to invest and hold through cycles. Both True Light GP and True Light Capital are independent, indirectly wholly-owned subsidiaries of Temasek.

Momenta

Momenta is a limited company established under the company law of the PRC. Momenta is indirectly wholly owned by Momenta (Suzhou) Technology Co., Ltd. (魔門塔(蘇州)科技有限公司) ("**Suzhou Momenta**"). Suzhou Momenta is wholly owned by Momenta HongKong Limited, which is ultimately controlled by Momenta Global Limited. Suzhou Momenta is a technology company focused on autonomous driving technologies.

Shanghai Chentao

Jiaxing Shinuo

Jiaxing Shinuo is a limited partnership established under the partnership laws of the PRC. The general partner of Jiaxing Shinuo is Shanghai Chentao Asset Management Co., Ltd. (上海辰韜資產管理有限公司) ("**Shanghai Chentao**"), which is owned by Xu Haiying and Lin Xinzheng as to 51.20% and 48.80%, respectively. Save for Liu Dongmei holding 78.76% limited partnership interest, none of the six limited partners holds 30% or more interest in Jiaxing Shinuo.

Ningbo Huitong

Ningbo Huitong is a limited partnership established under the partnership laws of the PRC. The general partner of Niongbo Huitong is Shanghai Chentao. Save for Hainan Yuanyuzhou Technology Co., Ltd. (海南元宇宙科技有限公司) ("**Hainan Yuanyuzhou**") holding 40.86% limited partnership interest, none of the other ten limited partners holds 30% or more interest in Jiaxing Shinuo. Hainan Yanyuzhou is wholly owned by Wuxi Boton Technology Co., Ltd. (無錫寶通科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300031).

Shanghang Xingchen

Shanghang Xingchen is a limited partnership established under the partnership laws of the PRC. The general partners of Shanghang Xingchen are Shanghang County Xinghang Venture Capital Co., Ltd. (上杭縣興杭創業投資有限公司) ("**Xinghang Venture Capital**") and Shanghai Chentao. Save for Minxi Xinghang State-owned Assets Investment and Management Co., Ltd. (閩西興杭國有資產投資經營有限公司) ("**Minxi Xinghang**") holding 75% limited partnership interest, none of the other three limited partners holds 30% or more interest in Shanghang Xingchen. Xinghang Venture Capital is wholly owned by Minxi Xinghang, which is wholly owned by Shanghang County Finance Bureau (上杭縣財政局).

Shanghang Xinghang

Shanghang Xinghang is a limited partnership established under the partnership laws of the PRC. The general partner of Shanghang Xinghang is Xinghang Venture Capital. None of the other 15 limited partners holds 30% or more interest in Shanghang Xinghang. Xinghang Venture Capital is wholly owned by Minxi Xinghang, which is wholly owned by Shanghang County Finance Bureau (上杭縣財政局).

Gaocheng Capital

BSW

BSW is a limited liability company incorporated in the Cayman Islands. BSW is owned by Gaocheng Fund II, L.P., which is ultimately controlled by Hong Jing (洪婧).

Gaocheng Huarui

Gaocheng Huarui is a limited partnership established under the laws of the PRC. The partnership interests of Gaocheng Huarui are held as to (i) 0.10% by Sanya Gaocheng Huabai Investment Co., Ltd. (三亞高成華柏投資有限公司) as its general partner and (ii) 99.90% by Gaocheng Xingzhi (Beijing) Equity Investment Partnership (Limited Partnership) (高成行至(北京)股權投資合夥企業(有限合夥)) as its limited partner. Gaocheng Huarui is ultimately controlled by Jing Hong.

Hewei Investment

Hewei Investment is a limited partnership established under the partnership laws of the PRC. Hewei Investment is owned as to (i) 1.00% by Hefei NIO Industrial Investment Center Investment Partnership (Limited Partnership) (合肥蔚來產業投資中心合夥企業(有限合夥)) ("**Hefei NIO Investment**") as its general partner and (ii) 99.00% by the remaining 15 limited partners, none of which holds 30% or more interest in Hewei Investment. The general partner of Hefei NIO Investment is Zhejiang NIO New Energy Private Equity Fund Management Co., Ltd. (浙江蔚來新能私募基金管理有限公司), which does not have ultimate beneficial owner.

Anhui Lingtong

Anhui Lingtong is a limited liability company established in the PRC. Anhui Lingtong is controlled by Xie Tongbao (謝同寶).

Lenovo Fund

Lenovo Fund is a limited partnership established in the PRC focusing on venture capital investment. The general partner of Lenovo Fund is Tianjin Zhiji Xingyuan Erhao Investment Management Center (Limited Partnership) (天津知己行遠二號投資管理中心(有限合夥)). Lenovo Fund has four limited partners, except for Lenovo Zhiyuan (Tianjin) Technology Co., Ltd. (聯想知遠(天津)科技有限公司) (holding 48.9% partnership interests in Lenovo Fund) and China SME Development Fund Co., Ltd. (國家中小企業發展基金有限公司) ("**CSMEDF**") (holding 30% partnership interests therein), none of the other two limited partners each hold more than 30% of the interests in Lenovo Fund. Lenovo Fund is controlled by Lenovo Group Limited (聯想集團有限公司), a company listed on the Stock Exchange of Hong Kong Limited (stock code: 0992.HK).

Tianshan Zhixing

Tianshan Zhixing is a limited partnership established under the partnership laws of the PRC. The general partner of Tianshan Zhixing is Shanghai Tianshan Sida Private Equity Fund Management Co., Ltd. (上海天善思達私募基金管理有限公司), which is controlled by Cong Zhen (叢真), our former non-executive Director. None of the seven limited partners holds 30% or more interest in Tianshan Zhixing.

Taicang SASAC

Taicang No. 1

Taicang No.1 is a limited partnership established under the partnership laws of the PRC. The general partner of Taicang No.1 is Taicang Guofa Wenxin Private Equity Fund Management Co., Ltd. (太倉國發文鑫私募基金管理有限公司) ("**Taicang Guofa**"), which is indirectly controlled by Taicang Municipal Government State-owned Assets Supervision and Administration Office (太倉市政府國有資產監督管理辦公室). Save for Taicang Yinxi Investment Development Co., Ltd. (太倉印溪投資發展有限公司) ("**Taicang Yinxi**") holding 50.7264% limited partnership interest, none of the other two limited partners holds 30% or more interest in Taicang No. 1. Taicang Yinxi is indirectly owned by Taicang Municipal State-owned Assets Supervision and Administration Commission (太倉市國有資產監督管理委員會).

Loudong Fund

Loudong Fund is a limited partnership established under the partnership laws of the PRC. The general partners of Loudong Fund are Taicang Industrial Fund Management Co., Ltd. (太倉市產業基金管理有限公司) ("**Taicang Industry Fund**") and Suzhou Industrial Park Yuanhe Emerging Industry Investment Management Co., Ltd. (蘇州工業園區元禾新興產業投資管理有限公司) ("**Yuanhe Industry Fund**"). None of the four limited partners holds 30% or more interest in Loudong Fund. Taicang Industry Fund is controlled by Taicang High-tech Venture Capital Co., Ltd. (太倉高新創業投資有限公司), which is ultimately controlled by Taicang Municipal Government State-owned Assets Supervision and Administration Office (太倉市政府國有資產監督管理辦公室). Yuanhe Industry Fund is controlled by Suzhou Yuanhe Holdings Co., Ltd. (蘇州元禾控股股份有限公司), which is ultimately controlled by Suzhou Industrial Park Administrative Committee (蘇州工業園區管理委員會).

Anhui Deying

Anhui Deying is a limited partnership established under the partnership laws of the PRC. The general partner of Anhui Deying is Anhui Yishan Private Equity Fund Management Co., Ltd. (安徽燚山私募基金管理有限公司) ("**Anhui Yishan**"). Anhui Yishan is controlled by Hefei Yisheng Enterprise Management Co., Ltd., (合肥熠昇企業管理有限公司), which is owned 90% and 10% by Ye Can (葉燦) and Liu Fan (劉凡), respectively. Anqing Yijiang Industrial Investment Co., Ltd. (安慶依江產業投資有限公司) ("**Anqing Yijiang**") is the only limited partner of Anhui Deying and owns 99.90% of the partnership interests therein. Anqing Yijiang is indirectly controlled by Anqing City Yingjiang District Finance Bureau (安慶市迎江區財政局).

Changzhou Kailong

Changzhou Kailong is a limited partnership established under the partnership laws of the PRC. The general partner of Changzhou Kailong is Hangzhou Yuanjing Zhiheng Investment Management Co., Ltd. (杭州元璟致恒投資管理有限公司) ("**Yuanjing Zhiheng**"), which is controlled by Hangzhou Yuanjing Investment Management Co., Ltd. (杭州圓璟投資管理有限公司) ("**Yuanjing Investment**"). Yuanjing Investment is owned by Guo Qinghang and Wu Hanyuan as to 51% and 49%, respectively. Changzhou Yuanjing Kailong Equity Investment Partnership (Limited Partnership) (常州元璟凱隆股權投資合夥企業(有限合夥)) ("**Changzhou Yuanjing**") is the only limited partner of Changzhou Kailong

and holds 99.9971% of limited partnership. The general partner of Changzhou Yuanjing is Hangzhou Yuanjing Ruiheng Investment Management Co., Ltd. (杭州元璟睿恒投資管理有限公司), which is controlled by Wu Yongming.

Jiaxin Dingsheng

Jiaxin Dingsheng is a limited partnership established under the partnership laws of the PRC. Jiaxin Dingsheng is owned as to 0.01% by Beijing Yuehe Jiasheng Enterprise Management Consulting Co., Ltd. (北京悦和嘉盛企業管理諮詢有限公司) ("**Yuehe Jiasheng**") as its general partner and 99.99% by Wuxi Yihe Investment Partnership (Limited Partnership) (無錫翊和投資合夥企業(有限合夥)) ("**Wuxi Yihe**") as its limited partner. The general partner of Wuxi Yihe is Yuehe Jiasheng, which is ultimately controlled by Liu Erhai (劉二海).

FG Venture

Zhongxiao FG

Zhongxiao FG is a limited partnership established under the partnership laws of the PRC. The general partner of Zhongxiao FG is Shanghai FG Siqi Enterprise Management Center (Limited Partnership) (上海方廣思圻企業管理中心(有限合夥)) ("**Shanghai FG**") and none of the eight limited partners holds 30% or more interest in Zhongxiao FG. Shanghai FG is indirectly controlled by Hong Tianfeng (洪天峰).

Changzhou FG

Changzhou FG is a limited partnership established under the partnership laws of the PRC. The general partner of Changzhou FG is Shanghai FG and none of the 29 limited partners holds 30% or more interest in Changzhou FG. Shanghai FG is indirectly controlled by Hong Tianfeng (洪天峰).

Zhaoxi No. 2

Zhaoxi No. 2 is a limited partnership established under the partnership laws of the PRC. The general partner of Zhaoxi No. 2 is Ningbo Xuanli Enterprise Management Consulting Partnership (Limited Partnership) (寧波玄理企業管理諮詢合夥企業(有限合夥)) ("**Ningbo Xuanli**"). None of the 11 limited partners holds 30% or more interest in Zhaoxi No. 2. The general partner of Ningbo Xuanli is Hainan Zhaoxi Consulting Service Co., Ltd. (海南昭曦諮詢服務有限公司), which is ultimately controlled by Liu Jie (劉杰).

Huoshui (including Huoshui No. 1 and Huoshui No. 2)

Huoshui No. 1 is a limited partnership established under the partnership laws of the PRC. The general partner of Huoshui No. 1 is Yangzhou Yongchao Lianfa Private Equity Fund Management Partnership (Limited Partnership) (揚州湧潮聯發私募基金管理合夥企業(有限合夥)) ("**Yongchao Lianfa**"). None of the 21 limited partners holds 30% or more interest in Huoshui No. 1.

Huoshui No. 2 is a limited partnership established under the partnership laws of the PRC. The general partner of Huoshui No. 2 is Yongchao Lianfa. None of the 13 limited partners holds 30% or more interest in Huoshui No. 2.

Yongchao Lianfa is controlled by Shi Lian (史聯) as its general partner who owns 50% of the partnership interest. The limited partner of Yongchao Lianfa is Jin Lingfang (金玲芳), who owns 50% of the partnership interest.

Shenergy Venture Capital

Shenergy Venture Capital is a limited partnership established under the partnership laws of the PRC. Shenergy Venture Capital is owned as to (i) 1% by Shanghai Shenergy ICY Private Equity Fund Management Co., Ltd. (上海申能誠毅私募基金管理有限公司) ("**Shenergy ICY Fund**") as its general partner, (ii) 41% by Shanghai Shenergy ICY Capital Co., Ltd. (上海申能誠毅股權投資有限公司) ("**Shenergy ICY**") as its limited partner, (iii) 30% by CSMEDF as its limited partner, and (iv) 28% by the remaining two limited partners. The largest shareholder of Shenergy ICY Fund is Shanghai Zhiyi Enterprise Management Consulting Co., Ltd. (上海郅毅企業管理諮詢有限公司), which is owned by Zhang Qing (張卿), Liu Zhe (劉喆) and Xiong Shengjun (熊勝君) as of 50%, 49% and 1%, respectively. Shenergy ICY is ultimately controlled by State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government (上海市國有資產監督管理委員會). CSMEDF is ultimately controlled by the Ministry of Finance of the People's Republic of China (中華人民共和國財政部).

Xinjing Fuying

Xinjing Fuying is a limited partnership established under the partnership laws of the PRC. Xinjing Fuying is owned as to (i) 1% by Shanghai Yifuying Management Consulting Co., Ltd. (上海易馥盈管理諮詢有限公司) ("**Shanghai Yifuying**") as its general partner, (ii) 40% by Shanghai Xinche Investment Group Co., Ltd. (上海鑫車投資集團有限公司) ("**Shanghai Xinche**") as its limited partner, (iii) 30% by Longyan Zhanxin Equity Investment Partnership (Limited Partnership) (龍岩市戰新股權投資合夥企業(有限合夥)) ("**Longyan Zhanxin**") as its limited partner and (iv) 29% by the remaining two limited partners. Shanghai Yifuying was owned as to 60% by Shanghai Jinjingchengpu Private Fund Management Co., Ltd. (上海金景城濮私募基金管理有限公司) ("**Shanghai Jinjingchengpu**") and as to 20% by Fuying Management Consulting (Shanghai) Co., Ltd. (馥盈管理諮詢(上海)有限公司), which was in turn owned as to 50.00% by Tso Bingti (左炳堤) and as to 50.00% by Leung Hiukong (梁曉剛). Shanghai Jinjingchengpu was owned as to 35.00% by Shanghai Danrong Enterprise Management Co., Ltd. (上海丹戎企業管理有限公司) ("**Shanghai Danrong**") and as to 35.00% by Shanghai Jinjing Investment Management Consulting Co., Ltd. (上海金景投資管理諮詢有限公司) ("**Shanghai Jinjing**"). Shanghai Danrong was owned as to 60% by Dejie Enterprise Management (Shanghai) Co., Ltd.(德頡企業管理(上海)有限公司) which was in turn wholly-owned by Cho Techin (卓德欽), and as to 40% by Shanghai Hongcai New Energy Technology Co., Ltd. (上海鴻彩新能源科技有限公司) which was in turn owned as to 98% by Zhou Weilun (周薇倫). Shanghai Jinjing was wholly-owned by Ample Pacific Development Limited (中太發展有限公司), a company incorporated in Hong Kong. Shanghai Xinche is indirectly wholly owned by Yixin Group Limited, a company listed on the Hong Kong Stock Exchange (stock code: 2858). Longyan Zhanxin is ultimately controlled by State-owned Assets Supervision and Administration Commission of Longyan Municipal People's Government, Fujian Province (福建省龍岩市人民政府國有資產監督管理委員).

Blue Lake

Blue Lake is a limited liability company incorporated in Hong Kong. It is principally engaged in venture capital. Blue Lake is wholly owned by Blue Lake Capital Fund IV, L.P. ("**Blue Lake Capital**"), which is ultimately controlled by Hu Lei (胡磊).

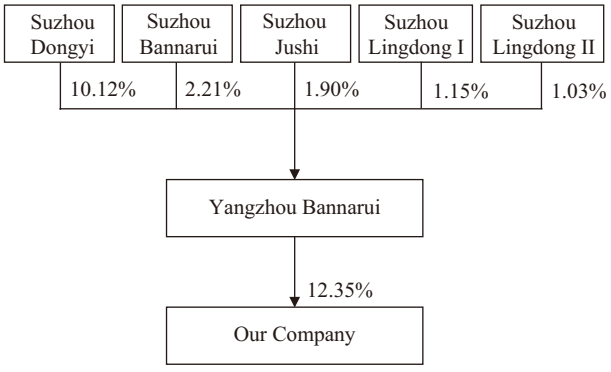
ONDINE SEA VCC

ONDINE SEA VCC is a variable capital company incorporated in Singapore, which is managed and controlled by Ondine Capital Pte. Ltd. ("**Ondine Capital**"). Ondine Capital is ultimately controlled by Yen-An Cho and Le-Chia Hsu.

EMPLOYEE INCENTIVE SCHEME

We established six Employee Incentive Platforms structured as two-tiered limited partnerships, namely Yangzhou Bannarui, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi to implement the Employee Incentive Scheme. Each of Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi is a limited partner of Yangzhou Bannarui. Under the People's Republic of China Partnership Enterprise Law, partnerships are capped to a maximum of fifty partners. This two-tiered structure enables our Company to work within these regulatory constraints while maintaining a large pool of eligible participants across several platforms, given the significant number of eligible participants under the Employee Incentive Scheme. Additionally, this structure, with Shanghai Dongyao as the single general partner for all platforms, centralizes voting rights and management authority, providing both immediate operational efficiency and long-term flexibility. As our Company expands, the scalable design allows for the creation of additional limited partnerships without requiring complex corporate restructuring, especially alterations to its direct shareholding structure, ensuring efficient allocation of employee incentives.

As of the date of this document, the simplified shareholding structure of the Employee Incentive Platforms in our Company is as follows:



As of the date of this document, Yangzhou Bannarui, held 5,314,287 Shares in our Company, representing 12.35% of the share capital of our Company, For further details about our Employee Incentive Scheme, see "Statutory and General Information — 4. Employee Incentive Scheme" in Appendix VI to this document.

The particulars of the Employee Incentive Platforms are summarized below:

Yangzhou Bannarui

As of the date of this document, Yangzhou Bannarui was owned as to 0.38% by Shanghai Dongyao as its general partner and 99.62% by 11 limited partners, including (i) Mr. Huang, the co-founder, chairperson of the Board, executive Director and chief executive officer, holding 60.81%

partnership interests, (ii) Suzhou Dongyi holding 10.12% partnership interests, (iii) Zhang Wei, the executive Director and chief operating officer, holding 6.49% partnership interests, (iv) Wang Panqu, a former Director of the Company, holding 4.56% partnership interests, (v) He Xiongsong, the executive Director, chief financial officer and Board secretary, holding 4.49% partnership interests, (vi) Mr. Zhang, the co-founder, executive Director and the president, holding 4.43% partnership interests, (vii) Yang Dan, the director of finance, holding 2.43% partnership interests, (viii) Suzhou Bannarui holding 2.21% partnership interests, (ix) Suzhou Jushi holding 1.90% partnership interests, (x) Suzhou Lingdong I holding 1.15% partnership interests, and (xi) Suzhou Lingdong II holding 1.03% partnership interests.

Suzhou Lingdong I

As of the Latest Practicable Date, Suzhou Lingdong I was owned as to (i) approximately 0.16% by Shanghai Dongyao as the general partner of Suzhou Lingdong I and (ii) approximately 99.84% by 33 employees and a former employee as limited partners, none of whom holds 30% or more interests in Suzhou Lingdong I.

Suzhou Lingdong II

As of the Latest Practicable Date, Suzhou Lingdong II was owned as to (i) approximately 0.18% by Shanghai Dongyao as the general partner and (ii) approximately 99.82% by 35 employees as limited partners, none of whom holds 30% or more interests in Suzhou Lingdong II.

Suzhou Bannarui

As of the Latest Practicable Date, Suzhou Bannarui was owned as to (i) approximately 0.09% by Shanghai Dongyao as the general partner and (ii) approximately 99.91% by 31 employees as limited partners, none of whom holds 30% or more interests in Suzhou Bannarui.

Suzhou Jushi

As of the Latest Practicable Date, Suzhou Jushi was owned as to (i) approximately 0.10% by Shanghai Dongyao as the general partner, (ii) approximately 38.67% by Fan Changmao, an employee of the Company, as a limited partner, and (iii) approximately 61.23% by 29 other employees as limited partners, none of whom holds 30% or more interests in Suzhou Jushi.

Suzhou Dongyi

As of the Latest Practicable Date, Suzhou Dongyi was owned as to (i) approximately 0.02% by Shanghai Dongyao as the general partner and (ii) approximately 99.98% by 35 employees and a former employee as limited partners, none of which holds 30% or more interests in Suzhou Dongyi.

For further details about our Employee Incentive Scheme, see "Statutory and General Information — 4. Employee Incentive Scheme" in Appendix VI to this document.

CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of the date of this document and immediately upon completion of the Share Subdivision, **[REDACTED]** and the Conversion of Unlisted Shares into H Shares (assuming the **[REDACTED]** is not exercised):

	As of the date of this document		Immediately upon completion of the [REDACTED] and Share Subdivision (assuming the [REDACTED] is not exercised)		
Shareholders	**Number of Shares**	**% as to the total issued Shares of our Company**	**Number of Unlisted Shares**	**Number of H Shares**	**% as to the total issued Shares of our Company**
Single Largest Group of Shareholders					
— Mr. Huang	5,921,868	13.76%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Yangzhou Bannarui	5,314,287	12.35%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Yangzhou Erjinzhi	1,500,000	3.49%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Yangzhou Dongyao	125,475	0.29%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Yangzhou Shengyao	71,713	0.17%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Subtotal	*12,933,343*	*30.05%*	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
CATL					
— Shidai Zeyuan	4,829,586	11.22%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Jingmu Changqing	124,239	0.29%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Temasek					
— Taibai	3,118,868	7.25%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— True Light	779,717	1.81%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Momenta	3,555,710	8.26%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Shanghai Chentao					
— Shanghang Xingchen[(1)]	1,362,548	3.17%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Jiaxing Shinuo	1,218,515	2.83%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Ningbo Huitong	143,426	0.33%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Xinghang Venture Capital					
— Shanghang Xingchen[(1)]					
— Shanghang Xinghang	444,621	1.03%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Gaocheng Capital					
— BSW	2,227,066	5.17%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Gaocheng Huarui	61,367	0.14%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Hewei Investment	1,856,780	4.31%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Anhui Lingtong	1,435,817	3.34%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Lenovo Fund	1,251,356	2.91%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Tianshan Zhixing	1,117,900	2.60%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Taicang SASAC					
— Taicang No. 1	573,704	1.33%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Loudong Fund	430,278	1.00%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Anhui Deying	717,130	1.67%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Changzhou Kailong	501,991	1.17%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Jiaxin Dingsheng	406,550	0.94%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
FG Venture					
— Changzhou FG	234,166	0.54%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Zhongxiao FG	172,384	0.40%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Zhaoxi No. 2	368,200	0.86%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%

	As of the date of this document		Immediately upon completion of the [REDACTED] and Share Subdivision (assuming the [REDACTED] is not exercised)		
Shareholders	**Number of Shares**	**% as to the total issued Shares of our Company**	**Number of Unlisted Shares**	**Number of H Shares**	**% as to the total issued Shares of our Company**
Huoshui					
— Huoshui No. 1	200,000	0.46%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Huoshui No. 2	143,426	0.33%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Shenergy Venture Capital	325,240	0.76%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Xinjing Fuying	286,852	0.67%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Blue Lake	284,585	0.66%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
ONDINE SEA VCC	215,227	0.50%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Liandu Caitong	215,139	0.50%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Zijin Capital					
— Zijin Xinda	165,690	0.39%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
— Zijin Zidun	49,093	0.11%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Xinyi Changxi	207,308	0.48%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Lvneng Fund	184,100	0.43%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Maotai Investment	184,100	0.43%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Yuzun Investment	184,100	0.43%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Sanhua Holdings	184,100	0.43%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Sichuan Changshi	184,100	0.43%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Suzhou Yifeng	101,637	0.24%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Yuanhe Puhua	61,367	0.14%	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Investors from the [REDACTED]	—	—	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Total	**43,041,326**	**100.00%**	**[REDACTED]**	**[REDACTED]**	**100%**

Note:

(1) The general partners of Shanghang Xingchen are Xinghang Venture Capital and Shanghai Chentao. The general partner of Shanghang Xinghang is Xinghang Venture Capital. While the shareholding of Shanghang Xingchen is grouped under each general partner herein for presentation purpose, the Shares attributable to Shanghang Xingcheng are counted only once in total.

[REDACTED]

The **[REDACTED]** Unlisted Shares held by Mr. Huang and **[REDACTED]** H Shares to be converted from Unlisted Shares held by our Single Largest Group of Shareholders, namely, Mr. Huang, Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao, Yangzhou Shengyao, Shanghai Dongyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi, representing **[REDACTED]**% of our total issued Shares upon the Share Subdivision, Conversion of Unlisted Shares into H Shares and **[REDACTED]** (assuming the **[REDACTED]** is not exercised), will not be counted towards the **[REDACTED]** as the aforesaid Shareholders are core connected persons of our Group.

Pursuant to Rule 19A.13A of the Listing Rules, based on an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the **[REDACTED]** of the **[REDACTED]**), our expected **[REDACTED]** upon the **[REDACTED]** is HK$**[REDACTED]**, and the minimum prescribed **[REDACTED]** percentage applicable to our Shares is [15]%.

Based on the above, it is expected that immediately following completion of the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), the total number of **[REDACTED]** H Shares (including H Shares to be converted from Unlisted Shares) of our Company held by the **[REDACTED]** represents **[REDACTED]**% of the total number of issued Shares of our Company. Therefore, our Company will be able to meet the minimum **[REDACTED]** requirement under Rule 19A.13A of the Listing Rules.

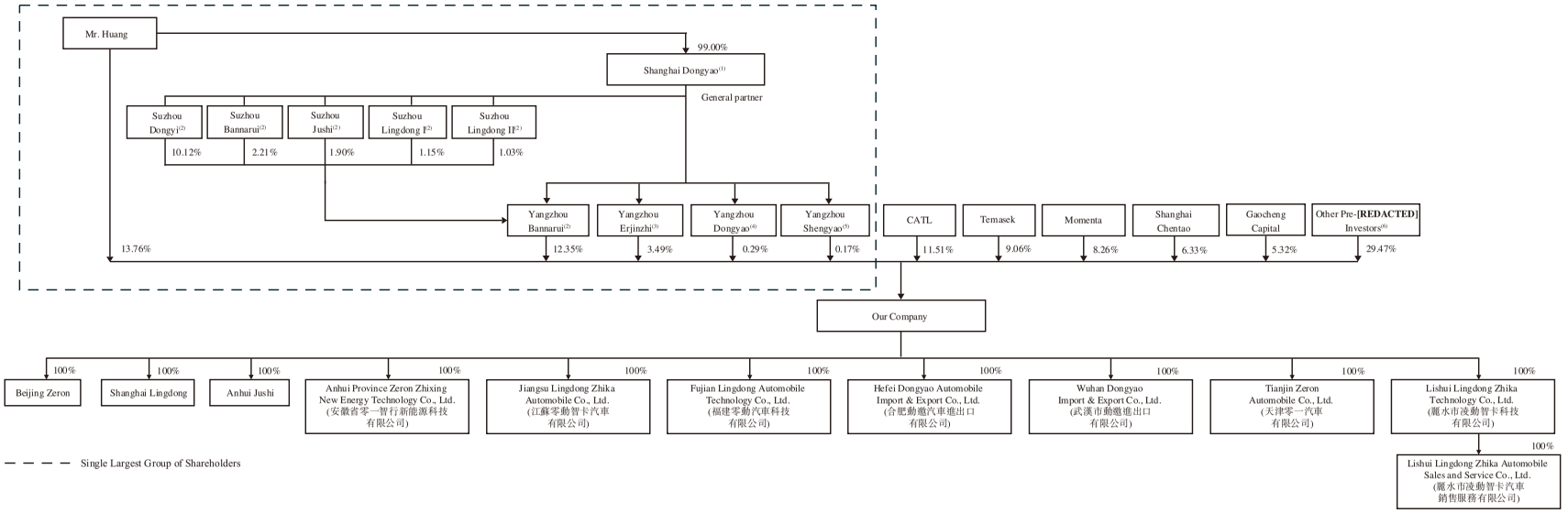
FREE FLOAT

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50 million; or (b) have an expected market value at the time of listing of not less than HK$600 million. Our Company will satisfy the **[REDACTED]** requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules upon **[REDACTED]**.

CORPORATE STRUCTURE

Corporate Structure Immediately Before the [REDACTED]

The following chart sets forth our simplified corporate structure immediately prior to the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised):



Notes:

(1) As of the Latest Practicable Date, Shanghai Dongyao was owned as to 99.00% by Mr. Huang and 1.00% by Ms. Yang Dan.

(2) For the details of Yangzhou Bannarui, Suzhou Dongyi, Suzhou Bannarui, Suzhou Jushi, Suzhou Lingdong I and Suzhou Lingdong II, see "— Employee Incentive Scheme" above.

(3) As of the Latest Practicable Date, Yangzhou Erjinzhi was owned as to (i) 0.01% by Shanghai Dongyao as its general partner, (ii) 99.99% by Mr. Zhang as its limited partner.

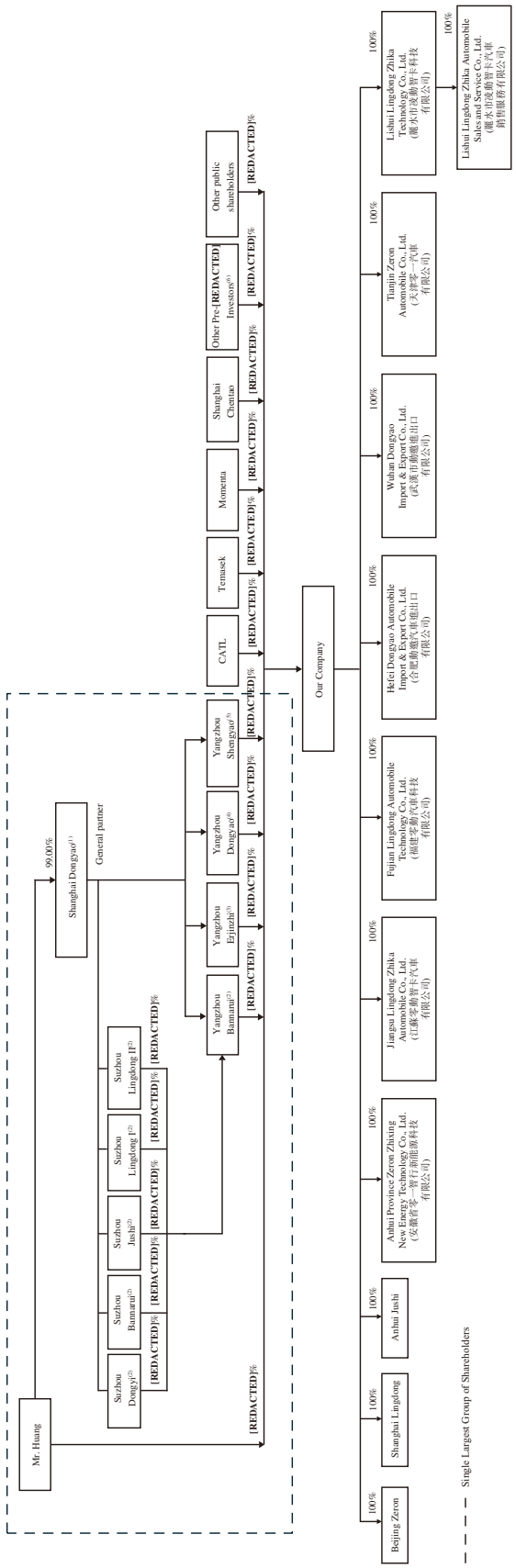
(4) As of the Latest Practicable Date, Yangzhou Dongyao was owned as to (i) 0.0163% by Shanghai Dongyao as its general partner, (ii) 47.1015% by Wang Yi, an Independent Third Party and former advisor, as a limited partner, and (iii) 52.8822% by employees and a former employee as limited partners, each an Independent Third Party and none of whom holds more than 30% of interest in Yangzhou Dongyao.

(5) As of the Latest Practicable Date, Yangzhou Shengyao was owned as to (i) 0.0100% by Shanghai Dongyao as its general partner, (ii) 59.9940% and 39.9960% by Wu Zhongliang and Wu Wenbo, respectively, each an Independent Third Party and a limited partner.

(6) Representing 30 existing minority Shareholders and each of them held less than 5.00% shareholding of our Company as of the date of this document. For details, see "— Capitalization of our Company" above.

Corporate Structure Immediately After the [REDACTED]

The following chart sets forth our simplified corporate structure immediately after the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised):



Notes:

(1) For notes (1) to (6), see "— Corporate Structure Immediately Before the **[REDACTED]**".

OVERVIEW

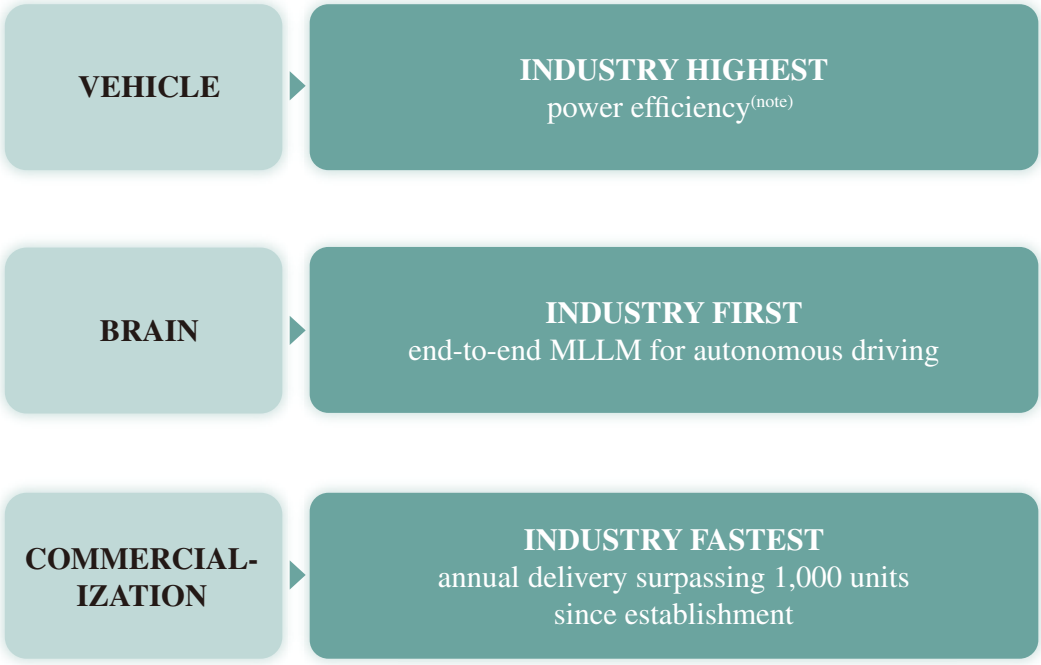
Our Vision and Mission

Shaping the next generation of global road freight robotics.

Who We Are

We are a global leading provider of new energy intelligent heavy-duty trucks, pioneering in autonomous heavy-duty trucking technology. According to Frost & Sullivan, we were the first company globally to possess both forward-engineering vehicle development capabilities and an end-to-end multimodal large language model (MLLM) for heavy-duty truck autonomous driving.

Set forth below are selected achievements demonstrating our technological leadership and strong commercialization momentum in the new energy heavy-duty truck industry:



Source: *Frost & Sullivan.*

Note: Under rated load conditions, our vehicles demonstrates the highest power efficiency among mass-produced new energy heavy-duty trucks.

Drawing on our founders' deep expertise in autonomous driving and heavy-duty truck engineering, we believe that achieving large-scale commercialization of autonomous heavy-duty trucking requires overcoming three fundamental challenges:

- **Outdated vehicle structure for the autonomous era:** Conventional heavy-duty truck platforms are not designed for autonomous road freight operations. Large-scale deployment requires forward-engineered vehicles with native autonomous integration, high redundancy, low fault rates and competitive operating economics.

- **Scattered, modular-based autonomous driving systems:** Traditional modular autonomous driving architectures are difficult to generalize across complex real-world freight scenarios. Autonomous trucking requires a more integrated, AI-native approach to handle diverse conditions with greater robustness.

- **Lack of high-quality data for iteration:** Autonomous trucking depends on large volumes of high-quality data to train models, validate performance and support continuous iteration of both software and vehicles. Such data remains scarce, particularly for heavy-duty freight applications.

Recognizing these challenges, we have built a distinctive and deeply integrated model spanning vehicle, algorithm and data capabilities, with each reinforcing the others. We believe this places us among the players best positioned to lead and capture the opportunities of the autonomous trucking era:

- **Vehicle definition**: We forward-engineered new energy intelligent heavy-duty trucks that are purpose-built for autonomous road freight operations, with strong stability and efficiency under complex and diverse operating conditions;

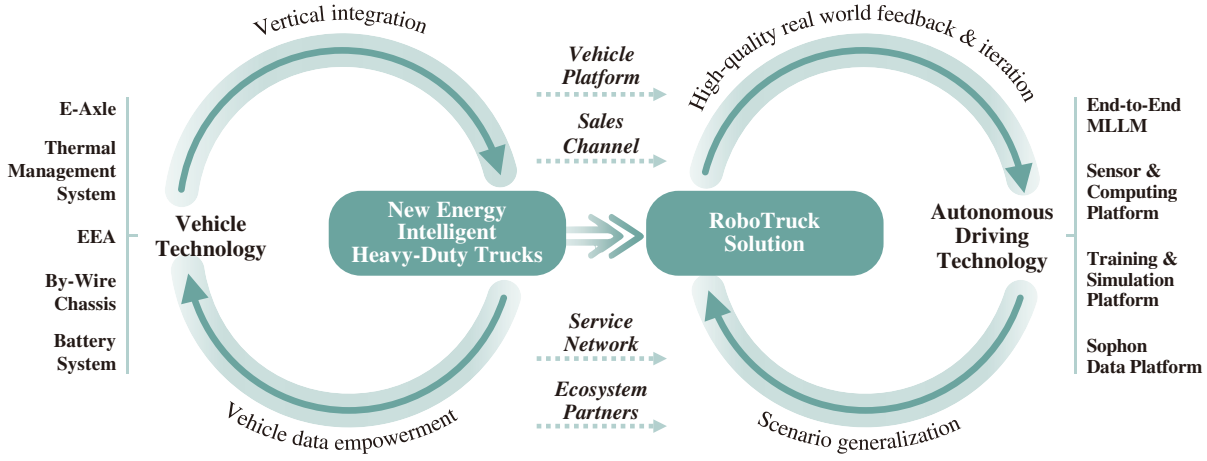
- **Model development**: We designed our end-to-end MLLM for heavy-duty truck autonomous driving, with streamlined system architecture and strong scenario generalization capabilities; and

- **Data-driven empowerment**: Our scaled commercialization enables a data-driven, closed-loop iteration process that continuously refines our vehicle design and strengthens our core technologies.

These three pillars enable us to develop high-quality data capabilities through commercialization and convert it into a powerful engine for continuous R&D advancement.

Our Business Model

The diagram below illustrates our business model, including the data-driven iteration flywheel of our vehicle and RoboTruck solution businesses, the synergies and interactions between these two segments, and our commercialization efforts that further reinforce our pioneering position:



Pioneering the large scale commercialization of RoboTruck

Developing autonomous-driving-native trucks is both critical and challenging, as it requires re-engineering vehicle architectures and components historically designed around human drivers. Accordingly, we have re-architected our heavy-duty trucks with purpose-built systems and proprietary components. According to Frost & Sullivan, our e-axles have achieved the industry's highest transmission efficiency among mass-produced e-axles, combining lightweight design with high efficiency; we are the first and only company in the industry to mass-produce multi-source heat-pump-based vehicle thermal management system, delivering the highest power efficiency among mass-produced thermal management systems; and we have developed a proprietary vehicle electronic control system to enhance ride smoothness, energy efficiency and operational safety. Our vehicles and technologies have been validated by the market. We are the world's fastest-growing emerging new energy heavy-duty truck company in terms of year-on-year sales volume growth in 2025, and the fastest to surpass 1,000 units in annual sales.

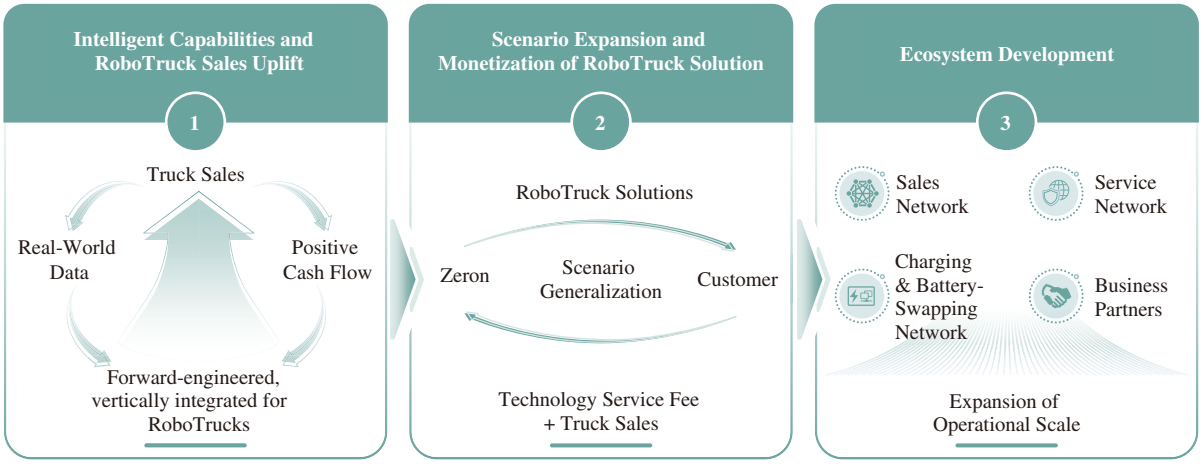
We have developed industry-leading autonomous heavy-duty truck technology, underpinned by our end-to-end MLLM and integrated with our full-vehicle engineering capabilities. Our proprietary ZERON Self-Driving ("**ZSD**") system is the industry's first end-to-end MLLM for heavy-duty truck autonomous driving. It automates the entire process from sensor inputs to driving trajectory generation, with solid algorithm performance and strong scenario generalization capabilities. We participated in the End-to-End Driving at Scale Challenge at CVPR 2024, one of the world's largest and most competitive events of its kind, where our model ranked first among camera-only solutions, demonstrating our technological advancement. Our self-developed by-wire chassis is designed for driverless deployment, featuring multi-layer redundancy and high responsiveness, providing consistent vehicle performance and system reliability. We are in the process of commercializing our RoboTruck solution and intend to use our vehicles as the entry point to expand the deployment of autonomous driving from closed environments to open-road scenarios, supporting scaled commercialization of autonomous trucking.

Through the scaled delivery and operation of our new energy intelligent heavy-duty trucks, our approach has created a flywheel. Our new energy intelligent heavy-duty trucks, operating in real-world conditions, continuously accumulate vehicle data. We access and monitor over 4,000 vehicle signals over the vehicle's lifecycle leveraging our Sophon Data Platform, which enables us to accelerate the iteration of vehicle systems, reduce failure rates, and improve overall vehicle performance. Our vehicles are designed to be able to collect extensive real-world scenario data, which would help us enhance our algorithm capabilities, develop more efficient training and simulation strategies, and support the continuous iteration of our autonomous driving system. Together, the data-driven feedback loop strengthens scenario generalization and improves operational reliability, ultimately supporting the large-scale commercialization of intelligent and autonomous heavy-duty trucks and the development of the broader ecosystem.

We continue to develop a comprehensive commercialization ecosystem for new energy intelligent heavy-duty trucks and RoboTruck solution. We have established commercial-ready delivery capabilities for our vehicles, supported by an extensive sales and distribution network that positions us for scaled deployment. Such network also enables us to engage a broad base of long-tail customers, and capture scenario-specific requirements and demands across diverse operating conditions. Furthermore, working with our ecosystem partners, we are building an integrated sales, service and maintenance network, while expanding the charging and battery-swapping infrastructure. We are also identifying scenario-specific market opportunities to better support customers across the use cases we serve.

Our Commercialization Roadmap

We are committed to realizing large-scale commercialization of autonomous trucking through a three-step strategy: (i) expanding sales of forward-engineered new energy intelligent heavy-duty trucks, (ii) advancing the deployment of our RoboTruck solution, and (iii) developing the ecosystem for full-scale commercial operations.



We plan to continue developing our industry-leading new-energy intelligent heavy-duty trucks and broaden their commercial adoption. As deliveries scale, we expect to capture a growing volume of real-world vehicle data, which will help us refine our vehicles to meet the practical requirements of a wide range of heavy-duty trucking scenarios. At the same time, we expect higher sales volumes to enhance operating cash flow, supporting the ongoing validation and iterative improvement of our vehicle development capabilities and our autonomous driving technologies.

Furthermore, we are advancing the commercialization of generalized autonomous heavy-duty trucks by expanding both applicable operating scenarios and monetization models. We provide customers with a comprehensive RoboTruck solution spanning vehicles, our ZSD system, and a cloud-based digital platform for operation management. We have been delivering vehicles as part of our RoboTruck solution since 2025, and intend to charge technology service fees. Building on these initial deployments, we plan to expand our RoboTruck solution to more scenarios over time.

Ultimately, we are committed to developing a comprehensive commercialization ecosystem and further scaling our operations. As enabling infrastructure continues to mature, we plan to advance the commercialization of road freight robotics across a broader range of use cases on a global scale. We plan to further strengthen the commercialization ecosystem for new energy intelligent heavy-duty trucks and RoboTruck solution. In particular, we intend to expand our sales, service and maintenance network and work with ecosystem partners to build out charging and battery-swapping networks. Over time, we also expect to further deepen collaboration with ecosystem partners in areas such as asset management, fleet operations and dispatch. Through these initiatives, we aim to build a comprehensive industry ecosystem and reinforce our position as a long-term industry leader.

Our Vehicles and Solutions

Our New Energy Intelligent Heavy-Duty Trucks

We have launched two new energy intelligent heavy-duty truck models, Awaken (驚蟄) and Ripen (小滿). We forward-engineer our new energy intelligent heavy-duty trucks to address the primary customer requirements of operating efficiency and performance, while meeting the demands of intelligent operations. We develop the key vehicle systems for new energy applications in-house, including our Matrix four-in-one e-axle, multi-source thermal management system and intelligent vehicle control system, integrating them into a unified vehicle platform.

Our vehicles demonstrate the following features:

- ***Forward-engineering and vertical integration***: Our new energy intelligent heavy-duty trucks are forward-engineered with vehicle-level digitalization and intelligent operations. The vehicles integrate our key vehicle systems developed in-house, including our Matrix e-axle, multi-source thermal management system, and intelligent vehicle control, offering meaningful advantages in effective payload, energy consumption control, and operating efficiency.

- ***Outstanding energy efficiency***: Our vehicles deliver high energy efficiency, lightweight curb weight, and strong power performance, enabled by our vertically integrated design and in-house development of key vehicle systems. Under rated load conditions, our vehicles demonstrate the highest power efficiency among mass-produced new energy heavy-duty trucks, with average power consumption across combined empty and loaded operations up to 15% lower than competing vehicles, according to Frost & Sullivan. This would translate into savings of approximately 20 kWh per 100 kilometers and supporting customers' core objectives of improving operating economics and productivity across short- to medium-haul transport applications.

Our vehicles are well recognized by the market. We delivered 1,176 heavy-duty trucks in 2025, becoming the world's fastest emerging new energy heavy-duty truck company to surpass 1,000 units in annual sales. Our scaled commercialization enables a data-driven, closed-loop iteration process that continuously refines our vehicle design and strengthens our core technologies.

Our RoboTruck Solution

Building on the foregoing technologies, we offer a comprehensive RoboTruck solution, including vehicles equipped with by-wire chassis designed for autonomous driving, supported by our proprietary ZSD system, and a cloud-based digital platform that can be integrated with each customer's specific operating scenario. Our RoboTruck solution is underpinned by our industry-leading end-to-end MLLM for heavy-duty freight applications with strong scenario generalization capabilities. It is designed for businesses with heavy-duty road freight demands and seek safer, more efficient and less labor-dependent freight operations.

Our Market Opportunities

Driven by the growing demand for cost reduction and efficiency improvement as well as technology advancement, the global market size of new energy heavy-duty trucks increased from 12.2 thousand units in 2021 to 267.6 thousand units in 2025 by sales volume, representing a CAGR of 116.4% from 2021 to 2025, according to Frost & Sullivan. The global market size of new energy heavy-duty trucks is expected to grow from 360.0 thousand units in 2026 to approximately 1.2 million units in 2030 by sales volume, representing a CAGR of 34.1% from 2026 to 2030. New energy intelligent heavy-duty trucks are expected to experience rapid growth and accelerate the replacement of retrofit electrified heavy-duty trucks, which primarily serve as transitional solutions. By 2030, the penetration rate of new energy intelligent heavy-duty trucks within the overall new energy heavy-duty truck market is expected to increase from 6.3% in 2025 to 33.9% in 2030, representing a CAGR of 86.8% from 2026 to 2030.

Autonomous heavy-duty truck is poised to become the endgame for technological iteration and autonomous trucking solutions for road freight. According to Frost & Sullivan, the global market size of autonomous heavy-duty truck solution exceeded RMB1.5 billion by revenue in 2025. Driven by further technological maturity and regulatory opening, the application of autonomous heavy-duty truck solution in freight scenarios is expected to scale up substantially. The global market size of autonomous heavy-duty truck solution is projected to maintain rapid growth, reaching RMB192.4 billion by revenue in 2030, at a CAGR of 209.8% from 2026 to 2030. By 2035, the global market size of autonomous heavy-duty trucking solution are expected to reach over RMB1 trillion.

Our Operating Results

In 2024, we officially launched and commenced deliveries of two new energy intelligent heavy-duty truck models, Awaken and Ripen, achieving an industry record for the fastest batch delivery of a forward-engineered new energy intelligent heavy-duty truck, according to Frost & Sullivan. During the Track Record Period, we generated revenue primarily from sales of new energy intelligent heavy-duty trucks. In 2023, 2024 and 2025, we delivered 2, 272 and 1,176 new energy intelligent heavy-duty trucks, respectively. In the four months ended April 30, 2026, we delivered 778 new energy intelligent heavy-duty trucks, representing an increase by 334.6% compared to the same period in 2025. In 2023, 2024 and 2025, we recorded revenue of RMB1.2 million, RMB124.1 million and RMB522.2 million, respectively, representing rapid multi-fold growth over the Track Record Period.

We are committed to advancing the commercialization of our RoboTruck solutions. As of December 31, 2025, we had delivered 15 vehicles under the RoboTruck solution. In addition, for the four months ended April 30, 2026, we delivered 41 RoboTruck vehicles. We plan to charge technology service fees for this solution and expand to additional application scenarios.

OUR STRENGTHS

Global leading new energy intelligent heavy-duty truck company

We are a global leading provider of new energy intelligent heavy-duty trucks, pioneering in autonomous heavy-duty trucking technology. According to Frost & Sullivan, we were the first company globally to possess both forward-engineering vehicle development capabilities and an end-to-end MLLM for heavy-duty truck autonomous driving. We are the fastest-growing new energy intelligent heavy-duty truck company globally in terms of year-on-year sales volume growth in 2025.

As of December 31, 2025, we had cumulatively delivered 1,465 vehicles under our new energy intelligent heavy-duty truck and RoboTruck solution businesses. Our leading position in delivering new energy intelligent heavy-duty trucks and RoboTruck solution not only validates our strong product competitiveness and compelling operating economics, but also enables us to continuously capture user feedback and accumulate mission-critical real-world data across operating environments. These data-driven iterations further enhance vehicle performance and solution effectiveness, reinforcing our first-mover advantage and strengthening our market position.

Vertically integrated and forward-engineering full-stack development capabilities across core vehicle systems

We believe that building a heavy-duty truck purpose-built for autonomous driving is the foundation for enabling large-scale deployment and operations of RoboTruck solution. We adhere to a vertically integrated and forward engineering development strategy for our vehicles. In particular, we have self-developed key vehicle systems to achieve the core objectives for our new energy intelligent heavy-duty trucks, namely, energy-efficient operating economics, full lifecycle reliability, and intelligent operations.

- ***Powertrain system:*** Our Matrix four-in-one e-axle, integrating the electric motor, transmission, drive axle, and power take-off into a lightweight and efficient unit, achieving the industry's highest level of integration and the highest transmission efficiency among mass-produced e-axles, according to Frost & Sullivan. We were the first to integrate a power take-off into a drive axle; the first to apply an oil-cooled hairpin motor in heavy-duty truck applications; and among the first to achieve mass production of a segmented axle-housing architecture. By eliminating the driveshaft, it reduces vehicle weight by more than 200 kg, lowers the vehicle's center of gravity, and frees additional space for battery installation, thereby improving vehicle stability, safety, and driving range. Our Matrix e-axle (including the MCU) further improves peak system efficiency to 94%, and supported by its highly integrated design and high-grade ductile iron housing, delivers a maximum load capacity of 16 tons; under the same load conditions, it reduces weight by approximately 100 kg and achieves industry-leading performance across key metrics such as weight, power, and efficiency.

- ***Thermal Management:*** We are the first and only company in the industry to mass-produce multi-source heat-pump-based vehicle thermal management system. The system performs vehicle-level coordinated thermal energy management for the cab, the electric drive system and the power battery, and uses proprietary dual-objective control algorithms oriented toward both energy efficiency and performance to enable refined thermal energy allocation. Compared with distributed solutions, the system reduces weight by 62 kg, volume by 43%, and the number of components by 18%. Under -20°C operating conditions, the multi-source heat pump solution can achieve energy savings of up to more than 70% compared with traditional PTC heating, fundamentally improving low-temperature energy consumption and usability and supporting all-scenario operations. In addition, our battery cold-start preheating reservation function can significantly reduce user waiting time.

- ***Intelligent Electric Control:*** We have self-developed our vehicle electronic control system that serves as the vehicle-level control hub, coordinating propulsion and braking while optimizing torque delivery, stability control and braking performance. Through functions such as multi-drive-source switching and torque distribution targeting optimal efficiency ranges, it delivers energy-efficiency-oriented control. Furthermore, through strategies including anti-slip control at a 10% to 15% slip ratio, multi-level regenerative braking, and automatic auxiliary braking with an electric retarder, the system enhances safety and driving smoothness under complex operating conditions, thereby further unlocking e-axle performance at the vehicle level, optimizing energy efficiency, and improving operational safety.

We adopt a platform-based vehicle development approach that prioritizes modular design and a high degree of reuse across key systems, enabling accelerated development cycles, scalable manufacturing and continuous vehicle iteration. Our vehicle platforms provide a standardized architecture to integrate and upgrade core capabilities across models as we move toward a more forward-engineered vehicle framework.

We have developed our proprietary Sophon Data Platform, a vehicle-level data and intelligent operations platform. It integrates the vehicle, cloud and user ends to provide intelligent, comprehensive and all-weather operational assurance across the vehicle lifecycle. The platform can access and monitor over 4,000 vehicle signals and accumulates lifecycle-level data assets for each vehicle. Leveraging integrated data and analytical models, it enables real-time visualization of vehicle conditions, anomaly identification and fault early warning, thereby shifting maintenance from reactive repairs to predictive maintenance, reducing unexpected downtime and unplanned maintenance, and improving vehicle uptime and reliability. In addition, the platform performs quantitative analysis across the energy-consumption chain from charging and the battery system through the powertrain to wheel-end output, in conjunction with environmental and driving-behavior factors. It thereby identifies sources of energy loss and supports closed-loop optimization, continuously enhancing vehicle efficiency and intelligent operations capabilities.

Leveraging comprehensive development of core components, an integrated and platform-based vehicle architecture, and advanced supply chain capabilities, we believe our vehicles deliver outstanding performance in cost efficiency, reliability, and intelligence, achieving improved vehicle performance and lower energy consumption while effectively controlling costs.

Deep integration of vehicle platforms and autonomous driving systems to enhance scenario generalization and scalability

The in-depth, native integration of autonomous driving technology with the underlying vehicle platform is the primary challenge in achieving scenario generalization and scalable deployment of autonomous heavy-duty trucks. By integrating our autonomous driving technologies with vehicle design from the outset, and by developing such technologies in line with the real-world needs and challenges of the heavy-duty trucking industry, we have built industry-leading core capabilities that support the rapid commercialization and scalable deployment of our RoboTruck solution.

Since our inception, we have pursued a forward-engineering strategy and independently developed our vehicle platform. This enables the autonomous driving system to be natively integrated into the vehicle body structure, rather than added later as an aftermarket retrofit. We have redesigned the key systems including electrical/electronic architecture, vehicle control logic, and energy supply system, ensuring consistent, reliable performance of autonomous heavy-duty trucks and providing a solid foundation for large-scale deployment. In terms of technology integration, through vertical integration and forward engineering, we have transformed traditional vehicles into transparent, digitalized platforms. This enhances the vehicle's ability to perceive its own status and enables deep integration between our autonomous driving system and the vehicle body at both the physical and data layers. By seamlessly embedding sensors into the vehicle frame and enabling direct interaction between the computing unit and the vehicle control system, this native deep integration effectively mitigates long-standing compatibility issues commonly encountered under traditional retrofit approaches or cooperation models between standalone autonomous driving technology developers and third-party conventional truck manufacturers.

We are dedicated to developing autonomous driving technologies with an aim to address the core pain points and technical challenges of the heavy-duty truck industry. Our ZSD system is the industry's first end-to-end MLLM for heavy-duty truck autonomous driving, automating the entire process from sensor inputs to driving trajectory generation. Compared with traditional modular architectures, our end-to-end MLLM demonstrates significant advantages in system-level optimization, information transmission efficiency, and scenario generalization, among others. It introduces a language model as an intermediate layer to enhance the system's understanding of traffic rules, complex traffic semantics, and unexpected situations, thereby effectively addressing long-tail issues in autonomous driving and significantly improving overall model performance. According to Frost & Sullivan, we have substantially simplified our system architecture and reduced the complexity of key systems by approximately 95%. Benefiting from our vision-centric, end-to-end architecture, our data annotation costs have been reduced by approximately 95% as compared with industry averages, according to Frost & Sullivan. Our technological capabilities have also received industry recognition. We participated in the End-to-End Driving at Scale Challenge at CVPR 2024, where our model ranked first among camera-only solutions, demonstrating our technological advancement.

By commercializing our mass-produced vehicle models, we are able to maintain an efficient and scalable loop between data capabilities and continuous algorithm iteration, where engineering data from vehicles in use drives ongoing improvement of our vehicle systems, and advances in the models and algorithms further enhance autonomous driving performance and accelerate subsequent iterations. We have successfully launched vehicles equipped with by-wire chassis designed for autonomous driving under the RoboTruck solution and formed the capability for scenario generalization and rapid scaling, laying a solid foundation for subsequent commercialization and sustained volume ramp-up.

Dual-engine growth through vehicle delivery and RoboTruck solution, underpinned by industry-leading commercialization and ecosystem development

We pursue a dual-engine commercialization strategy centered on vehicle sales and RoboTruck solution, using our commercial activities to generate business returns and high-quality real-world insights that continuously reinforce our research and development. Our purpose-built vehicle offerings, which represent the embodied form of RoboTruck solution, enable us to reach customers and bring our technologies into real-world operating environments. These vehicles also serve as important entry points, capable of accessing high-quality real-world insights. Together, they form a strong foundation for our long-term development in the autonomous trucking era.

We have established scalable delivery capabilities for our new energy intelligent heavy-duty trucks and built our sales network supported by comprehensive after-sales and service infrastructure. We have established an extensive distributor network designed to accelerate our market penetration and maintain proximity to our core end-market customer base, which primarily comprises individual owner-operators and small-to-mid-sized fleet operators. Meanwhile, we are in the process of commercializing our RoboTruck solution and plan to broaden deployment into additional scenarios over time. In 2023, 2024, and 2025, we delivered 2, 272, and 1,176 new energy intelligent heavy-duty trucks, respectively, making us the world's fastest emerging new energy heavy-duty truck company to surpass 1,000 units in annual sales. We continued to gain market traction in the four months ended April 30, 2026, receiving a total of 1,002 vehicle orders. During the same period, we delivered 778 new energy intelligent heavy-duty trucks and 41 RoboTruck vehicles.

In parallel with our commercialization efforts, we actively contribute to the development of a comprehensive industry ecosystem for new energy intelligent and autonomous heavy-duty trucks. This ecosystem encompasses dedicated service and maintenance network, charging and battery-swapping infrastructure, and other diverse business opportunities developed in collaboration with ecosystem partners. The ongoing maturation of the industry ecosystem not only enhances our end customers' vehicle experience and operating efficiency, but also stimulates incremental demand for our vehicle deliveries and RoboTruck solution, establishing a solid foundation for our sustained long-term growth.

Experienced founding team with proven expertise in autonomous driving and commercial vehicles, supported by strategic shareholders

Our management team brings together deep expertise in autonomous driving algorithms, extensive heavy-duty truck engineering experience, and a global operational perspective. Our co-founder and chief executive officer, Mr. Huang Zehua, previously co-founded TuSimple, an autonomous driving company, where he held full responsibility for the research and development and productization of its autonomous driving system software and hardware, leading the team to develop and deploy fully driverless autonomous trucking operations. Our other co-founder and president, Mr. Zhang Hongsong, brings over 30 years of experience in the commercial vehicle industry. He previously served as general manager of SANY Heavy Truck and Vice President of Beijing Foton Daimler Automotive, with a longstanding focus on heavy-duty commercial vehicle development in China, vehicle platform engineering, and supply chain resource management. Our management team's combined expertise in autonomous driving and heavy-duty truck fields underpins our vertically integrated and forward-looking vehicle design approach, as well as our leading algorithmic capabilities in end-to-end MLLM for new energy heavy-duty trucks. Our management provides clear strategic direction on key matters such as

technology roadmap selection, vehicle platform development cadence, commercialization pathways and ecosystem collaboration, ensuring that the company maintains strategic focus and execution efficiency in a rapidly evolving industry environment.

Under the leadership of our management team, we continue to build and expand our research and development team. As of December 31, 2025, we had established a research and development team of 123 members, with over 30% hold a master's degree or above. Our research and development team spans key disciplines including autonomous driving algorithms, vehicle platforms, electric powertrain systems, by-wire chassis, cloud systems, and data platforms, providing full-stack capabilities from underlying hardware to system software. Such capabilities provide robust support for ongoing technology iteration and vehicle deployment across new energy intelligent heavy-duty trucks and RoboTruck solution.

Our rapid business growth and ecosystem development are also supported by strong strategic shareholders. We have attracted leading strategic investors across the industrial chain, including CATL, Momenta and NIO, which is expected to create multi-dimensional synergies in areas such as autonomous driving technology, core supply chain systems, and charging/swapping energy replenishment networks, providing long-term strategic support for our commercialization progress and ecosystem development.

OUR STRATEGIES

Accelerate forward development of vehicle technologies to enhance product competitiveness

We intend to continue advancing the development of core vehicle systems and progressively achieve in-house development of all key vehicle technologies. We aim to launch a next-generation six-in-one e-axle. The architecture features a high-voltage platform and a modular design to further improve system integration and overall efficiency. We are developing a new-generation cab to meet the end customers' needs, which reduces aerodynamic drag and improves space utilization, while introducing an intelligent cockpit solution and incorporating autonomous driving sensor layout and control system integration requirements at the design stage. Furthermore, based on the technical characteristics of electrification and the e-axle architecture, we are developing brake-by-wire and steer-by-wire systems through forward development to provide a safer, more efficient chassis solution that is better suited to autonomous driving applications.

Meanwhile, we will continue to drive vehicle innovation leveraging our in-house core technologies, developing new energy intelligent heavy-duty trucks with lower energy consumption, higher performance, and better economic efficiency. We also intend to improve the driving range of our vehicles and collaborate with strategic partners to launch battery-swapping vehicle models, gradually expanding into long-haul transportation scenarios.

Continuously iterate autonomous driving algorithms to strengthen technology leadership

We intend to continue to invest in and iterate on our autonomous driving technologies, with a focus on core areas including data capability improvement, model capability enhancement, and training efficiency optimization. Through the real-world operations of our new energy intelligent heavy-duty trucks, we expect to continuously accumulate high-quality data insights from real-world scenarios, accelerating the iteration and optimization of our ZSD system. In addition, as our computing capabilities continue to improve and our data capabilities continue to expand, we expect to further scale up our models to enhance overall performance. We will also actively explore more efficient training strategies, including the application of large-scale parallel training and simulation technologies, to continuously improve training efficiency and effectiveness.

Advance commercialization and build a scalable ecosystem for our new energy intelligent heavy-duty trucks and RoboTruck solution

By delivering benchmark new energy intelligent heavy-duty trucks and RoboTruck solution, we aim to build a full-cycle commercialization loop spanning deployment, operations and ongoing optimization. Consistent with our scenario-progressive strategy, we intend to expand the commercial application of our RoboTruck solution across a broader set of closed operating environments. We plan to standardize our deployment approach into a low-cost, replicable process that can be rolled out efficiently across customers and scenarios. Subject to the availability of an appropriate regulatory framework, we plan to expand into open-road transportation scenarios and, in parallel, further develop a business model based on technology service fees. In addition, we intend to advance and commercialize innovative business models, and explore more business opportunities for us and our ecosystem partners.

Enhance domestic and overseas sales networks and increase global brand awareness

Building on the continued expansion of our sales network and the growing deployment of our new energy intelligent heavy-duty trucks and RoboTruck solutions, we plan to further enhance brand awareness through a coordinated mix of online and offline marketing initiatives and targeted promotional efforts. We also intend to showcase successful customer use cases, translating our technological advantages into stronger brand recognition and measurable commercialization results.

In parallel, we intend to progressively establish overseas business teams and sales networks. We plan to work with local strategic partners to accelerate vehicle certification and sales efforts in overseas markets. Our initial focus will be on selected target markets, including Australia, Europe and Southeast Asia.

OUR VEHICLES AND SOLUTIONS

We develop new energy intelligent heavy-duty trucks built on our in-house forward-engineered vehicle architecture and core components, creating a robust foundation for autonomous driving integration. Our scaled commercialization enables a data-driven, closed-loop iteration process that continuously refines our vehicle design and strengthens our core technologies. Leveraging our deep expertise in both vehicle development and autonomous driving, we provide businesses with effective autonomous trucking solutions through our RoboTruck solution.

During the Track Record Period, we primarily generated revenue from the sales of new energy intelligent heavy-duty trucks and started offering RoboTruck vehicles in 2025. The following table sets forth the breakdown of our revenue, both in absolute amounts and as percentages of total revenue for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
New energy intelligent heavy-duty trucks	**1,150**	**98.9**	**120,756**	**97.3**	**507,382**	**97.2**
Ripen	—	—	16,190	13.0	306,274	58.7
Awaken	1,150	98.9	104,566	84.3	201,108	38.5
RoboTruck solution	**—**	**—**	**—**	**—**	**8,102**	**1.5**
Others[(1)]	**13**	**1.1**	**3,355**	**2.7**	**6,686**	**1.3**
Total	**1,163**	**100.0**	**124,091**	**100.0**	**522,170**	**100.0**

Note:

(1) Others mainly represent revenue from (a) sales of spare parts and accessories, and (b) provision of technical services including R&D, maintenance and trial-drive services.

Vehicle Design and Engineering

We have adopted a forward engineering strategy for our new energy intelligent heavy-duty trucks, under which vehicle platforms are designed and developed from the outset based on the functional, safety, reliability and economic requirements of autonomous trucking, rather than adapted from conventional heavy-duty truck platforms after initial development. This approach is necessary because large-scale autonomous trucking requires vehicle platforms that are natively compatible with autonomous driving systems, capable of supporting high-redundancy architectures, stable system integration, minimal human intervention and demanding uptime and operating cost targets. Our forward-engineering approach emphasizes modularization and commonality from the outset. At the initial design stage, we design key performance specifications, set modular commonality targets, and determine the overall vehicle architecture. As a result, different vehicle models share a substantial portion of key components, core subsystems, structural elements and core control software, which contributes to shorter development cycles and lower marginal development costs. This strategy enables us to continuously iterate heavy-duty truck models to meet different users' preferences, while improving manufacturing scalability and efficiency.

Our Awaken and Ripen are developed on Platform D, our fully forward-engineered vehicle technology platform built for new energy heavy-duty trucks operating in short- to medium-haul scenarios. Platform D integrates the core electric powertrain systems, namely, the electric drive system, power battery system and electronic control system, with advanced intelligent technologies. Leveraging these technologies, our Platform D-based vehicle models, Awaken and Ripen, offer industry-leading performance in energy efficiency, power performance reliability and remarkable lightweight advantages, delivering exceptional operational value and product competitiveness for our users.

Our next-generation vehicle platform T is designed as a purpose-built autonomous driving platform to address the evolving needs of future vehicle models, further incorporating our in-house by-wire chassis system, a newly forward-engineered digital cab, and a battery system, among other elements, advancing our vehicle capabilities from proprietary development of core systems toward a more complete forward-engineering framework.

Our New Energy Intelligent Heavy-Duty Trucks

We have launched two mass-produced new energy intelligent heavy-duty truck models, namely Awaken (驚蟄) and Ripen (小滿).

- ***Awaken.*** Launched in 2024, Awaken is strategically targeted at short- to medium-haul and heavy-duty transportation scenarios characterized by high-frequency operations, complex road conditions, and high sensitivity to uptime and charging efficiency. Its primary application scenarios span bulk resource haulage such as coal, aggregates and steel, where rigorous demands for heavy-load climbing, frequent start-stops, and confined operational spaces require a combination of performance, energy efficiency and reliability. The retail price of Awaken standard-load version ranges from RMB530,000 to RMB680,000.

- ***Ripen.*** Launched in 2024, Ripen is tailored for short-haul operations and regional logistics networks, which impose requirements on vehicle lightweighting and versatile road adaptability. With high system integration, strong adaptability, and excellent operating efficiency, Ripen serves customers who prioritize reducing the full lifecycle cost per unit of transport capacity while demanding predictable, scalable operating performance across varied regional terrains. The retail price of Ripen standard-load version ranges from RMB430,000 to RMB600,000.

Guided by our forward-looking engineering and vertical integration approach, we continuously update our existing models by introducing new configurations and versions. Our updates typically include adopting improved vehicle architecture, integrating the latest hardware and intelligent driving systems, and enhancing key technologies and features, with the goal of improving performance, energy efficiency and the overall user experience.

The following table sets forth the specifications of our vehicle models:

	Awaken		Ripen	
Drive Type	6x4[1]	4x2[2]	6x4[1]	4x2[2]
Curb Weight[3] (kg)	9,570	9,800	9,100	8,010
Total Battery Capacity[4] (kWh)	400	600	400	400
Maximum Power (ps)	1,061	544	1,061	530
Combined Energy Consumption[5] (kWh/km)	1.05	0.95	1.05	0.92
Battery Charging Time[6] (min)	40	40	40	40

Notes:

(1) Represents a drive configuration with six wheels in total, of which four are drive wheels and two are steering wheels.

(2) Represents a drive configuration with four wheels in total, of which two are drive wheels and two are steering wheels.

(3) Represents the announced weight of the standard-load version of our vehicle models.

(4) Optional for versions with a total battery capacity of 600kWh for Awaken 6×4 drive configuration; 600 kWh for Awaken 4×2 drive configuration; 513kWh, 528kWh and 600kWh for Ripen 6×4 and 4×2 drive configurations.

(5) Refers to an empty-to-full load cycle under test conditions of standard load on flat national highways.

(6) Battery charging time is measured under test conditions at the battery state of charge ranges from 20% to 80%.

Focusing on the core pain points of new energy intelligent heavy-duty trucks and the requirements of driverless operations, we adhere to forward engineering and deeply integrate our self-developed key systems in our vehicles, including our in-house integrated e-axle, multi-source thermal management system, and intelligent vehicle control, so that our vehicles achieve benchmark performance and operating economics. Specifically, our vehicles demonstrate the following features:

- ***Vehicle Engineering and Performance.*** Our proprietary Matrix four-in-one e-axle demonstrates the highest transmission efficiency among mass-produced e-axles, according to Frost & Sullivan. It delivers peak output of up to 1,061 horsepower and achieves up to 94% transmission efficiency, with a maximum single-axle rated load of 16 tons, meeting demanding payload requirements. The powertrain supports a maximum gradeability of 37% and can sustain 47 km/h on a 6% grade, enabling our vehicles to navigate extreme operating conditions in mining and mountainous regions. We also implement lightweight design and a high level of system integration across our vehicle platform. For example, the standard-load version of Ripen weighs approximately 9,100 kg, approximately 6.5% lighter than comparable electric heavy-duty trucks, offering meaningful advantages in effective payload, energy consumption control, and operating efficiency.

- ***Energy Efficiency.*** The combination of high-capacity battery systems and multi-source heat pump thermal management system contributes to a driving range exceeding 540 kilometers on Awaken under test conditions, with baseline power consumption as low as 0.95 kWh per kilometer in the 4×2 drive configuration. Our Matrix four-in-one e-axle intelligently switches between single and dual-axle drive modes based on real-time road conditions, yielding 30% energy savings compared to traditional central drive systems. Under rated load conditions, our vehicles demonstrate the highest power efficiency among mass-produced new energy heavy-duty trucks, with average power consumption across combined empty and loaded operations up to 15% lower than competing vehicles, according to Frost & Sullivan. This would translate into saving approximately 20 kWh per 100 kilometers.

- ***Intelligent System.*** Our vehicles employ an integrated vehicle control strategy to reduce the variability in energy consumption arising from individual driving habits, thereby supporting more predictable operating performance and improved fleet management outcomes. The systems dynamically adjust the intensity of energy recovery to enhance recovery efficiency, while extending tire and braking system life. Furthermore, the intelligent electric braking distribution and adaptive constant-speed downhill functions reduce reliance on hydraulic retarders, which are typically associated with higher capital and maintenance costs.

- ***Reliability.*** The underfloor battery layout significantly lowers the vehicle's center of gravity. Coupled with a standard electronic braking system and a 45-degree front axle turning angle that achieves a tight 7.8-meter turning radius, we substantially enhance vehicle maneuverability, anti-rollover performance and braking safety in enclosed factory premises or narrow roads. Our ground clearance of powertrain battery reaches 400 mm and our e-axle ground clearance reaches 295 mm, delivering strong adaptability across a wide range of operating environments, including unpaved surfaces and complex regional terrains.

Together, these capabilities enable us to deliver autonomous heavy-duty trucks with competitive performance and lower total cost of ownership, making them attractive to fleet operators. This is critical to our long-term development strategy, as it establishes the foundation for a sustainable business model and enhances the competitiveness of our RoboTruck solution across scaled fleet deployment in diverse logistics and heavy-haul scenarios.

Our RoboTruck Solution

Our RoboTruck solution is built on our integrated expertise in vehicle engineering and autonomous driving technologies for heavy-duty freight applications. Our RoboTruck solution is designed for businesses with heavy-duty road freight demands, including logistics fleet operators, freight enterprises, industrial companies, port operators and other commercial users seeking safer, more efficient and less labor-dependent freight operations. By enabling safer, more efficient and less labor-dependent logistics, our RoboTruck solution has the potential to enhance overall freight operations, improve vehicle utilization and support extended operating hours.

Unlike traditional autonomous trucking approaches, which typically rely on rule-based systems within closed operating areas, our RoboTruck solution is underpinned by our industry-leading end-to-end MLLM. This endows our autonomous heavy-duty trucking solution with strong scenario generalization capabilities. Accordingly, while our RoboTruck solution is currently capable of operating in closed environments, such as logistics parks, industrial zones, and designated transport corridors, we expect, as our model and system capabilities continue to advance, to progressively expand deployment into broader, more diverse and more complex open-road freight scenarios.

Our RoboTruck solution consists of three integrated components:

- ***Forward-engineered vehicle for RoboTruck solution:*** Our vehicles equipped with by-wire chassis designed for autonomous driving under the RoboTruck solution is based on the Awaken vehicle model. Built on our forward-engineering approach, such vehicle features a by-wire chassis system that enables precise control of all actuators via electrical signals, including braking, propulsion, steering, gear shifting, and lighting. With a steering response time under 100 milliseconds and a braking response time under 200 milliseconds, such vehicles can execute driving commands rapidly and precisely even at high speeds. The vehicle also supports seamless, millisecond-level switching between autonomous and manual driving modes, providing a reliable handover channel for special operating conditions.

- ***ZSD system:*** Our ZSD system uses an end-to-end MLLM to automate the entire process from sensor inputs to driving trajectory generation, with solid algorithm performance and strong scenario generalization capabilities. Leveraging advanced hardware system including over 30 multi-type sensors and a dedicated computing platform, and combining an end-to-end autonomous driving software architecture to deliver full unmanned driving capability, our ZSD system enables the vehicle to independently perform complex transportation tasks without human intervention; and

- ***Cloud-based digital platform:*** A cloud-based digital platform encompassing connectivity, remote monitoring and fleet scheduling for fleet operation management, with a customizable architecture designed to scale toward broader, general-purpose applications.

Commercialization

We are actively commercializing our new energy intelligent heavy-duty trucks and establishing a monetization model for our RoboTruck solution. Our vehicles are able to accumulate real-world scenario data to better address the practical requirements of a broad range of heavy-duty trucking scenarios, and continuously refine our autonomous driving technologies.

New Energy Intelligent Heavy-Duty Trucks

The following table sets forth a breakdown of the sales volume and average selling prices by vehicle models for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	units	*RMB per unit*	*units*	*RMB per unit*	*units*	*RMB per unit*
Ripen	—	—	39	415,111	751	407,821
Awaken	2	575,221	233	448,782	425	473,195

In 2023, we commenced pilot sales of the Awaken model. In 2024, we formally launched and commenced commercialization of the Awaken and Ripen models, with sales volumes of 233 units and 39 units, respectively. Our sales volume increased substantially from 2024 to 2025 to 425 units of Awaken and 751 units of Ripen, primarily attributable to our advanced technological strengths in vehicle design, increased market recognition of our brand and vehicles, and the continued expansion of our sales network. We continue to leverage our research and development capabilities to iterate these vehicles for better performance and launch new versions, thereby expanding our vehicle portfolio to meet evolving customer demands.

Our business has maintained solid growth since 2026, driven primarily by our strong market reputation and accumulated technological capabilities. For the four months ended April 30, 2026, the sales of our new energy intelligent heavy-duty trucks amounted to 778 units, representing a year-on-year increase of 334.6% over the same period in 2025.

RoboTruck Solution

For our RoboTruck solution, we operate with a light-asset strategy and do not hold vehicle assets. We generate revenue by selling vehicles under RoboTruck solution during the Track Record Period and plan to charge technology service fees for this solution. We plan to adopt a flexible monetization model that offers customers greater choice, allowing them to purchase hardware, software or integrated solutions based on their specific needs. As of December 31, 2025, we delivered 15 vehicles under the RoboTruck solution, and further delivered 41 vehicles in the four months ended April 30, 2026, with plans to progressively monetize these deployments through technology service fees.

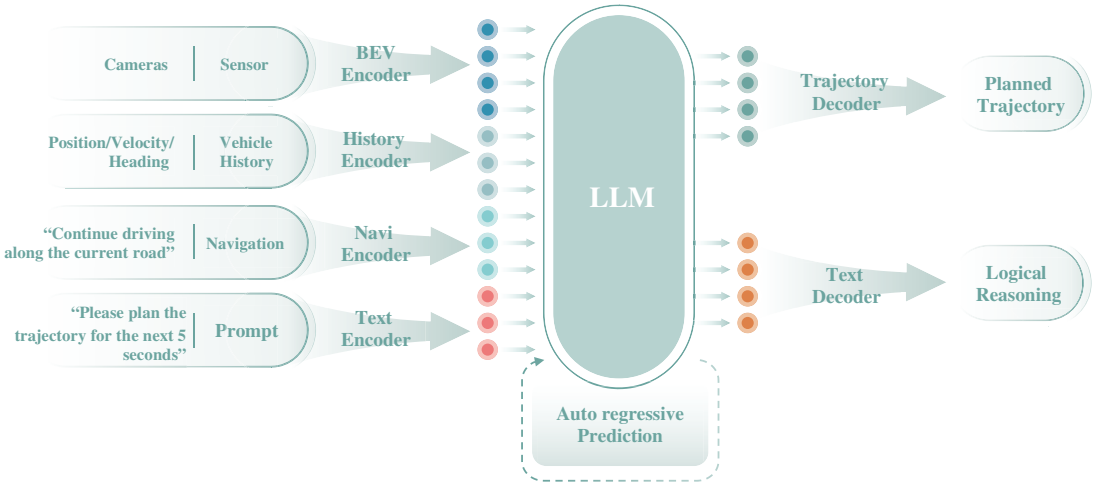
OUR R&D AND TECHNOLOGIES

Guided by our forward-engineering approach, we focus our research and development efforts on two core technology areas: intelligent driving systems and vehicle technologies. In autonomous trucking, these two technology domains are highly interdependent and must be developed in close

coordination, as the performance, safety, reliability and commercial viability of autonomous heavy-duty trucks depend on deep integration between the autonomous driving system and the underlying vehicle platform. We therefore pursue a co-development approach across these two areas and devote substantial R&D resources to both. Through this approach, we have achieved meaningful breakthroughs and built core technological capabilities that underpin our competitive vehicles and RoboTruck solution.

Intelligent Driving Systems

ZSD-Based End-to-End Autonomous Driving System



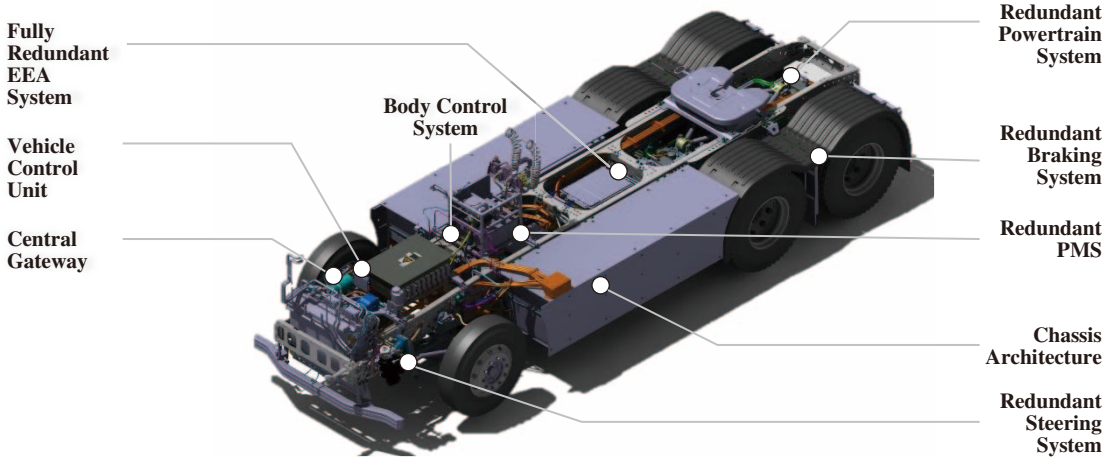
Our proprietary autonomous driving system is purpose-built for autonomous heavy-duty trucks. The unified end-to-end model automates the full workflow, from multi-source sensor inputs to driving trajectory generation. We adopt a ZSD technical approach that integrates perception, language-based reasoning, and action generation within a single unified architecture. Camera and sensor data are processed through a bird's eye view (BEV) representation that compresses multi-frame, multi-view inputs into a geometrically unified format, enabling robust spatiotemporal understanding while supporting real-time on-board inference. A large language model serves as the core reasoning engine, leveraging its internal knowledge to interpret traffic signals and rules, assess intent in complex interactions, and handle unexpected and complicated corner events. This design enables explicit chain-of-thought reasoning, encompassing observation, analysis, decision-making, and execution before generating trajectory outputs, significantly improving interpretability and robustness in long-tail autonomous driving scenarios.

We leverage large-scale data for training and validation, enabling efficient and continuous iteration. Our staged training procedure progresses from modality-specific training through alignment, instruction tuning with chain-of-thought reasoning, and reinforcement learning with verifiable rewards, which systematically enhances scene understanding, action semantics, and planning capabilities. Our end-to-end architecture significantly reduces the engineering complexity of key systems, eliminating the module fragmentation and integration overhead typical of traditional modular algorithms. Compared to traditional systems, our scenario generalization capability allows faster transfer to different operating scenarios and supports deployment. This architecture also facilitates efficient adaptation to various downstream vertical scenarios, thereby addressing certain challenges that have historically limited the

scalability of traditional solutions. We participated in the End-to-End Driving at Scale Challenge at CVPR 2024, where our model ranked first among camera-only solutions, demonstrating our technological advancement.

Building on our vehicle development capabilities, our autonomous driving technology is designed for deep integration with the vehicle body across both physical architecture and data systems. Sensors are embedded into the body structure, and the onboard computing unit interfaces directly with the vehicle control system, thereby reducing integration complexity and mitigating compatibility issues. Moreover, our mass-produced vehicle models support continuous collection of high-value real-world driving data across a broad range of operating scenarios. This data feeds directly into our end-to-end closed-loop infrastructure to support data preprocessing, chain-of-thought label generation supported by simulation-based evaluation and reinforcement learning, which in turn strengthens our model training and accelerates iterative performance improvement.

By-Wire Chassis Systems



Our platform integrates brake-by-wire, steer-by-wire, and drive-by-wire capabilities into an engineered, vehicle-level chassis control and redundancy solution. It overcomes the capability limitations of conventional internal-combustion vehicle architectures in electrification and advanced automated driving use cases, and addresses the core requirements for functional safety and redundancy for autonomous driving. Leveraging a multi-sensor and multi-motor coordinated control approach, we have focused on improving overall vehicle performance across drive-and-brake coordination, precise wheel-speed and slip-ratio regulation, regenerative braking efficiency, and operational safety. In addition, the redundant braking system is equipped with ABS functionality and steering architectures including dual-motor electric power steering. These redundancies are designed to help ensure that, in the event of failures in critical components, the vehicle can maintain basic steering and braking capability and meet the safety objectives associated with higher levels of automated driving.

Sophon Data Platform

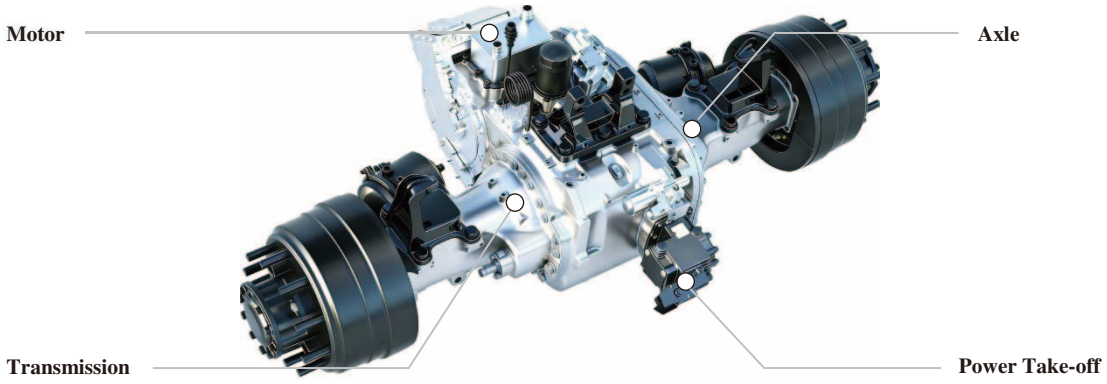
We have developed our proprietary Sophon Data Platform, a vehicle-level data and intelligent operations platform. It integrates the vehicle, cloud and user ends to provide intelligent, comprehensive and all-weather operational assurance throughout the vehicle lifecycle. Our Sophon Data Platform is capable of monitoring and analyzing over 4,000 vehicle signals and accumulates full lifecycle data

assets for each vehicle. Leveraging integrated data and analytical models, the Sophon Data Platform provides real-time visualization of vehicle status, anomaly identification and early-stage fault warning, thereby shifting the vehicle maintenance from reactive repairs to predictive maintenance, reducing unexpected downtime and unplanned maintenance, and improving vehicle uptime and reliability. In addition, the Sophon Data Platform performs quantitative analysis across the energy-consumption chain from charging and the battery system through the powertrain to wheel-end output, in conjunction with environmental and driving-behavior factors. It thereby identifies sources of energy loss and supports closed-loop optimization to continuously enhance vehicle efficiency and intelligent operations capabilities.

Vehicle Technologies

Core Electric Powertrain Systems

Matrix Four-In-One E-Axle



Our self-developed Matrix four-in-one e-axle integrates the electric motor, transmission, axle, and power take off ("**PTO**") into a lightweight and highly efficient unit. Our e-axles have achieved the industry's highest level of integration and the highest transmission efficiency among mass-produced e-axles, according to Frost & Sullivan. Moreover, we were the first in the industry to bring segmented axle-housing architecture into mass production, the first to integrate the PTO into the drive axle, and the first to apply an oil-cooled flat-wire motor in heavy-duty trucks. Our e-axle eliminates the driveshaft in conventional chassis-mounted central drive systems, lowers the truck's gravity center and increases available space for battery installation, thereby enhancing stability, safety and range.

Our Matrix four-in-one e-axle delivers industry-leading power-to-torque density, lightweight and functionality, positioning it at the forefront of technological advancement in commercial vehicles. With comprehensive intelligent control enabled by our self-developed vehicle control unit ("**VCU**") and transmission control unit ("**TCU**") systems, the four-in-one e-axle delivers smoother power output, stronger and more precise power delivery, higher reliability and up to a 30% reduction in energy consumption, substantially improving the operating efficiency and driving performance for new energy heavy-duty trucks.

Electronic Control System

Our electronic control system is designed to fully realize the performance potential of the e-axle and enhance energy management through precise control of the powertrain and braking systems, delivering smoother and more efficient power output, significant energy savings, and improved operational safety. Developed in-house across hardware, software, and core algorithms, it enables intelligent switching between single-axle and dual-axle drive modes and among three power sources, 10%–15% slip-rate traction control, intelligent traction and braking coordination, optimization across 17 gear combinations, optimal allocation of motor operation to maximize efficiency, and five levels of regenerative braking.

Multi-Source Heat-Pump-Based Vehicle Thermal Management System

We are the first and only company in the industry to mass-produce multi-source heat-pump-based vehicle thermal management system, according to Frost & Sullivan. Our system provides vehicle-level coordination of thermal management across the cab, electric drive system and power battery, supported by a proprietary control algorithm that optimizes energy efficiency and performance through precise control of thermal energy flows.

Our thermal management system is designed to improve overall energy efficiency and occupant comfort across a wide operating range. The battery cold-start scheduling function enables intelligent preheating, while heat pump-based cabin heating can reduce energy consumption by up to 70% compared with conventional PTC heating. Real-time operating-condition recognition and dynamic strategy adjustment further enable optimized thermal allocation across diverse driving scenarios.

Through ongoing iterations, we have enhanced battery cooling capability, supporting sustained charging at up to 1,200A at an ambient temperature of 40°C. Our next-generation thermal management system is expected to further increase component integration and raise supported charging capacity to up to 1,800A.

Electronic Architecture ("EEA")

Our proprietary EEA platform adopts a centrally integrated, domain-control architecture that unifies computing resources to deliver stronger vehicle functionality, higher performance, and improved cost efficiency. The platform supports full software autonomy, configurable core hardware, and secure memory partitioning, while integrating in-vehicle networking and remote diagnostics. According to Frost & Sullivan, compared to traditional distributed EEA architectures, our design is expected to reduce wiring by approximately 30%. In addition, the architecture enables continuous software optimization across key domains such as energy efficiency and drivability, supporting faster iteration, smarter control, and improved reliability over the full life cycle of our new energy intelligent heavy-duty trucks.

Our R&D Capabilities and Process

We have assembled a robust research and development team with expertise spanning key disciplines including autonomous driving algorithms, vehicle platforms, electric powertrain systems, by-wire chassis, cloud systems, and data platforms, providing full-stack capabilities from underlying hardware to system software. As of December 31, 2025, our R&D team consisted of 123 members, and over 30% of whom hold a master's degree or above. In 2023, 2024 and 2025, our research and

development costs amounted to RMB71.4 million, RMB116.2 million and RMB126.0 million, respectively. The investment in R&D during the Track Record Period reflects our continuous pursuit of product innovation and iteration, contributing to our continued breakthroughs in intelligent vehicle development and autonomous driving technologies.

We pursue the in-house development of core technologies for new energy intelligent heavy-duty trucks through an agile, phased R&D methodology, enabling continuous improvement and rapid iteration. Our R&D process follows a structured framework spanning concept development, engineering development, testing and validation and mass production, all organized around clearly defined milestone gates. Throughout this process, customer-centric and engineering-driven perspectives operate in parallel, ensuring close alignment among product concept, target market, cost objectives and user value.

We have established a rigorous and systematic vehicle development and lifecycle management framework. Based on industry-leading Commercial Vehicle Development System standards, our standardized development process encompasses four core phases: concept development, engineering development, testing and validation, and mass production. Throughout the development cycle, we have established 10 to 12 critical milestone gates, each governed by stringent delivery and assessment criteria.

- ***Concept development:*** During the concept development phase, we conduct upfront planning and definition for the proposed vehicles, including confirming vehicle model positioning, target customer segments and sub-segments, as well as setting cost targets and the principal technical direction.

- ***Engineering development:*** During the engineering development phase, we translate the concept into an executable engineering solution by advancing system architecture and component design, bill of materials development and cost breakdown, supplier sourcing and nomination, and manufacturing process planning. Throughout this phase, we continuously optimize the design and perform engineering validation against our cost targets to ensure manufacturability, deliverability and economic viability.

- ***Testing and validation:*** During the validation phase, we conduct systematic verification of vehicle performance, reliability, durability and regulatory compliance through testing on samples, prototypes and trial vehicles, and implement closed-loop issue resolution and design improvements based on the results. As the program progresses, product maturity is progressively enhanced to meet the quality and safety requirements for production ramp-up.

- ***Mass production:*** During the mass production phase, we collaborate with contract assembly partners to carry out production line and tooling validation, pilot builds and capacity ramp-up, verification of supply chain delivery capability, and implementation of quality control systems to achieve stable mass production and ongoing deliveries. Following the commencement of mass production, we continue to improve our vehicles and process performance based on market feedback and vehicle data, with a view to enhancing consistency, yield and cost performance.

SALES AND MARKETING

Sales Model

We adopt a balanced sales model combining distributor-based sales and direct sales to achieve broad and efficient market coverage across diverse regions and customer segments. As a relatively young market participant, we have earned the trust of a broad distributor network for sales of our new energy intelligent heavy-duty trucks and RoboTruck vehicles. We believe our distributors' established customer reach, local market knowledge and service capabilities help us expand market coverage efficiently. We maintain a direct sales channel across all of our business lines, which enables us to deepen customer engagement over time. We have an experienced and highly trained sales and marketing team, consisting of 69 personnel as of December 31, 2025, who proactively identify market opportunities and design sales strategies. The table below sets out a breakdown of our total revenue by sales channel for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Distributorship	—	—	85,184	68.6	372,870	71.4
Direct Sales	1,163	100.0	38,907	31.4	149,300	28.6
Total	**1,163**	**100.0**	**124,091**	**100.0**	**522,170**	**100.0**

Distributorship

Our distributors form an integral part of our sales and service network, representing an important extension of our customer reach and service capabilities across different regions. According to Frost & Sullivan, it is in line with the practice in the heavy-duty truck industry to collaborate with established distributors, which not only enables broader market penetration and more efficient provision of customer services, but also reflects market validation of the quality, reliability and commercial competitiveness of the vehicles. As of December 31, 2023, 2024 and 2025, we had nil, 33 and 98 distributors, respectively. For the years ended December 31, 2023, 2024 and 2025, revenue generated from our distributors amounted to nil, RMB85.2 million and RMB372.9 million, respectively, representing nil, 68.6% and 71.4% of our total revenue for the corresponding years.

Distribution Network

The following table sets forth the movements in the number of our distributors during the Track Record Period.

	For the year ended December 31,		
	2023	2024	2025
Number of distributors at the beginning of the year	—	—	33
Addition of new distributors[(1)]	—	33	83
Termination of existing distributors[(2)]	—	—	18
Net increase/(decrease) in distributors	—	33	65
Number of distributors at the end of the year	**—**	**33**	**98**

Notes:

(1) New distributors refer to distributors with whom we had an effective distribution agreement in the relevant period and did not have any effective distribution agreement in the immediately preceding calendar year.

(2) Terminated distributors refer to distributors with whom we did not have any effective distribution agreement in the relevant period and had an effective distribution agreement in the immediately preceding calendar year.

Our distribution network has been expanding in tandem with our business growth, with the number of our distributors growing from nil as of December 31, 2023, to 33 as of December 31, 2024, and further to 98 as of December 31, 2025, primarily driven by the commercialization of our vehicles and our continued efforts to broaden market coverage. As our operations continue to develop, we have been actively establishing and strengthening relationships with our distributors and will continue to deepen such relationship to further broaden our market coverage and enhance the accessibility of our vehicles and solution to end customers.

Distributor Management

We select distributors based on a defined set of criteria, taking into account their qualifications such as requisite automotive sales licenses and an established place of business, their financial position, industry credentials, marketing capabilities and their operational capability of maintaining dedicated sales and after-sales service teams. We adopt a uniformed management approach across our distributors, offering a consistent brand image and customer experience. We monitor our distributors' operations through regular evaluations, on-site inspections and training programs for our distributors. In addition, distributors should follow our policy and criteria for storefront design, and train their employees to comply with our operational guidelines.

We maintained a seller-buyer relationship with our distributors during the Track Record Period and typically enter into standard sales agreements with our distributors on an annual basis. Such agreements are on normal commercial terms based on arm's-length negotiation. The salient terms of our standard distribution agreements during the Track Record Period are set out below:

- ***Exclusivity and designated distribution area.*** Distributors are granted the distributorship right for specified vehicle types in their designated distribution areas, generally on a non-exclusive basis. Our distributors are generally not allowed to sell or distribute our vehicles outside of their designated distribution areas.

- ***Minimum purchase amount.*** We set a minimum annual sales target for our distributors and adjust the sales target on a case-by-case basis.

- ***Pricing.*** Our selling prices to distributors may vary depending on the specific purchase orders. We provide our distributors with a recommended resale price for our vehicles.

- ***Payment and credit terms.*** We provide tiered sales rebates to our distributors based on payment collection cycle and sales volume. We generally require payment of deposit shortly after the execution of the sales agreement with the remaining balance settled in accordance with the prescribed period.

- ***Delivery and transfer of risks.*** In accordance with the delivery schedule confirmed on the dealer management system, we are responsible for either delivering our vehicles to locations designated by relevant distributors or making such vehicles available for the distributors' self-collection. The risks transfer to such distributors upon completion of delivery.

- ***Acceptance.*** Our distributors shall inspect the delivered vehicles upon receipt for quality and appearance, and raise any issue identified at the time of delivery. Otherwise, the vehicles are deemed accepted.

- ***Warranty.*** We provide warranty services to our customers in accordance with the terms and within the warranty periods set out in our warranty manual. For details, see "— Quality Control — Warranty and After-Sale Services."

- ***Product return and exchange.*** We typically do not allow any product return or exchange, except for quality issues identified at the time of acceptance inspection, which is in line with the industry practice.

- ***Termination.*** We are entitled to terminate the distribution agreements under mutual agreement or, among other circumstances, if the customers fail to make payment within the prescribed payment period.

- ***Compliance.*** Our distributors are required to comply with PRC laws and regulations, including anti-corruption and anti-bribery laws and regulations.

To the best of our knowledge, during the Track Record Period, all of our distributors were Independent Third Parties and none of our distributors were wholly-owned or majority controlled by our employees. During the Track Record Period and up to the Latest Practicable Date, we did not provide any advance or financial assistance to any of our distributors.

Prevention of Channel Stuffing

We adopt a sales model under which full ownership of the vehicles is transferred to our counterparties upon completion of delivery, and product return or exchange are generally prohibited except for quality issues identified at the time of acceptance inspection. This model shifts the responsibility and risk of unsold inventory to distributors, incentivizing them to order based on actual sales demand to reduce holding costs and obsolescence risk.

We operate primarily on a made-to-order basis, with production and delivery scheduled after receiving relevant purchase orders and deposits. Orders are accepted in line with actual market demand, and our production plans are calibrated accordingly to maintain optimal inventory levels. Accordingly, we believe our distributors maintain a reasonable level of inventory of our vehicles to avoid channel stuffing.

Based on the above, we believe we are at low risks of channel stuffing. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any unusual procurements or sales activities that were inconsistent with distributors' past practices.

Prevention of Cannibalization

To mitigate potential sales cannibalization between existing and new distributors, we have implemented a series of targeted measures. Prior to appointing any new distributor, we conduct in-depth customer and market research to assess the actual market potential of the targeted region, and reasonably plan the geographic layout of distributors to avoid overlapping business areas. We also manage cannibalization risk among our distributors through enforcement of our distribution agreements, which specify the designated vehicles and geographic regions for each distributor. Our distributors are prohibited from distributing our vehicles to customers outside their specified regions unless with our approval. To prevent channel cannibalization, we require all distributors to align with our guided pricing, so that the identical vehicle models are generally offered consistent prices across regions. In addition, the engagement of sub-distributors by our distributors is subject to our consent.

We believe the above measures are sufficient to mitigate potential cannibalization and competition among our distributors. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any material cannibalization or competition among our distributors in the distribution network within the same geographical areas.

Direct Sales

Through our direct sales channel, we engage directly with customers, such as fleet operators and logistic companies, to gain first-hand insights into their operational needs, which enables us to build closer customer relationships, strengthen customer loyalty and to better define our vehicles in response to customer demand. The direct engagement with customers facilitates close and long-term collaborations with such customers to adapt the iteration of our vehicles to their evolving needs. For the years ended December 31, 2023, 2024 and 2025, revenue generated from direct sales amounted to RMB1.2 million, RMB38.9 million and RMB149.3 million, respectively, representing 100.0%, 31.4% and 28.6% of our total revenue for the corresponding years. The salient terms of our standard direct sales agreements during the Track Record Period are set out below:

- ***Payment term.*** We generally require our direct sales customers to pay a deposit shortly after signing the sales agreement, with the remaining balance settled in accordance with the prescribed periods.

- ***Delivery and transfer of risks.*** In accordance with the delivery schedule specified in the sales agreement, we are generally responsible for delivering our vehicles to locations designated by our customers. The risks transfer to such customers after they confirm receipt of our vehicles and/or the full settlement of considerations.

- ***Acceptance.*** Our customers shall inspect the delivered vehicles upon receipt for quality and appearance, and raise any issue identified at the time of delivery. Otherwise, the vehicles are deemed accepted. The risks transfer to our customers upon completion of delivery.

- ***Warranty.*** We provide warranty services to our customers in accordance with the terms and within the warranty periods set out in our warranty manual. For details, see "— Quality Control — Warranty and After-Sale Services."

- ***Product return and exchange.*** We typically do not allow any product return or exchange, except for quality issues identified at the time of acceptance inspection.

- ***Termination.*** We are entitled to terminate the sales agreement if the customers fail to make payment within the prescribed payment date.

Service Network

As of December 31, 2025, we had maintained an extensive service station network of over 250 service stations across the Chinese Mainland, strategically designed to support the operating characteristics of our new energy intelligent heavy-duty trucks that typically run on short- to mid-distance routes. We follow a "expand where we sell" regional deployment strategy to ensure timely, nearby support, and we provide a one-stop, whole-vehicle service model to improve repair efficiency and customer experience through our service stations. During the Track Record Period, such service stations were operated under our authorization and supervision to provide after-sales and maintenance services in accordance with our warranty policies, using only parts and components supplied us to ensure the consistency of our vehicles and solution. We primarily collaborate with automotive service stores on a non-exclusive basis to establish and expand our service network, supplemented by a small number of service stations operated by our distributors. In addition to providing maintenance and repair services, these service stations operated by our distributors also serve as sales outlets for the sales of our new energy intelligent heavy-duty trucks. These stations serve as key customer touchpoints for vehicle promotion, technical support, maintenance, and after sales services, thereby strengthening brand visibility and reinforcing customer loyalty.

We manage our service stations under a structured framework that differentiates between complex repair cases and routine maintenance services, ensuring efficient resource allocation and service responsiveness. A unified management system is applied across all service stations to maintain a consistent brand image, service quality and customer experience. Our oversight spans technician training, operational compliance and after-sales service performance, supported by standardized operating procedures and regular inspections. In addition, professional service engineers are deployed to provide systematic technical training to distributor and technicians of third-party service partners, continuously enhancing the service capability across service stations and reinforcing product reliability as our sales and customer base continue to expand.

Pricing

We price our new energy intelligent heavy-duty trucks based on a range of factors, including (i) product costs, (ii) customer demand, and (iii) the competitive landscape, taking into account our relative strengths and weaknesses, competitors' pricing strategies and customers' price sensitivity.

We are in the process of establishing a monetization model for our RoboTruck solution. In addition to the sales price for vehicles equipped with by-wire chassis designed for autonomous driving under the RoboTruck solution, we also intend to charge technology service fees on a usage basis. In determining the pricing of our technology service fees, we will take into account the competitive landscape in the autonomous trucking market as well as the overall cost efficiencies that our solutions are expected to deliver to customers relative to their existing logistics operations.

Marketing

We focus on technology-driven brand building and market-driven sales growth. We are committed to delivering genuine vehicle and establishing technology leadership in the new energy intelligent heavy-duty truck industry, with an emphasis on performance, efficiency, and measurable customer

value. By highlighting our proprietary innovations and distinct economic advantages of our vehicles and solution, we appeal directly to customers' commercial priorities. Our pragmatic and credibility-focused approach, supported by our strategic investors and industry partners, accelerates our brand recognition and resource access, positioning us to rapidly strengthen market presence and achieve leadership through technological excellence and proven customer returns. Our vehicles and solution are primarily marketed to new customers through industry exhibitions, promotional events, online promotions, recommendations from existing customers, and direct business development by sales managers and our distributors.

SUPPLY CHAIN MANAGEMENT

Unlike certain industry participants that rely more heavily on external parties across the vehicle value chain, we operate under a vertically integrated philosophy grounded in our in-house vehicle design and engineering capabilities. Under this approach, we maintain control over each critical stage of the supply chain, including vehicle model design and development, procurement of raw materials and components, and collaboration with our contract assembly partners. We believe this reflects our accumulation across the heavy-duty truck value chain and enables us to ensure that the vehicles ultimately produced are consistent with our intended design, performance and quality standards. This approach differentiates us from peers and provides the foundation for delivering competitive vehicles and solution.

Contract Assembly

During the Track Record Period and in line with industry practice, we collaborated with contract assembly partners, C&C Trucks, Hubei Tri-Ring and Shenhe Automobile, to assemble our new energy intelligent heavy-duty trucks. Our contract assembly partners are established vehicle manufacturers with extensive experience in the production of heavy-duty trucks with solid industry credentials.

Under such collaboration arrangements, our contract assembly partners provide contract assembly services based on the vehicle design, engineering specifications and technical standards developed and provided by us, using our supply of parts and components used in vehicle assembly to ensure consistency and quality of our vehicles. We retain full ownership of all pre-existing and independently developed intellectual properties related to our vehicles, and neither party may infringe the other party's intellectual property rights.

The salient terms of our manufacturing collaboration agreements during the Track Record Period are set out below:

Collaboration model	Our contract assembly partner provides the comprehensive manufacturing services for the relevant truck models, including component management and assembly, production process development and final vehicle inspection.
Quality assurance	Our contract assembly partner shall be responsible for product quality issues arising from manufacturing defects.
Service fee model	We pay service fees to our contract assembly partner based on our production volume.

Delivery	We are responsible for arranging the dispatch and transportation of the completed vehicles in accordance with the agreed delivery arrangements.
Intellectual property	Each party retains full ownership of its pre-existing and independently developed intellectual property. Neither party may infringe the other party's intellectual property rights.
Termination	The manufacturing collaboration agreement may be terminated, among other events, if a material breach committed by either party is not duly remedied within the prescribed period.

We believe that such manufacturing collaborations have provided a stable, flexible, and scalable foundation to support the continued growth of our business. We believe that (i) our contract assembly arrangements have provided a stable, flexible and scalable foundation to support the continued growth of our business; (ii) we have maintained long-term and stable relationships with our contract assembly partners in a smooth and mutually beneficial approach, under which the light-asset model allows us to focus on vehicle design, core systems development and supply chain management, while enabling our partners to fully leverage their manufacturing facilities and operational expertise; and (iii) we retain strong control over the supply chain, procurement of key parts and components, as well as technical specifications, whereas our contract assembly partners primarily perform the assembly work in accordance with our design and production requirements. Our Directors are of the view that we do not place undue reliance on any individual contract assembly partner, and that any existing concentration is commercially manageable and does not pose a material adverse risk to our business, operations or financial performance, considering that we retain control over our vehicle design, core vehicle systems and relevant intellectual properties, while our contract assembly partners perform the assembly functions under our technical specifications and quality requirements. Our contract assembly arrangements are conducted on normal commercial terms and are non-exclusive in nature, and do not restrict us from engaging additional contract assembly partners. According to Frost & Sullivan, there is a large number of qualified vehicle manufacturers in the Chinese Mainland capable of providing comparable contract assembly services, which would allow us to further diversify our contract assembly partner base, thereby preserving operational flexibility and reducing reliance on any particular contract assembly partner. During the Track Record Period and up to the Latest Practicable Date, we did not encounter any production delays, quality issues, or delivery defaults in our collaborations with contract assembly partners.

Raw Materials and Components

Following our vertically integrated approach, we maintain strong control across the heavy-duty truck value chain and play a central role in the procurement of raw materials and components. For key systems and components that are critical to vehicle performance and differentiation, we undertake in-house design and development, including our by-wire chassis, four-in-one e-axle, electronic control system and thermal management system. We collaborate with qualified component manufacturers to produce these systems and components in accordance with our designs, technical specifications and interface standards, while we manage the bill of materials and oversee their integration with our self-developed software systems and overall vehicle architecture. For more standardized raw materials and components, such as tires, driving compartment components and other interior parts, we procure them directly from suppliers. Given the critical importance of batteries to our vehicles' performance and cost structure, we are developing a battery system that directly integrates the battery into the truck

chassis to replace the tradition design that uses a standalone battery box and separate supporting frame. We believe this model strikes a balanced approach between ensuring the performance and differentiation of our core systems and achieving procurement efficiency and cost effectiveness. During the Track Record Period, we did not experience any material shortages of raw materials and components. Set forth below is a summary of the salient terms in our contracts with key raw materials and components suppliers:

- ***Term.*** Generally with a duration of one year, after which we conduct a new price-comparison process.

- ***Products and services.*** Suppliers are responsible for providing the products and/or services specified in the relevant procurement documents and purchase orders.

- ***Pricing and payment.*** Prices and payment arrangements are determined in accordance with the relevant procurement documents and purchase orders. Payments are typically made in instalments based on delivery and acceptance schedules agreed between the parties. For certain components, the supplier delivers the products after full payment has been settled.

- ***Delivery and acceptance.*** Suppliers are required to deliver products to the locations designated in our purchase orders within the agreed delivery timeframe. In the event of short delivery, excess delivery, delay, damage, non-conformity or other performance issues, suppliers are responsible for supplementing delivery, repair, replacement, re-delivery or other remedial measures, and for compensating us for losses arising from such issues.

- ***Quality assurance and after-sales service.*** Suppliers must ensure that all products and/or services comply with the drawings, samples, digital models, technical agreements, product development agreements and other requirements confirmed by both parties, as well as applicable national standards, industry standards and our enterprise standards.

- ***IP and confidentiality.*** Suppliers must ensure that the products and/or services they provide are free from ownership disputes, intellectual property disputes and other third-party claims. The IP rights of supplied products and related technical materials remain with the suppliers. Both parties are bound by confidentiality obligations with respect to proprietary and commercial information, which remain effective after the termination of the agreements.

- ***Termination.*** Either party may terminate the agreement early by written notice in the event of material breach, force majeure, or other circumstances rendering performance impracticable.

We adhere to a systematic and standardized process for the development, design and outsourced manufacturing of key components of our vehicles, forming a solid foundation for product reliability, performance and safety. We conduct rigorous evaluations of potential contract assembly partners' technical competence, production experience, quality management, production capacity and financial stability. Formal cooperation agreements are signed with qualified partners to specify technical standards, production requirements, quality benchmarks, delivery schedules and after-sales commitments, ensuring stable and consistent manufacturing. During the Track Record Period and up to the Latest Practicable Date, we did not encounter any material quality issues, delivery delays or technical failures related to the outsourced key components.

Supplier Management

To maintain supply chain stability, quality and cost-effectiveness, we formulate procurement plans with reference to production schedules, inventory levels, supplier lead times, delivery requirements and sales forecasts, and manage raw material and component price volatility through price-comparison procurement and strict procurement budget control.

We have established a structured supplier qualification and management framework, and we will establish necessary relationships with alternative sources based on supply continuity risk assessment. Under such framework, new suppliers are admitted to our qualified supplier list only after completing our qualification assessment and due diligence review, which typically includes sample verification and internal approval. Once approved, suppliers included in our qualified supplier list may proceed with the procurement process. In selecting and evaluating suppliers, we consider factors including reputation, qualifications, industry experience, technical capabilities, pricing, quality and delivery timelines. Framework agreements with key suppliers are generally renewed on an annual basis, and we conduct a new price-comparison process. We also perform annual technical and commercial evaluations of framework suppliers, maintain a centralized supplier database managed by our procurement team, and implement material substitution and supplier audit procedures where appropriate to ensure procurement quality in line with our internal policies and prevailing industry standards. For parts and components customized for our vehicles, we require suppliers to carry out testing and production in accordance with our project plans, technical specifications and quality control standards, and to comply with our labeling and packaging identification requirements to ensure traceability. Our designated quality control team communicates quality standards to suppliers, inspects product samples, conducts regular or ad hoc on-site inspections where appropriate, and requires suppliers to promptly rectify any identified quality issues.

During the Track Record Period and up to the Latest Practicable Date, we did not have any disputes with our suppliers that would, individually or in the aggregate, have a material adverse impact on our results of operations, financial condition and growth prospects.

Major Suppliers

During the Track Record Period, our suppliers mainly include contract assembly partners, suppliers of batteries and vehicle components. For the years ended December 31, 2023, 2024 and 2025, our purchases from our five largest suppliers in each year during the Track Record Period in aggregate amounted to RMB18.2 million, RMB135.6 million and RMB422.6 million, respectively, representing 33.3%, 48.6% and 49.6% of our total purchases in the corresponding years. Our purchases from our largest supplier in each year during the Track Record Period amounted to RMB4.9 million, RMB67.4 million and RMB98.1 million, respectively, representing 8.9%, 24.2% and 11.5% of our total purchases in the corresponding years. During the Track Record Period, we made prepayments to certain suppliers. For the suppliers that granted us credit terms, we were generally given credit periods ranging from 30 to 90 days.

The following table sets forth details of our five largest suppliers in each year during the Track Record Period:

Supplier	Supplies/Services Purchased	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases
			(RMB'000)	*(%)*
For the year ended December 31, 2023				
Supplier A	key vehicle components	2023	4,850	8.9
Supplier B	testing and certification services	2023	3,646	6.7
Supplier C	financial advisory services	2023	3,525	6.5
Supplier D	power battery	2023	3,497	6.4
Supplier E	property leasing services	2023	2,635	4.8
Total			**18,153**	**33.3**
For the year ended December 31, 2024				
Supplier D	power battery	2023	67,351	24.2
Supplier A	key vehicle components	2023	40,995	14.7
Supplier F	contract assembly services and key vehicle components	2024	11,430	4.1
Supplier G	key vehicle components	2024	8,447	3.0
Supplier H	power battery	2024	7,330	2.6
Total			**135,553**	**48.6**
For the year ended December 31, 2025				
Supplier I	power battery	2025	98,097	11.5
Supplier D	power battery	2023	86,515	10.1
Supplier A	power battery	2023	84,254	9.9
Supplier J	key vehicle components	2025	83,247	9.8
Supplier K	power battery	2025	70,494	8.3
Total			**422,607**	**49.6**

Notes:

(1) Supplier A is an automobile components manufacturer incorporated in Jiangsu, China.

(2) Supplier B is an automobile inspection company incorporated in Tianjin, China.

(3) Supplier C is a financial consulting company incorporated in Beijing, China.

(4) Supplier D is a lithium-ion batteries manufacturer incorporated in Chongqing, China.

(5) Supplier E is a commercial real estate company incorporated in Jiangsu, China.

(6) Supplier F is an automobile manufacturer incorporated in Anhui, China.

(7) Supplier G is an automobile components manufacturer incorporated in Jiangsu, China.

(8) Supplier H is an automobile components manufacturer incorporated in Fujiang, China and listed on the Hong Kong Stock Exchange and Shenzhen Stock Exchange.

(9) Supplier I is a lithium-ion batteries manufacturer incorporated in Hubei, China.

(10) Supplier J is a lithium-ion batteries manufacturer incorporated in Guizhou, China.

(11) Supplier K is a lithium-ion batteries manufacturer incorporated in Jiangsu, China and listed on the Hong Kong Stock Exchange.

None of our Directors, their respective associates or any Shareholders who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest suppliers in each year during the Track Record Period.

Inventory Management

Our inventories primarily include raw materials and finished goods. We implement strict inventory control policies and monitor our inventory levels. We generally adopt a made-to-order approach to minimize inventory funding occupation. We manage finished vehicle inventories through a standardized order-to-delivery process, under which vehicles are produced and delivered based on confirmed orders, and are recorded, tracked and managed through a centralized digital management system to ensure consistency between system records and physical inventory. For components with long procurement cycles or limited supply, we conduct advance procurements based on our sales forecasts. In addition, we adjust our procurement schedule and set safety stock levels for different component categories based on current inventory levels and forecasts of future demand to balance delivery timeliness and cost efficiency. We also implement detailed inventory management measures for finished vehicles, including first-in-first-out principles to control vehicle aging, mandatory inspection procedures upon inbound and outbound delivery to ensure product quality, and regular inventory checks and reconciliations to ensure the accuracy of inventory records. Furthermore, we establish inventory standards based on market conditions and dealer classifications, and conduct regular monitoring and reporting of inventory levels. Vehicles held in inventory beyond a specified period are subject to enhanced management, including condition maintenance and disposition plans, to ensure timely turnover and maintain product quality.

CUSTOMERS

Our Major Customers

During the Track Record Period, our customers primarily consisted of our distributors and logistics companies and we did not experience any material disputes with our customers. For the years ended December 31, 2023, 2024 and 2025, our revenue generated from sales to our five largest customers in each year during the Track Record Period in aggregate amounted to RMB1.2 million, RMB75.4 million and RMB186.7 million, respectively, representing 98.9%, 60.8% and 35.8% of our total revenue in the corresponding years. Our revenue generated from sales to our largest customer in each year during the Track Record Period amounted to RMB1.2 million, RMB29.0 million and RMB65.4 million, respectively, representing 98.9%, 23.4% and 12.5% of our total revenue in the corresponding years. The relatively high customer concentration during the Track Record Period was primarily attributable to our early stage of commercialization, during which our customer base and delivery capabilities were continuing to expand. We do not rely any individual customer during the Track Record Period. During the Track Record Period, we generally granted credit periods of up to 30 days to our customers. For certain customers, we may allow monthly installment payments, with the installment period for up to 36 months by installments.

The following table sets forth details of our five largest customers in each year during the Track Record Period.

Customer	Products Sold	Commencement of Business Relationship (Since)	Revenue	% of Total revenue
			(RMB'000)	*(%)*
For the year ended December 31, 2023				
Customer A	New energy intelligent heavy-duty trucks	2023	1,150	98.9
Total			**1,150**	**98.9**
For the year ended December 31, 2024				
Customer A	New energy intelligent heavy-duty trucks	2023	28,999	23.4
Customer B	New energy intelligent heavy-duty trucks	2024	14,708	11.9
Customer C	New energy intelligent heavy-duty trucks	2024	11,703	9.4
Customer D	New energy intelligent heavy-duty trucks	2024	11,449	9.2
Customer E	New energy intelligent heavy-duty trucks	2024	8,531	6.9
Total			**75,390**	**60.8**
For the year ended December 31, 2025				
Customer A	New energy intelligent heavy-duty trucks	2023	65,389	12.5
Customer C	New energy intelligent heavy-duty trucks	2024	38,564	7.4
Customer F	New energy intelligent heavy-duty trucks	2024	32,976	6.3
Customer G	New energy intelligent heavy-duty trucks	2025	30,921	6.0
Customer B	New energy intelligent heavy-duty trucks	2024	18,895	3.6
Total			**186,745**	**35.8**

Notes:

(1) Customer A is a new energy vehicle sales company incorporated in Henan Province, China. As our commercialization only commenced in 2024, we had only one major customer in 2023.

(2) Customer B is a new energy vehicle sales company incorporated in Guangxi Province, China.

(3) Customer C is a vehicle sales company incorporated in Shanxi Province, China.

(4) Customer D is a vehicle sales company incorporated in Hebei Province, China.

(5) Customer E is a vehicle sales company incorporated in Sichuan Province, China.

(6) Customer F is a new energy vehicle sales company incorporated in Shanghai, China.

(7) Customer G is a new energy vehicle sales company incorporated in Guangdong Province, China.

None of our Directors, their respective associates or any Shareholders who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest customers in each year during the Track Record Period.

Overlapping of Customers and Suppliers

During the Track Record Period, certain of our major customers, namely Customer A, Customer B, Customer C and Customer E, Customer F and Customer G also acted as our suppliers. Such overlapping relationships arose as these customers, while serving as our distributors for the sales of new energy intelligent heavy-duty trucks, also provide after-sales maintenance services and/or promotion services to us for our vehicles. The dual roles of these counterparties reflect the close and mutually supportive nature of our collaboration with distributors, which is commercially reasonable and consistent with common industry practice.

Customer A, one of our five largest customers in each year during the Track Record Period, was also one of our suppliers in 2024 and 2025. Our purchase of after-sales maintenance services and promotion services from Customer A amounted to RMB0.5 million and RMB1.0 million in 2024 and 2025, respectively, representing less than 1% of our total purchase amount for the same years.

Customer B, one of our five largest customers in 2024 and 2025, was also one of our suppliers in 2025. Our purchase of promotion services from Customer B amounted to RMB78.7 thousand in 2025, representing less than 1% of our total purchase amount for the same year.

Customer C, one of our five largest customers in 2024 and 2025, was also one of our suppliers in 2024 and 2025. Our purchase of promotion services from Customer C amounted to RMB1.2 million and RMB0.4 million in 2024 and 2025, respectively, representing less than 1% of our total purchase amount for the same years.

Customer E, one of our five largest customers in 2024, was also one of our suppliers in 2024. Our purchase of promotion services from Customer E amounted to RMB24.2 thousand in 2024, representing less than 1% of our total purchase amount for the same year.

Customer F, one of our five largest customers in 2025, was also one of our suppliers in 2024 and 2025. Our purchase of after-sales maintenance services from Customer F amounted to RMB13.8 thousand and RMB65.2 thousand in 2024 and 2025, respectively, representing less than 1% of our total purchase amount for the same years.

Customer G, one of our five largest customers in 2025, was also one of our suppliers in 2025. Our purchase of promotion services from Customer G amounted to RMB55.3 thousand in 2025, representing less than 1% of our total purchase amount for the same year.

During the Track Record Period, one of our five largest suppliers in each year during the Track Record Period, namely Supplier A, was also one of our customers in 2024 and 2025. Supplier A is an automobile components manufacturer, who manufactures and provides the e-axle applied to our vehicles. During the course of our collaboration, we occasionally supplied limited quantities of auxiliary materials and components to Supplier A upon its ad hoc requests. Accordingly, we generated a

small amount of revenue from Supplier A of nil, RMB17.9 thousand and RMB66.9 thousand in 2023, 2024 and 2025, respectively, representing less than 1% of our total revenue for the same years. The selling prices were generally in line with those charged for comparable items, taking into account the surplus nature of such materials and components.

Our Directors confirm that (i) such overlapping customer-supplier relationships represented normal commercial arrangements in the ordinary and usual course of business, (ii) the terms of these transactions were fair and reasonable, and (iii) such arrangements did not have any adverse impact on our operational independence, pricing mechanisms or business arrangements. We are not reliant on such overlapping relationships. Save as disclosed above, to the best of our knowledge, none of our five largest suppliers during each year or period of the Track Record Period was a customer of us, and none of our five largest customers during each year or period of the Track Record Period was a supplier of us.

Finance Lease Arrangements

During the Track Record Period, we collaborated with one qualified finance lease company, which is an Independent Third Party specializing in the provision of financial leasing services within the Chinese Mainland, to offer financing solutions to an end-customer that required assistance with its capital needs. Before entering into such arrangements, we implemented a comprehensive decision-making mechanism to determine the amount of guarantees to be provided and this end-customer for whom we would act as guarantor. Such decision was made on an arm's length basis through negotiations with the customer and finance lease company, taking into account our assessment of the customer's default risk, our relationship with the customer and an in-depth risk-benefit analysis.

As requested by the finance lease company, we provided guarantees in relation to the finance lease arrangement for that customer. The maximum exposure to such customer was nil, RMB13.6 million and RMB9.0 million in 2023, 2024 and 2025, respectively, representing nil, 10.9% and 1.7% of our total revenue for the same years. As of the Latest Practicable Date, we had not been required to perform any guarantee obligations. Such arrangements are consistent with common industry practice according to Frost & Sullivan.

Third-Party Payment Arrangements

Background and Implications Relating to Third-Party Payment Arrangements

During the Track Record Period, certain of our customers (individually or collectively, the "**Relevant Customer(s)**") settled payments with us through accounts that do not belong to the contractual parties under the corresponding sales agreements. In 2023, 2024 and 2025, the number of the Relevant Customers was nil, 17 and 38, respectively. The aggregate amount settled in relation to the Relevant Customers (the "**Third-Party Payment Arrangements**") was nil, RMB20.2 million and RMB41.3 million in 2023, 2024 and 2025, respectively, representing nil, 16.3% and 7.9% as a percentage of our total revenue for the same years. No individual Relevant Customer had made material contribution to our revenue during the Track Record Period.

The Relevant Customers settled their payments through bank transfer. To the best of our knowledge, the designated third-party payors primarily consisted of (i) authorized financial institutions engaged by the Relevant Customers under finance lease arrangements to which we were not a party; (ii) persons or entities affiliated with the Relevant Customers; (iii) other third-party payors such as

downstream customers who make direct payments to us for sales entered into through our distributors. According to Frost & Sullivan, it is common commercial practice for businesses in the road freight industry in the Chinese Mainland to settle their payments through third-party payors with their suppliers or customers for convenience and flexibility. To the best knowledge of our Directors, the Relevant Customers mainly utilized Third-Party Payment Arrangements because:

(i) certain Relevant Customers may, from time to time, satisfy their financing needs through finance lease arrangements entered into with authorized financial institutions, to which we are not a party. Under such arrangements, it is also common for authorized financial institutions to make payments to us directly pursuant to such financing arrangements to ensure that the funds are used solely for the intended purpose in accordance with the agreed financing arrangement, which is in line with common commercial practice for financing arrangement to ensure the use of funds complies with the terms of the financing arrangements and reduces risks of fund misappropriation, according to Frost & Sullivan;

(ii) it is more convenient for or in line with the internal financial management practice of some Relevant Customers to use the accounts of certain affiliated persons such as their legal representatives or actual controllers (and/or their family members) or accounts of associated entities; and

(iii) Third-party payments were made in certain circumstances for general commercial reasons, including administrative convenience and the facilitation of business operations.

During the Track Record Period, we implemented internal control measures to monitor and manage the Third-Party Payment Arrangements. We required the Relevant Customers to provide us with the relevant information including, among other things, the identity of the involved designated third-party payors and their account information. We identify the Relevant Customers with reference to (i) where a designated third-party payor is authorized by a written confirmation of delegation or third-party payment agreement, the Relevant Customer's identity under such arrangement; (ii) in the absence of a written confirmation of delegation or third-party payment agreement, if the third-party payor is an affiliated person or affiliated entity of a contracting customer, the Relevant Customer's identity based on the underlying sales agreement; and (iii) where neither of the foregoing applies, direct confirmation with the contracting customer to match the payment with the corresponding transaction. Furthermore, we also met with our customers periodically to understand the nature of their businesses, business models and ownerships. Based on the above, our Directors believe that the Third-Party Payment Arrangements during the Track Record Period, to the best of our knowledge, have been recorded completely and accurately in our accounting books and records in all material respects.

During the Track Record Period and up to the Latest Practicable Date, we did not provide any discount, commission, rebate or other benefits to any of the Relevant Customers or the designated third-party payors to facilitate or incentivize the Third-Party Payment Arrangements. During the Track Record Period, we did not initiate any Third-Party Payment Arrangements, and the Third-Party Payment Arrangements were arranged based on the Relevant Customers' requests. To the best of our knowledge, during the Track Record Period, the relevant payments were based on bona fide underlying transactions and valid contractual relationships. The pricing and payment terms we provided to the Relevant Customers were in line with those customers not involved in the Third-Party Payment Arrangements. To the best of our knowledge, we were not the subject of any investigations, enquiries, penalties, or

surcharges as a result of our involvement in the Third-Party Payment Arrangements during the Track Record Period and up to the Latest Practicable Date. In addition, we had not encountered any refund requests, actual or pending dispute or disagreement due to Third-Party Payment Arrangements or any material claims against us in relation to the Third-Party Payment Arrangements during the Track Record Period and up to the Latest Practicable Date.

As advised by our PRC Legal Advisor, in light of the above, our Third-Party Payment Arrangements during the Track Record Period and as of the Latest Practicable Date were not in breach or contravention of mandatory requirements of applicable laws or regulations in China. Based on the foregoing, our Directors confirm that, to the best of their knowledge and based on the know-your-customer procedures and internal control measures implemented, (i) during the Track Record Period, the relevant payments were based on bona fide underlying transactions and valid contractual relationships, and (ii) there were no instances of commercial bribery, money laundering, tax evasion, or existing or potential disputes with our Group related to the Third-Party Payment Arrangements.

During the Track Record Period, to the best knowledge of our Directors, all other Relevant Customers and the designated third-party payors who settled payments under the Third-Party Payment Arrangements were Independent Third Parties.

Enhanced Internal Control Measures of Third-Party Payment Arrangements

To safeguard our interest against risks associated with Third-Party Payment Arrangements, we have significantly enhanced and implemented various internal control measures in order to rectify Third-Party Payment Arrangements.

Payment Arrangements with Authorized Financial Institutions

During the Track Record Period, all the authorized financial institutions engaged by the Relevant Customers under finance lease arrangements were Independent Third Parties of our Group. These authorized financial institutions possess the requisite qualifications to provide finance lease services in the Chinese Mainland subject to stringent regulatory oversight and compliance requirements, which help ensure transparency and risk control in their business processes. Accordingly, we believe risks associated with third-party payment arrangements relating to such authorized financial institutions are low. In addition, we have implemented enhanced internal control measures to further mitigate potential payment risks:

(i) going forward, we will seek to enter into standardized tri-party arrangement agreements with our customers and their designated authorized financial institutions. The tri-party arrangement agreements will specify the customer's delegation of its payment obligation to authorized financial institution and list the relevant finance lease agreement entered into between such customer and the authorized financial institution as an appendix thereto. Accordingly, the designated authorized financial institution will become a party to the relevant tri-party arrangement agreement and will assume liability for the corresponding payments in accordance with the prescribed terms set out therein; and

(ii) for authorized financial institutions who have not entered into, or unable to enter into our standardized tri-party arrangement due to their commercial arrangements, we will obtain from our customer complete information of the relevant authorized financial institutions, finance lease agreements entered into between such customer and the authorized

financial institutions and other relevant documents to verify the identity and bank accounts of the authorized financial institutions making payments to us;

(iii) additionally, we have maintained a whitelist of bank accounts of the authorized financial institutions making payments to us pursuant to finance lease agreements entered into with downstream customers. Payments made from accounts not included in the whitelist will not be accepted. Instead, our finance department will conduct manual verification and request the relevant payment arrangement agreement specifying the designated authorized financial institution, the sales agreement and payment remark or other supporting information to confirm that the payment originated from our downstream customers.

Other Third-Party Payment Arrangements

Our efforts to rectify the other Third-Party Payment Arrangements include, among other things:

(i) we have implemented the Third-Party Payment Arrangements rectification measures and informed our employees regarding the enhanced internal control measures;

(ii) we have maintained a whitelist bank accounts of our contractual counterparties. Payments received from accounts that are not included in the whitelist accounts will not be accepted. Instead, our finance department will conduct manual verification and request the relevant tri-party payment arrangement agreement specifying the designated third-party payor, the sales agreement and payment remark or other supporting information to confirm that the payment originated from our downstream customers;

(iii) going forward, we will enter into standardized tri-party arrangement agreements with downstream customers and their designated third-party payors, under which the third-party payor delegated by such customer becomes a party to the relevant sales agreements with us and becomes jointly liable with the underlying customer for payments thereunder; and

(iv) to prevent fraud or money laundering activities and ensure the accuracy and completeness of our accounting books and records, we further strengthened our know-your-customer procedures to gain a comprehensive understanding of our customers and performing verification of payment details against our records to confirm payments are made in accordance with the agreements. If any abnormalities are detected, we will promptly liaise with such customers for verification and correction.

Pursuant to the enhanced internal control measures, we only allow payments (i) directly from the accounts of the customers, including the aforementioned parties to the tri-party arrangement agreement, or (ii) if not directly from the accounts of the customers, through the authorized financial institutions which make payments to us directly pursuant to the relevant finance lease agreements with our customers. As of the Latest Practicable Date, we had ceased all the Third-Party Payment Arrangements, except for certain payment arrangements with financial leasing companies under the finance lease arrangements for which we have relevant enhanced internal control measures to govern such arrangements going forward.

Our Directors consider that the rectification of the Third-Party Payment Arrangements did not have, nor will have, any material adverse effect on the Group, taking into account its relationship with its customers, liquidity, business operation and financial performance, as (i) the majority of the Relevant Customers cooperated with our rectification process; and (ii) the rectification of Third-Party Payment Arrangements did not affect the payment settlement arrangement from our Relevant Customers to us, under which we typically require our Relevant Customers to settle deposits before we provide our vehicles.

We will review the effectiveness of our internal control measures in relation to the Third-Party Payment Arrangements from time to time and promptly address any abnormalities. Based on the review of the implementation of the abovementioned measures, our Directors are of the view that such measures are effective and adequate in identifying the sources of funds from the Relevant Customers, ensuring the accuracy and completeness of our accounting books and records and preventing risks associated with Third-Party Payment Arrangements, including money laundering risks, tax evasion risks or other risks relating to violation of applicable laws and regulations. Our Directors will oversee the effectiveness of these measures in the future.

QUALITY CONTROL

Quality Control Measures

We collaborate with our contract assembly partners to produce the new energy intelligent heavy-duty trucks with defined quality control arrangements and requirements. For details, see "— Supply Chain Management — Contract Assembly." We have established a comprehensive quality monitoring system, and our contract assembly partners have established a comprehensive quality control system in accordance with the statutory requirements and our requirements, which covers all stages of the truck production at our partner facilities. Our quality monitoring system is implemented through multiple layers, including self-inspection, in-process inspection, functional testing after assembly and final inspection by our dedicated inspectors before the storage of the new energy intelligent heavy-duty trucks. In addition, pursuant to statutory requirements and subject to our monitoring, our contract assembly partners have established a standardized management framework for monitoring and measurement equipment across our contract assembly partner facilities, ensuring that all inspection, testing and measurement devices used in the production process are subject to unified procurement, acceptance, registration and lifecycle management, and are calibrated or verified in accordance with applicable national standards or internal specifications prior to use. All such equipment is clearly labeled with calibration status and validity, and only qualified equipment within its effective calibration period is permitted to be used in production and quality inspection activities. We also require, and will verify that, our contract assembly partners to maintain centralized and department-level equipment registers, implement periodic calibration plans with a target calibration coverage rate of 100%, and ensure traceability of measurement data through certified calibration records and documentation.

Our quality monitoring system further incorporates strict requirements on the proper use, maintenance and periodic verification of measurement equipment, including routine inspection, maintenance and timely repair and re-calibration of any malfunctioning devices prior to reuse, thereby preventing inaccurate measurements and ensuring reliability of inspection results.

We have implemented a comprehensive quality accountability designed to prevent defects from entering, being created during, or moving through our production process. This framework is supported by our routine checks during the assembly process, as well as final inspection before the storage, with clearly defined responsibility assigned to the relevant contract assembly partners. Under this framework, quality issues are intended to be identified and escalated in a timely manner, traced to their underlying causes, and addressed through corrective actions and process changes to reduce the likelihood of recurrence.

Warranty and After-Sale Services

Supported by a comprehensive warranty system and dedicated after-sales service infrastructure, we are committed to providing high-quality and responsive support throughout the full lifecycle of our vehicles. As of December 31, 2025, we had maintained an extensive network of over 250 service stations across the Chinese Mainland. A 24-hour service hotline, remote diagnostics, and an AI-assisted service management system enable rapid fault identification and dispatch coordination. We commit to providing definite after-sales support, with initial response to customer requests within 30 minutes and 24-hour emergency repair coverage. For fleet customers, we offer one-stop lifecycle management services and customized maintenance solutions to optimize vehicle availability, operational efficiency and the total cost of ownership.

We offer differentiated warranty periods depending on the specific characteristics of different components and systems. We generally offer a warranty period of 36 months for our new energy heavy duty trucks with no mileage limit from the date of vehicle delivery, while key components and parts including the e-axle, by-wire chassis system, gearbox, battery, and VCUs are covered from 6 months up to 96 months or on mileage depending on their types. During the warranty period, any faults arising from design, manufacturing, assembly, or material defects are repaired free of charge after verification. All of our warranty policies are formulated in compliance with applicable laws and relevant industry standards.

We have established an extensive service network to provide customers with repair, maintenance, and other after-sales services. In particular, we cooperate with authorized third-party to operate our service stations in designated regions to carry out vehicle maintenance and warranty services, while maintaining unified service standards and quality supervision across all service outlets. Prior to vehicle delivery, our service personnel or authorized maintenance partners conduct a comprehensive pre-delivery inspection comprising over 60 inspection items to check the overall vehicle condition. We further require all of our vehicles to undergo a mandatory break-in maintenance service at 5,000 km or three months since the receipt of vehicle, which we provide free of charge including labor and materials, to ensure optimal vehicle condition during the initial service period. We also provide comprehensive training for our service personnel and authorized partners to ensure consistent, high-quality services across our network.

During the Track Record Period, we did not experience any material product recalls, large-scale returns, or product liability claims. All identified warranty or quality-related incidents were resolved through standard after-sales processes without any material disputes or penalties. During the Track Record Period, we did not receive any major complaints or penalties for these issues.

PATH TO PROFITABILITY

As a global leader in new energy intelligent heavy-duty truck technology, we have been dedicated since inception to the research and innovation of cutting-edge full-stack solutions across the vehicle platform and autonomous driving, providing customers with new energy intelligent heavy-duty trucks and RoboTruck solution to improve operational efficiency, reduce costs, and enhance safety in road freight transportation. The new energy intelligent heavy-duty truck and RoboTruck solution industry is characterized by high barriers to entry, including the reliance on forward engineering and vertically integrated technological know-how, the complexity of translating autonomous driving and vehicle technologies into commercially viable vehicles, the extended and research-intensive development cycle required to achieve large-scale deployment, and the necessity of coordinating fragmented value chain players spanning battery suppliers, energy replenishment operators, contract assembly partners, and after-sales service networks, all of which require substantial upfront investment. In the early stages of our operations, we focused on executing our development strategy, building up our full-stack vehicle platform and autonomous driving technology capabilities, and scaling up our offerings, rather than pursuing short-term financial returns or profitability. As a result, we invested significant resources in

strengthening R&D capabilities, expanding our vehicle portfolio including the launch of our Awaken and Ripen models, growing our sales and distribution network, and enhancing our brand image, laying a solid foundation for long-term development and growth. This also led to certain losses during our Track Record Period. In 2023, 2024 and 2025, we incurred net losses of RMB114.3 million, RMB240.8 million, and RMB280.7 million, respectively.

With the expansion of our offerings and significant growth in sales volume, our revenue increased substantially during the Track Record Period, amounting to RMB1.2 million, RMB124.1 million and RMB522.2 million in 2023, 2024 and 2025, respectively. During the same periods, our gross loss margin narrowed significantly from 287.2% in 2023 to 34.7% in 2024 and further to 2.5% in 2025, and notably, the gross loss margin of our Ripen model has been further improved to a gross loss margin of 0.4% in 2025. While our operating expenses increased in absolute terms to support our business expansion, our revenue grew at a significantly faster pace. As a result, in 2025 our operating expenses accounted for 43.5% of our revenue, reflecting a substantial improvement in our operating efficiency.

Expanding Volume and Revenue Growth

Our business is experiencing a phase of rapid growth, with revenue increasing by 320.8% from RMB124.1 million in 2024 to RMB522.2 million in 2025. We expect that our revenue will continue to grow as a result of the following factors:

- ***Leverage industry tailwinds and our leading market position***. Benefiting from the growing demand for cost reduction and efficiency improvement in heavy-duty truck operations, continuing technological advancement in electrification and intelligent driving, and favorable government policies, the global new energy intelligent heavy-duty truck and autonomous trucking markets are expected to maintain a high pace of growth. According to Frost & Sullivan, driven by the overall growth of the global road freight market, the global market size of new energy heavy-duty trucks is expected to grow from 360.0 thousand units in 2026 to approximately 1.2 million units in 2030 by sales volume, representing a CAGR of 34.1% from 2026 to 2030, while the penetration rate of new energy intelligent heavy-duty trucks increased from 6.3% in 2025 to 33.9% in 2030. Meanwhile, the global market size of autonomous heavy-duty truck solution is projected to reach RMB192.4 billion by revenue in 2030, with a CAGR of 209.8% from 2026 to 2030. This vast market is characterized by various entry barriers, including the barriers of vehicle manufacturing technology, algorithm and data accumulation, and ecosystem development. According to Frost & Sullivan, we were the first company globally to possess both forward-engineering vehicle development capabilities and an end-to-end MLLM for heavy-duty truck autonomous driving; we have achieved the industry's highest level of integration and transmission efficiency for mass-produced e-axles; and we are the fastest emerging new energy heavy-duty truck company globally to surpass 1,000 units in annual sales since establishment. Going forward, we expect to reinforce our market leading position and achieve sustainable growth by further leveraging our competitive advantages in technology, vehicle portfolio, and sales network, while continuing to improve our gross margin profile as we scale up.

- ***Enhance our vehicle portfolio and expand RoboTruck solution***. Powered by our forward-engineered vehicle platforms and vertically integrated core technologies, we have developed a comprehensive and scalable vehicle portfolio. We commenced pilot sales of Awaken in 2023. In 2024, we formally launched and commenced commercialization of the Awaken and Ripen models, achieving a sales volume of 272 units new energy intelligent heavy-duty trucks for that year. The sales volume of our new energy heavy-duty trucks substantially increased to 1,176 units in 2025, primarily attributable to our advanced technological strengths in vehicle design, increased market recognition of our brand and vehicles, and the continued expansion of our sales network. We plan to continue iterating our existing Awaken and Ripen models and launching new vehicle versions. We also intend to gradually expand into long-haul transportation applications by collaborating with strategic

partners to launch battery swapping models and extend driving range. Furthermore, we are advancing the commercialization of our RoboTruck solution by expanding applicable operating scenarios, and we expect to introduce a technology service fee-based revenue model. Through the continuous expansion and diversification of our offerings, we aim to broaden our market reach, create diversified revenue streams and establish multiple sustainable growth drivers.

- ***Expand sales network and enter new geographies***. We plan to continue to strengthen and expand our distributor network domestically, increasing the breadth and depth of coverage in core markets nationwide. Our distribution network has grown rapidly, from nil as of December 31, 2023 to 33 as of December 31, 2024, and further to 98 as of December 31, 2025. At the same time, we intend to further strengthen our business development and sales capabilities through the expansion of our sales networks and collaboration with strategic partners to accelerate vehicle certification and sales efforts in our target markets. We also plan to strengthen our brand presence through a combination of online and offline media marketing and promotional campaigns, as well as the promotion of successful application cases, effectively translating our technological strengths into brand recognition and tangible commercialization outcomes.

Improving Gross Margin Profile

Our ability to improve our margin profile is critical to achieving profitability. Our gross loss margin narrowed significantly from 287.2% in 2023 to 34.7% in 2024 and further to 2.5% in 2025, primarily due to decreasing average raw material and manufacturing cost per vehicle as delivery volume increased. Specifically, our Ripen model achieved a gross loss margin of 0.4% in 2025, and our RoboTruck solution recorded a gross profit margin of 4.3% in its first year of commercialization. We expect a continuously improved gross margin as we scale up, and we intend to achieve this by:

- ***Sustained technological innovation and vehicle design optimization.*** Sustained technological innovation is critical to improving our cost structure and gross margin. We continue to iterate on our proprietary core technologies, such as our Matrix four-in-one e-axle, multi-source heat pump thermal management system and intelligent vehicle control system, to enhance vehicle energy efficiency, lightweight design and overall vehicle performance for lower per-unit material consumption and reduced energy costs for end users. In addition, our platform-based R&D strategy promotes extensive reuse and standardization of key components, core subsystems, and structural parts across vehicle models, accelerating development cycles, reducing marginal development costs, and improving manufacturing scalability.

- ***Battery cost optimization and supplier diversification.*** Raw material costs, in particular batteries, e-axles and other key components, constituted the largest component of our cost of sales. The improvement in our gross loss margin from 34.7% in 2024 to 2.5% in 2025 was mainly attributable to our engagement with a new battery supplier for Ripen at more favorable prices. We plan to continue optimizing and diversifying our supplier base by introducing secondary and tertiary suppliers for key components, including batteries. This approach is expected to strengthen our bargaining position, secure more competitive pricing and procurement terms, improve supply continuity and resilience, and mitigate supply chain risks. We manage the price volatility of raw materials and components through a price-comparison procurement mechanism and strict procurement budget control.

- ***Economies of scale in procurement and manufacturing.*** As our sales volumes continue to increase, we expect the average unit cost of our new energy intelligent heavy-duty trucks to gradually decrease. Higher production volumes are expected to improve the absorption of fixed manufacturing costs, such as engineering molds and tooling, and larger-scale procurement and enhanced supply-chain coordination are expected to improve purchasing

efficiency and reduce per-unit component costs. The improvement in our 2025 gross loss margin was also attributable to a reduction in per-unit manufacturing costs, as higher production volume allowed the depreciation and amortization of engineering molds to be allocated over more vehicles.

- ***Diversified revenue streams from higher-margin RoboTruck solution.*** Our RoboTruck solution achieved a gross profit margin of 4.3% in 2025, its first year of commercialization, primarily because our vehicles equipped with our proprietary by-wire chassis designed for autonomous driving under the RoboTruck solution, embody higher technology content and command higher selling prices. Going forward, we expect to further improve our margin profile as we ramp up the deployment of our RoboTruck solution, leveraging vehicle data-driven insights from our delivered vehicles to streamline operations and capture sustainable and promising revenue model.

Achieving Operating Leverage

During the Track Record Period, we incurred significant operating expenses, including research and development costs, selling expenses, and administrative expenses, to develop and iterate our vehicle models and enhance our brand recognition. In the near to medium term, we will continue to invest in our R&D, vehicle development, selling and marketing activities, as well as sales and service network expansion. As we continue to scale up and our brand becomes more well-known, the operating expenses as a percentage of revenue is expected to decrease.

The following table sets forth a summary of our operating expenses in absolute amounts and as a percentage of our revenue for the periods presented:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
	(RMB in thousands, except for percentages)					
Research and development costs	(71,423)	(6,141.3)	(116,166)	(93.6)	(126,038)	(24.1)
Administrative expenses	(24,799)	(2,132.3)	(41,283)	(33.3)	(53,778)	(10.3)
Selling expenses	(3,754)	(322.8)	(24,799)	(20.0)	(47,473)	(9.1)

- *Research and development costs*. Our research and development costs amounted to RMB71.4 million, RMB116.2 million, and RMB126.0 million in 2023, 2024 and 2025, respectively, accounting for 6,141.3%, 93.6%, and 24.1% of our revenue in the same years. The significant decline as a percentage of revenue reflects our substantial revenue growth while we dedicated significant resources to building full-stack in-house development capabilities. Looking forward, our research and development costs are expected to increase as we continue to invest in autonomous driving algorithms, vehicle hardware technologies including our next-generation vehicle platform and e-axle of higher power-density, and the expansion of our offerings. However, our research and development costs as a percentage of revenue are expected to decrease as our revenue continues to grow and we leverage our platform-based R&D strategy, which promotes extensive reuse and standardization of key components, core subsystems, and structural parts across vehicle models, enabling us to apply the latest proprietary technologies across all new energy intelligent heavy-duty truck models with shorter development cycles and higher cost efficiency. Employee compensation expenses constituted an important portion of our research and development costs, which accounted for 65.8%, 64.5%, and 58.8% of total research and development costs in 2023, 2024 and 2025, respectively. Such expenses do not grow proportionally with our sales volume or revenue, thus allowing us to benefit from the economies of scale.

- *Administrative expenses*. Our administrative expenses amounted to RMB24.8 million, RMB41.3 million, and RMB53.8 million in 2023, 2024 and 2025, respectively, accounting for 2,132.3%, 33.3%, and 10.3% of our revenue in the same years. During the Track Record

Period, the increase of our administrative expenses was primarily driven by an increase in staff costs as we expanded our administration team to support operational expansion, and increases in professional service expenses with respect to equity financing activities. We expect our administrative expenses to increase as our business continue to expand, but to decrease as a percentage of revenue. The majority of our administrative expenses consist of employee compensation expenses, which accounted for 56.5%, 65.5%, and 62.6% of total administrative expenses in 2023, 2024 and 2025, respectively. which do not grow proportionally with our sales volume and revenue.

- *Selling expenses*. Our selling expenses amounted to RMB3.8 million, RMB24.8 million, and RMB47.5 million in 2023, 2024 and 2025, respectively, accounting for 322.8%, 20.0%, and 9.1% of our revenue in the same years. The increase in selling expenses was primarily driven by the expanded headcount and recruitment of more experienced sales professionals to support our business expansion, and the increased sales and marketing efforts. We expect our selling expenses to increase alongside our business expansion in the future but to decrease as a percentage of revenue, as the majority of selling expenses consist of employee compensation expenses, which accounted for 74.0%, 61.9%, and 64.1% of total selling expenses in the respective years, which do not grow proportionally with our sales volume and revenue. Furthermore, as our brand awareness strengthens and our distributor network matures, we expect incremental sales to be achieved with lower marginal selling costs per unit sold.

Enhancing Working Capital Efficiency

We also expect to improve our cash flow position by continuously enhancing working capital efficiency and disciplined liquidity management. On the receivables side, we generally require both direct sales customers and distributors to pay deposits shortly after signing sales agreements, with remaining balances settled within prescribed periods, and we will continue to monitor collection cycles and enforce payment terms to maintain efficient cash conversion. On the payables side, we review supplier payment terms, negotiate favorable credit arrangements, and utilize bills payable for raw material procurement where appropriate to extend payment cycles and reduce immediate cash outflows while preserving stable supplier relationships. On the inventory side, we adopt a made-to-order approach, produce and deliver vehicles based on confirmed dealer orders after receiving purchase orders and deposits, track inventories through a centralized digital management system, and conduct advance procurement only for components with long procurement cycles or limited supply based on sales forecasts. Through these measures, we aim to align working capital deployment with actual market demand, improve liquidity as our production and delivery volumes scale, and support sustainable business expansion.

DATA PRIVACY AND SECURITY

In the course of our business operations, we mainly collect, store and process data relating to transactions with and services provided corporate customers, such as their names, delivery addresses, contact information, order details vehicle data and data related to the vehicle driver and fleet operation. We did not have any cross-border data transactions during the Track Record Period, and we are not an operator of a network platform or an operator of a critical information infrastructure under the Cybersecurity Review Measures. As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had complied with the laws and regulations related to data security in all material aspects.

However, in recent years, data privacy and cybersecurity have become critical governance priorities for companies globally. This is relevant as the PRC legislature and government authorities may introduce new cybersecurity, data security and privacy laws and regulations. Consequently, our practices regarding the collection, use, storage, disclosure and transfer of various types of data may be subject to increased administrative scrutiny. We have engaged a qualified map provider with a Class A

Surveying and Mapping Qualification Certificate (甲級測繪資質證書) for collecting, processing, and storing data in the course of our operations. See "Risk Factors — Risks Related to Our Business and Our Industry — We collect, process and store data relating to vehicles, drivers and fleet operations, and any failure to protect such data or comply with applicable data protection laws may materially and adversely affect our business, reputation and results of operations."

COMPETITION

The road freight industry's technological evolution has followed a clear trajectory, from traditional fuel-powered heavy-duty trucks to electrified, digitalized new energy intelligent heavy-duty trucks, and ultimately to autonomous heavy-duty trucks with end-to-end operations. Currently, we mainly compete with traditional heavy-duty truck manufacturers, construction machinery manufacturers and New Force. Competitors differentiate themselves across vehicle platform design, electrified architecture, autonomous driving capability, vehicle performance and reliability, cost efficiency, delivery scale, sales and service network, supply chain resources, ecosystem partnerships and customer experience. According to Frost & Sullivan, we are the world's second-largest emerging new energy heavy-duty truck emerging company by sales volume in 2025, with the fastest sales growth rate in the industry in that year. According to Frost & Sullivan, we are also one of the few companies in the world that develops new energy intelligent heavy-duty trucks through a vertically integrated and forward engineering approach while also possessing end-to-end autonomous driving technology. We believe our forward-engineered vehicle platform, proprietary core technologies, ZSD system, scalable delivery capabilities and growing commercialization ecosystem position us to compete effectively as the new energy intelligent heavy-duty truck and autonomous trucking markets continue to develop. See "Risk Factors — Risks Related to Our Business and Our Industry — The market for new energy intelligent heavy-duty trucks is evolving and highly competitive."

INTELLECTUAL PROPERTY

Intellectual property rights are fundamental to our business. We currently hold many intellectual properties related to our core technologies, and we devote significant time and resources to their development and protection. We rely on a combination of patent, trademark, copyright, domain name, trade secret and other proprietary rights protection laws in the PRC as well as confidentiality procedures and contractual provisions to protect our intellectual properties.

As of the Latest Practicable Date, we had 84 registered patents and 231 pending patent applications in the PRC. As of the Latest Practicable Date, we had 14 trademarks, 43 copyrights and one domain name registered in the PRC. For details of our material intellectual property rights, see "Appendix VI — Statutory and General Information — Further Information About the Business of the Company — Intellectual Property Rights."

We have used our best efforts to comply with applicable intellectual property laws. Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, we were not involved in any material intellectual property infringement actions brought by third parties. Our Directors further confirm that that we were not involved in any material intellectual property infringement actions that, individually or in the aggregate, would have a material and adverse effect on our business, financial condition and result of operations. For details, see "Risk Factors — Risks Related to the Business and Our Industry — We may receive claims of intellectual property infringement, which could be costly to defend and adversely affect our business and results of operations."

We protect our intellectual property through strategic planning, such as submitting intellectual property registrations and applications, anti-counterfeiting mechanism, especially for trademarks and designs, and litigation mechanism to defend against any existing or potential intellectual property infringement. Despite our efforts, unauthorized use of our intellectual property by third parties and the expenses incurred in protecting our intellectual property rights may adversely affect our business and

results of operations. For details of related risk, see "Risk Factors — Risks Related to Our Business and Our Industry — Our intellectual property rights may not be adequately protected, and our patents and applications may not be granted, maintained or enforced, which could adversely affect our business."

EMPLOYEES

As of December 31, 2025, we had 252 full-time employees in total, and all of them were located in the Chinese Mainland. The following table sets forth the number of our employees categorized by function as of December 31, 2025.

Functions	Number of employees	Percentage
Research and Development	123	48.8%
Sales and Marketing	69	27.4%
General Administration	46	18.2%
Procurement	14	5.6%
Total	**252**	**100.0%**

We recruit our employees through recruitment websites, recruiters and internal referrals. In compliance with the relevant PRC laws and regulations, we enter into standard employment contracts with our employees to cover matters such as wages, benefits and grounds for termination. We also enter into standard confidentiality and non-compete agreements with all our employees.

Although we have not established a labor union to represent our employees for employee affairs, we believe that we have maintained good working relationships with our employees. Recognizing the importance of talent cultivation, we offer a diverse array of the training and professional development opportunities to equip our employees with the technical expertise and competence required for their respective functions, while supporting their long-term career advancement. Every new employee participates in a comprehensive onboarding program with systematic trainings tailored to their functions and responsibilities, covering corporate culture, employee rights and responsibilities, workplace safety, data security and other logistics aspects, as well as specific trainings that improve employee knowledge and expertise in certain important areas related to our business. During daily operations, we organize both regular and ad-hoc, online and offline training programs to continuously foster the professional skills for our employees at all levels.

During the Track Record Period and as of the Latest Practicable Date, we did not experience any material labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operation.

INSURANCE

We consider our insurance coverage to be adequate as we have in place all the mandatory insurance policies required by PRC laws and regulations and in accordance with the commercial practices in our industry. Our employee-related insurance consists of pension insurance, maternity insurance, unemployment insurance, work-related injury insurance and medical insurance, as required by PRC laws and regulations, and personal accident insurance. During the Track Record Period, we did not make any material insurance claim in relation to our business. See "Risk Factors — Risks Related to Our Business and Our Industry — Our insurance coverage may not be sufficient to cover all losses or potential claims."

AWARDS AND RECOGNITIONS

The following table summarizes the major awards and recognitions we received during the Track Record Period and up to the Latest Practicable Date.

Year Granted	Awards or Recognitions	Granting Authority
2026	Hurun Global Gazelle Enterprise (胡潤全球瞪羚企業)	Hurun Research Institute (胡潤研究院)
2025	Specialized, Refined, Differential and Innovative Small and Medium-sized Enterprise (專精特新中小企業)	Industry and Information Technology Department of Jiangsu (江蘇省工業和信息化廳)
2025	China Artificial Intelligence Top500 (中國人工智能500強)	DBC, CIW, CIS (DBC、CIW、CIS)
2025	Forbes China Top100 Investment Value Startups List (福布斯中國投資價值初創企業百強榜)	Forbes (福布斯)
2024	China's Most Investment-worthy Enterprises in Technology Mobility Industry Ranking (中國科技出行產業最具投資價值企業排行榜)	EO Auto (億歐汽車)
2024	2024 China Top100 Technological Innovation Brands (2024中國科技創新品牌100強)	Xiou Network, Asian International Brand Research Institute (希鷗網、亞洲國際品牌研究院)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

We attach great importance to the ESG matters and have formulated the Environmental and Social Responsibility Management Policy to incorporate ESG responsibilities into our business management. Our ESG management focuses on vehicle life-cycle management, environmental risk management, climate change response, resource recycling and utilization, employee career development, supply chain responsibility, and business ethics and compliance. Through institutionalized management, we seek to support the development of a safe, efficient and low-carbon smart logistics ecosystem.

ESG Governance

ESG Strategy

With a focus on autonomous trucking, we integrate ESG principles into every stage of our operations, from R&D to supply chain and business management. Our ESG initiatives emphasize (i) environmental and climate-related topics, including greenhouse gas ("**GHG**") emissions, energy use, water use, waste management and vehicle life-cycle environmental impacts; (ii) product responsibility and safety topics, covering the design and development of autonomous heavy-duty trucks, whole-vehicle testing, component verification, product quality and vehicle safety validation; (iii) supply chain topics, including supplier development, admission, evaluation, delivery tracking and quality control of outsourced components; (iv) employee-related topics, including equal employment, remuneration and benefits, employee training, career development, and occupational health and safety; and (v) governance-related topics, including risk management, internal audit, compliant operations, business ethics, confidentiality and intellectual property protection.

In terms of environmental responsibility, our Environmental and Social Responsibility Management Policy emphasizes vehicle life-cycle carbon footprint control, environmental risk management, climate change response, and the recycling and efficient use of resources. In terms of social responsibility, we have established policies including the employee handbook, human resources management procedure, recruitment policies and training management policies to govern employee recruitment, compensation and benefits, training and professional development. In terms of product and supply chain responsibility, we uphold quality and compliance in vehicle development and supplier management through procedures covering design and development, whole-vehicle testing, component verification, vehicle change control and procurement management.

Environmental Performance Indicators and Targets

For environmental impacts arising from our operations, we have gradually established data collection and management mechanisms for environmental indicators such as GHG emissions, energy use, water use, logistics transportation, and office and operational waste.

GHG Emissions

We classify greenhouse gas emissions into Scope 1, Scope 2 and Scope 3 in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard. Based on existing data on energy, fuel, business travel, accommodation, logistics transportation and downstream processing electricity use, we have calculated Scope 1, Scope 2 and part of Scope 3 emissions. Scope 1 emissions mainly comprise direct emissions from fuel combustion from sources owned or controlled by us; Scope 2 emissions mainly arise from purchased electricity; and Scope 3 emissions mainly include indirect emissions from employee business travel, accommodation, vehicle transportation and distribution, and downstream processing electricity use. During the Track Record Period, our business operations were limited in 2023 as we were at the initial stage of vehicle design and development, and launched and commercialized our first vehicle model in 2024.

Vehicle transportation and distribution is an important component of our Scope 3 emissions during the Track Record Period. We calculate emissions from road transportation of vehicle based on detailed data such as transportation weight, distance and mode. Emissions from road transportation of vehicle were approximately 118.6 tCO2e and 1,320.9 tCO2e in 2024 and 2025, respectively, with the significant increase mainly attributable to the expansion of vehicle transportation activities during the period. The table below sets forth our GHG emissions during the indicated years.

		For the year ended December 31,	
Metrics	**Unit**	**2024**	**2025**
Scope 1 GHG emissions	tCO_2e	284.1	306.9
Scope 2 GHG emissions	tCO_2e	205.4	224.7
Scope 3 GHG emissions	tCO_2e	842.3	2,070.8
Total GHG emissions intensity[(1)]	**tCO_2e/RMB million**	**10.7**	**5.0**

Notes:

(1) The change in total GHG emissions intensity was mainly affected by fluctuations in revenue during the year, as revenue increased at a higher rate than the increase of total GHG emissions driven by higher volume of road transportation for our vehicles recorded under Scope 3 GHG emissions.

Resource Use and Waste Management

Our major resource use includes purchased electricity, purchased photovoltaic electricity, gasoline consumption, water resources and office and operational resource consumption. To support low-carbon operations and environmental performance data management, we purchased photovoltaic electricity in addition to conventional purchased electricity in 2025, with annual purchased photovoltaic electricity amounting to 117.1 MWh. We separately record purchased photovoltaic electricity as part of our energy structure management, which helps improve the completeness of our energy use profile.

The table below sets forth our resource consumption during the indicated years.

		For the year ended December 31,	
Metrics	**Unit**	**2024**	**2025**
Electricity consumption	MWh	382.8	418.8
Photovoltaic electricity consumption[(1)]	MWh	N/A	117.1
Water consumption	m^3	379	507

Note:

(1) Purchased photovoltaic electricity consumption is disclosed to reflect our energy structure and was not included in the GHG emissions calculation.

Waste generated in our operations mainly arises from daily office activities, material receipt and dispatch, and the circulation of samples and components, including courier packaging, strapping, paper, cartons and foam as general solid waste. We have started to record the amount and classification of office and operational waste on a monthly basis and plan to gradually establish a continuous and traceable data foundation. We will also promote classified management of recyclable packaging materials, paper waste and other general waste at office and operating premises, and further improve waste-related statistics and disclosure.

Environmental Indicators, Targets and Data Management

To strengthen greenhouse gas emissions management, environmental indicator statistics and target setting, we have formulated the Greenhouse Gas Emissions Reduction and Environmental Indicators and Targets Management Policy to regulate emissions management, environmental indicator statistics and target setting for our company and subsidiaries. At the current stage, we adopt a data-first approach, using the 2025 data that has been compiled as the reference baseline year, and have set phased targets for GHG emissions intensity. We aim to keep total GHG emissions intensity at no higher than the baseline year level in 2026 while our business scale continues to grow, reduce it by 3% to 5% by 2027 compared with the baseline year, and reduce it by 8% to 10% by 2030 compared with the baseline year.

Social Responsibility Indicators and Targets

We attach importance to the protection of employee rights, talent development, and occupational health and safety. As a new energy intelligent heavy-duty truck technology company, our business involves research and development design, supply chain coordination, whole-vehicle and component verification, project management and commercialization, which require employees to possess

professional capabilities, quality awareness, collaboration skills and safety awareness. We therefore continue to improve our human resources management and employee training mechanisms to support employee development and our steady operations.

Employee Diversity and Equal Opportunity

We adhere to lawful and compliant employment practices, protect the basic rights and interests of employees, and regulate employee recruitment, hiring, labor contracts, remuneration and benefits, leave, performance appraisal, job transfer and separation through the employee handbook, human resources management procedure and recruitment policies. These policies set out the rights and obligations of employees and the company, and require employees to comply with our policies and rules.

Occupational Health and Safety

We attach importance to employee occupational health and safety, and maintain the safe operation of office and operating premises through employee conduct requirements, infrastructure management, fire safety requirements and training mechanisms. The employee handbook sets out requirements for employee conduct, no smoking at premises, prohibition of alcohol consumption during working hours, fire safety, professional ethics and avoidance of conflicts of interest, and requires employees to comply with our safety management requirements.

PROPERTIES

As of the Latest Practicable Date, we operated our business through five leased properties with a total gross floor area of 34,170.5 sq.m. in the Chinese Mainland. Such properties primarily serve as our office and vehicle testing facilities. Our lease agreements in respect of the aforementioned five leased properties generally have expiration dates ranging from one to four years. We plan to renew our leases or negotiate new terms when the existing leases expire. All lessors are Independent Third Parties. We did not experience material difficulties in negotiating renewal of our leases with our landlords during the Track Record Period and up to the Latest Practicable Date. We believe that there is sufficient supply of properties in China.

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. Therefore, 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 (Cap. 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance which requires a valuation report with respect to all our Group's interests in land or buildings.

LICENSES AND PERMITS

We are subject to regular inspections, examinations and audits by local regulators and are required to maintain or renew the necessary permits, licenses and certificates for our business. As advised by our PRC Legal Advisor, as of the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant authorities that are material to our operations and such licenses, permits and certifications all remain in full effect. For more details regarding the laws and regulations to which we are subject, see "Regulatory Overview" in this document.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material difficulty in obtaining or renewing the required licenses, permits, approvals, and certificates for our business operations. We do not expect there to be any material legal impediment in renewing these licenses, permits, approvals and certificates as they expire in future as long as we are in compliance with applicable laws, regulations, and rules.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, we have not been involved in any material legal or administrative proceedings that could significantly impact our operations, financial position, growth prospects, or reputation. Like all companies in our industry, we may occasionally face routine claims or proceedings arising from normal business activities. For details, see "Risk Factors — Risks Related to Our Operations — We may from time to time be subject to claims, disputes, lawsuits, investigations and other legal or administrative proceedings."

Compliance

We maintain rigorous compliance with all applicable laws and regulations governing our operations. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operation.

RISK MANAGEMENT AND INTERNAL CONTROL

We are exposed to various risks in our business operations, and we believe that risk management is important to our success. Our Directors oversee and manage the overall risks associated with our operations. To monitor the ongoing implementation of our risk management policies and corporate governance measures, we have established and maintained risk management and internal control systems consisting of policies and procedures that are appropriate for our business operations. We have adopted, among other things, the following risk management measures:

- **Financial Reporting Risk Management**: We have adopted comprehensive accounting policies and procedures for financial reporting, budget management, and financial statement preparation, supported by ongoing training for finance staff;

- **Information System Risk Management**: We have implemented internal procedures and controls to protect data and comply with data privacy and security requirements;

- **Compliance and Intellectual Property Risk Management**: We have established procedures for regulatory compliance reviews and for protecting intellectual property rights, with the legal department overseeing contracts, licenses, and governmental approvals; and

- **Human Resources Risk Management**: We maintain high recruitment standards, specialized training programs, performance-based remuneration, and regular monitoring of code of conduct compliance.

We have also formulated the Internal Audit Management Policy to regulate internal audit work. Through independent and objective supervision, evaluation and consulting activities, we evaluate and improve the effectiveness of our risk management, internal control and governance procedures. The internal audit department is established with the approval of the Audit Committee of the Board and reports functionally to the Audit Committee, supporting the continuous improvement of our internal control and risk prevention mechanisms.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

OVERVIEW

As of the date of this document, Mr. Huang, (by virtue of his direct shareholding and through his controlled entities, namely, Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Shengyao, Yangzhou Dongyao, Shanghai Dongyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi) was entitled to exercise the voting rights attached to approximately 30.05% of the total issued share capital of our Company. Shanghai Dongyao is controlled by Mr. Huang and serves as the general partner of each of Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Shengyao, Yangzhou Dongyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi, among which Yangzhou Bannarui, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi are Employee Incentive Platforms of our Company. Consequently, Mr. Huang, together with his controlled entities (Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Shengyao, Yangzhou Dongyao, Shanghai Dongyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi), constitute a group of controlling shareholders (as defined in the Listing Rules), and are collectively entitled to exercise the voting rights attached to approximately 30.05% of our total issued share capital as of the date of this document.

Immediately following the completion of the Share Subdivision and the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), Mr. Huang, together with his controlled entities (Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao, Yangzhou Shengyao, Shanghai Dongyao, Suzhou Lingdong I, Suzhou Lingdong II, Suzhou Bannarui, Suzhou Jushi and Suzhou Dongyi) will constitute our Single Largest Group of Shareholders and will be entitled to exercise the voting rights attached to approximately **[REDACTED]**% of our total issued share capital.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying out our business independently from our Single Largest Group of Shareholders and/or their close associates after the **[REDACTED]**.

Management Independence

Our business is managed and conducted by the Board and senior management. Our Board consists of four executive Directors, two non-executive Directors and three independent non-executive Directors. Save for Mr. Huang, none of our Directors or members of senior management is a member of our Single Largest Group of Shareholders or holds any role as an executive director or member of senior management in our Single Largest Group of Shareholders. For more information, see "Directors and Senior Management." Our Directors have relevant experience to ensure the proper functioning of the Board. We believe that our Directors and members of the senior management are able to perform their roles in our Company in managing our business independently from our Single Largest Group of Shareholders and/or their close associates for the following reasons:

(i) our Directors are aware of their fiduciary duties as a director, which require, among other things, that they act for the benefits and in the interests of our Company and all our Shareholders as a whole and do not allow any conflict between their duties as a Director and their personal interests;

(ii) our Board acts collectively by majority vote in accordance with our Articles of Association and applicable laws and regulations, and no single Director is able to make any decisions unless authorized by the Board;

(iii) our Board has a balanced composition of executive, non-executive and independent non-executive Directors, which ensures the independence of the Board in making decisions affecting our Company. Our independent non-executive Directors account for one-third of the Board, and do not and will not take up any position with our Single Largest Group of Shareholders and/or their respective close associates. All of our three independent non-executive Directors are independent of our Single Largest Group of Shareholders and/or their respective close associates and have extensive experience in their respective areas of expertise. All independent non-executive Directors are appointed in accordance with the requirements under the Listing Rules, and certain matters of our Company must always be referred to the independent non-executive Directors for review, ensuring the decisions of the Board are made only after the due consideration of independent and impartial opinions; and

(iv) in the event that there is a potential conflict of interests arising out of any transaction to be entered into between our Group and a Director or their respective close associate, the interested Director(s) is required to declare the nature of such interests before voting at the relevant Board meetings of our Company in respect of such transactions.

Operational Independence

We are in possession of all operating facilities and technology relating to our Group's business and have obtained relevant requisite qualifications and approvals for conducting all our business. We have independent access to customers and suppliers and, therefore, are not dependent on our Single Largest Group of Shareholders and/or their respective close associates for any significant amount of our revenue, research and development, staffing or marketing and sales activities, and we have sufficient capital, equipment and employees to operate our business independently from our Single Largest Group of Shareholders and/or their respective close associates. We have an established and complete organizational structure comprising various separate departments, each charged with specific responsibilities, such as staffing, administration, finance, internal audit, research and development, sales and marketing, or company secretarial functions.

Financial Independence

Our Company has established its own finance department with a team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit and internal control functions independently from our Single Largest Group of Shareholders and their respective close associates, as well as a sound and independent financial system. Our Company maintains bank accounts independently and does not share any bank account with our Single Largest Group of Shareholders and their respective close associates. Our Company makes tax registration and pays tax independently with its own funds.

As of the Latest Practicable Date, there were no loans, advances and balances due to and from and guarantees provided by our Single Largest Group of Shareholders and/or their close associates. Further, there is no security over assets and guarantees provided by our Single Largest Group of Shareholders

and/or their close associates in relation to loans made by our Group. We are capable of obtaining financing from third parties, if necessary, without reliance on our Single Largest Group of Shareholders and/or their close associates.

CORPORATE GOVERNANCE MEASURES

Upon **[REDACTED]**, save as disclosed in "Directors and Senior Management — Corporate Governance Code," we will comply with all other provisions of the Corporate Governance Code set forth in Appendix C1 to the Listing Rules, which sets out the principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in the 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 and/or their respective close associates:

(i) where a Board meeting is held for the matters in which any Directors 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;

(ii) our Company has established internal control mechanisms to identify connected transactions. Upon the **[REDACTED]**, if our Company enters into connected transactions with any member of our Single Largest Group of Shareholders or any of their close associates, our Company will comply with the relevant requirements of Chapter 14A of the Listing Rules;

(iii) where a Shareholders' meeting is to be held for considering proposed transactions in which any member of our Single Largest Group of Shareholders or any of their associates has a material interest, the relevant member in our Single Largest Group of Shareholders will not vote on the resolutions and shall not be counted in the quorum in the voting;

(iv) our independent non-executive Directors will provide impartial and professional advice to protect the interests of our minority Shareholders;

(v) we have established our audit committee, remuneration committee and nomination committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code in Appendix C1 to the Listing Rules;

(vi) 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; and

(vii) we have appointed Rainbow Capital (HK) Limited as our Compliance Advisor, which will provide advice and guidance to us in respect of compliance with the Listing Rules and applicable laws, rules, codes and guidelines, including but not limited to various requirements relating to Directors' duties and internal controls.

BOARD OF DIRECTORS

Upon the **[REDACTED]**, our Board will consist of nine Directors, comprising four executive Directors, two non-executive Directors and three independent non-executive Directors. Pursuant to the Articles of Association, our Directors are elected and appointed by the Shareholders for a term of three years and are eligible for re-election upon expiry of their terms of office.

The following table sets forth the key information about our Directors as of the Latest Practicable Date.

Name	Age	Positions	Time of joining our Group	Time of appointment as a Director	Roles and responsibilities
Executive Directors					
Mr. Huang Zehua (黃澤鏵)	35	Co-founder, chairperson of the Board, executive Director and chief executive officer	June 2022	June 2022	Overall business strategies and operations of our Group
Mr. Zhang Hongsong (張紅松)	53	Co-founder, executive Director and the president	August 2022	March 2023	Strategic planning, R&D and overall heavy-duty truck operations of our Group
Mr. Zhang Wei (張偉)	48	Executive Director and chief operating officer	January 2025	June 2025	Overall business development and management of our Group
Mr. He Xiongsong (賀雄松)	35	Executive Director, chief financial officer and Board secretary	July 2025	May 2026	Overall financial strategy and the capital market activities of our Group
Non-executive Directors					
Dr. Xia Yan (夏炎)	37	Non-executive Director	June 2025	June 2025	Formulation of the Company's corporate and business strategies
Mr. Li Xiao (李瀟)	42	Non-executive Director	February 2026	February 2026	Formulation of the Company's corporate and business strategies

Name	Age	Positions	Time of joining our Group	Time of appointment as a Director	Roles and responsibilities
Independent non-executive Directors					
Dr. Hou Anping (侯安平)	50	Independent non-executive Director	**[REDACTED]**	**[REDACTED]**	Providing independent advice to our Board
Mr. Lyu Xiaofan (呂曉帆)	36	Independent non-executive Director	**[REDACTED]**	**[REDACTED]**	Providing independent advice to our Board
Ms. Ng Weng Sin (吳永蒨)	54	Independent non-executive Director	**[REDACTED]**	**[REDACTED]**	Providing independent advice to our Board

Executive Directors

Mr. Huang Zehua (黃澤鏵), is our co-founder, chairperson of the Board, executive Director and chief executive officer. Mr. Huang founded our Company in June 2022. He is responsible for overall business strategies and development of our Group. He currently holds directorships in a number of subsidiaries of our Group.

Prior to founding our Group, Mr. Huang worked at TuSimple Inc. (圖森未來), a company formerly listed on Nasdaq (stock code: TSP), from November 2015 to November 2021, where he served as the senior vice president of engineering and was fully responsible for the software and hardware R&D and productization of the autonomous driving system.

In 2024, Mr. Huang was awarded the Jiangsu Province's "Double Innovation Talent" (江蘇省"雙創人才") by the Office of the Leading Group for Talent Work of the CPC Jiangsu Provincial Committee and the Department of Industry and Information Technology of Jiangsu Province (中共江蘇省委人才工作領導小組辦公室、江蘇省工業和信息化廳). Furthermore, he was named a Hurun U35 China Entrepreneurship Pioneer (胡潤U35中國創業先鋒) by Hurun Group (胡潤百富集團) in 2024. In 2023, he was selected for the Gusu Innovation and Entrepreneurship Leading Talent Plan in Suzhou City (蘇州市姑蘇創新創業領軍人才計劃) by the Suzhou Science and Technology Bureau (蘇州市科學技術局). Mr. Huang has over 20 patents in the PRC and the U.S. in various AI areas, including but not limited to computer vision, facial recognition and driver monitoring system. Mr. Huang has published multiple papers with approximately 4,000 citations.

Mr. Huang obtained a bachelor's degree in computer science and technology from Beihang University (北京航空航天大學) in the PRC in July 2012. He later obtained his master's degree in robotics from Carnegie Mellon University in the United States in May 2015.

Mr. Zhang Hongsong (張紅松), is our co-founder, executive Director and the president of our Company. He joined our Group and was appointed as our Director in August 2022. He is primarily responsible for strategic planning, R&D and overall heavy-duty truck operations of our Group.

Mr. Zhang is equipped with over 30 years of experience in the automotive and commercial vehicle industries. Prior to joining our Group, Mr. Zhang worked at Dongfeng Motor Corporation (東風汽車公司). He served as the director of the auto body technology center and the deputy dean of the research institute at Foton Motor Engineering Research Institute (福田汽車工程研究院) from June 2000 to January 2007. From February 2007 to June 2012, he served as the deputy plant manager of Auman heavy-duty truck R&D at Foton Beijing Auman Heavy Duty Truck Plant (福田北京歐曼重型汽車廠). He then served as the vice president of R&D and procurement at Beijing Foton Daimler Automotive Co., Ltd. (北京福田戴姆勒汽車股份有限公司) from July 2012 to August 2018. From 2018 to 2022, he served as the general manager at Hunan Xingbida Network Technology Co., Ltd. (湖南行必達網聯科技有限公司), where he was fully responsible for its operations, innovative R&D, procurement, sales, and service models of its brand named SANY Heavy Truck.

In March 2021, he was awarded the Changsha Category D Talent Certificate (長沙市D類人才證書) by the Office of the Leading Group for Talent Work of the CPC Changsha Municipal Committee (中共長沙市委人才工作領導小組辦公室). In April 2012, he was awarded the Capital Labor Medal (首都勞動獎章) by the Beijing Federation of Trade Unions (北京市總工會). In March 2004, he received the Beijing Science and Technology Award (北京市科學技術獎) from the People's Government of Beijing Municipality (北京市人民政府). In April 2003, he was recognized as one of the Beijing Top 100 Outstanding Professional and Technical Talents in Industry (北京工業百名優秀專業技術人才) by the Industrial Work Committee of the CPC Beijing Municipal Committee (中共北京市委工業工作委員會).

Mr. Zhang obtained a bachelor's degree in automotive engineering from Jilin University of Technology (吉林工業大學) (currently known as Jilin University (吉林大學)) in the PRC in July 1993 and later obtained his master's degree in safety engineering from Wuhan University of Technology (武漢理工大學) in the PRC in January 2015.

Mr. Zhang Wei (張偉), is our executive Director and chief operating officer. Mr. Zhang joined our Group and was appointed as a Director in June 2025. He is responsible for overseeing the overall business development and management of our Group.

Prior to joining our Group, Mr. Zhang worked at Beiqi Foton Motor Co., Ltd. (北汽福田汽車有限公司) from August 1996 to August 2020, where he served as the deputy general manager and was responsible for the overall business operations of the heavy-duty trucks joint venture. From December 2022 to September 2024, he served as an executive director and deputy general manager at Sinotruk (Hong Kong) Limited (中國重汽(香港)有限公司), a company listed on the Stock Exchange, (stock code: 03808), where he was responsible for heavy-duty trucks marketing, sales, and application engineering.

Mr. Zhang obtained a bachelor's degree in mechanical manufacturing from Weifang Economic School (濰坊市經濟學校) in the PRC in July 1996. He later obtained his master's degree in software engineering from Jilin University (吉林大學) in the PRC in December 2011.

Mr. He Xiongsong (賀雄松), is our executive Director, chief financial officer and Board secretary. Mr. He joined our Group and was appointed as the chief financial officer in July 2025 and a Director in May 2026. He is responsible for overseeing overall financial strategy and the capital market activities of our Group.

Prior to joining our Group, Mr. He worked at Xingyin Growth Capital Management Co., Ltd. (興銀成長資本管理有限公司) from June 2015 to June 2018. From December 2017 to April 2025, he served as the executive general manager at Shanghai Chentao Asset Management Co., Ltd. (上海辰韜資產管理有限公司), where he was responsible for investments in the intelligent driving sector.

At present, Mr. He serves as a director for the following companies, namely Zaihe Automotive Technology (Suzhou) Co., Ltd. (載合汽車科技（蘇州）有限公司), White Rhino Zhida (Beijing) Technology Co., Ltd. (白犀牛智達（北京）科技有限公司), Zhejiang Siqian Intelligent Driving Technology Co., Ltd. (浙江斯乾智駕科技有限公司), Beijing Kaiwang Data Technology Co., Ltd. (北京愷望數據科技有限公司), Beijing Jijia Vision Technology Co., Ltd. (北京極佳視界科技有限公司), Shanghai Muyi Robot Technology Co., Ltd. (上海木蟻機器人科技有限公司), and Shenzhen Karui Intelligent Driving Technology Co., Ltd. (深圳卡睿智行科技有限公司).

Mr. He obtained a bachelor's degree in management from Hunan Normal University (湖南師範大學) in the PRC in June 2012. He later obtained his master's degree in economics from Xiamen University (廈門大學) in the PRC in June 2015.

Non-Executive Directors

Dr. Xia Yan (夏炎), is our non-executive Director. Dr. Xia joined our Group and was appointed as a Director in June 2025. She is responsible for participating in the formulation of the Company's corporate and business strategies.

Prior to joining our Group, Dr. Xia worked at SenseTime Group Inc. (商湯集團股份有限公司), a company listed on the Stock Exchange (stock code: 00020) from December 2015 to August 2016, where she served as a lead research scientist and was primarily responsible for research of deep learning and computer vision. From September 2016 to March 2025, she successively held the positions of senior research and development director and director and senior management at Momenta Global Limited, where she is primarily responsible for R&D activities for the company's overall advanced autonomous driving solutions, including the development and enhancement of fundamental models, algorithms, frameworks, and infrastructure design to support L2+ through full L4 autonomy. Since April 2025, she has been serving as senior vice president at Momenta Global Limited.

Dr. Xia obtained a bachelor's degree in automation from the University of Science and Technology of China (中國科學技術大學) in the PRC in July 2010. She later obtained her Ph.D. in control science and engineering through an integrated master's and doctoral program from the University of Science and Technology of China in the PRC in November 2015.

Mr. Li Xiao (李瀟), is our non-executive Director. Mr. Li joined our Group and was appointed as a Director in February 2026. He is responsible for participating in the formulation of the Company's corporate and business strategies.

Prior to joining our Group, Mr. Li served at SDIC Innovation Investment Management Co., Ltd. (國投創新投資管理有限公司) from January 2012 to October 2017, where he successively held the positions of vice president, executive director and managing director. From November 2017 to June 2025, he served at China Mobile SDIC Fund Management Co., Ltd. (中移國投創新投資管理有限公司). Since July 2025, he has been serving as the managing director at Xiamen Puquan Private Fund Management Partnership (Limited Partnership) (廈門溥泉私募基金管理合夥企業(有限合夥)), where he is responsible for private equity investment business.

Furthermore, Mr. Li has been holding or held directorships in multiple listed companies, including: (i) an independent director of Shenzhen Sunlord Electronics Co., Ltd. (深圳順絡電子股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002138), since December 2020; (ii) a director of Hangzhou MDK Opto Electronics Corp., Ltd. (杭州美迪凱光電科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688079), from August 2019 to August 2025, (iii) a director of Guangdong Fenghua Advanced Technology (Holding) Co., Ltd. (廣東風華高新科技股份有限公司) from June 2022 to August 2025, a company listed on the Shenzhen Stock Exchange (stock code: 000636); and (iv) a director of Shenzhen Ampron Technology Co., Ltd. (深圳安培龍科技股份有限公司) from December 2020 to December 2024, a company listed on the Shenzhen Stock Exchange (stock code: 301413).

Mr. Li obtained his bachelor's degrees in software engineering and law from Beijing Institute of Technology (北京理工大學) in the PRC in July 2006. He later obtained his master's degree in management from the London School of Economics and Political Science in the United Kingdom in November 2007.

Independent Non-Executive Directors

Dr. Hou Anping (侯安平), was appointed as our independent non-executive Director, effective from the **[REDACTED]**. He is responsible for providing independent advice to our Board.

Dr. Hou has extensive experience in academic research and corporate management. Since December 2005, Dr. Hou has been serving as a teacher at Beihang University (北京航空航天大學), where he is responsible for teaching, supervising graduate students, and conducting scientific research. Since April 2021, he has also been serving as the chairman of the board of directors at Ningbo Hudu Energy Technology Co., Ltd. (寧波虎渡能源科技有限公司), where he is responsible for formulating the company's strategic goals and presiding over the company's overall work.

Throughout his career, Dr. Hou has received several prestigious awards for his outstanding achievements in scientific research. He was awarded the First Prize of the SNECMA (SNECMA 一等獎) by the French SNECMA Group (法國SNECMA集團) in 2004, the First Prize of the National Defense Science and Technology Award (國防科學技術獎一等獎) by the Commission for Science, Technology and Industry for National Defense (國防科工委) in December 2006, and the Second Prize of the Science and Technology Award of Aviation Industry Corporation of China (中航工業集團科學技術獎二等獎) by the Aviation Industry Corporation of China (中國航空工業集團公司) in February 2014.

Dr. Hou obtained his bachelor's degree in aircraft power engineering from Beihang University (北京航空航天大學) in the PRC in July 1998. He further obtained his doctor's degree in aerospace propulsion theory and engineering from Beihang University (北京航空航天大學) in the PRC in March 2004.

Mr. Lyu Xiaofan (呂曉帆), was appointed as our independent non-executive Director, effective from the **[REDACTED]**. He is responsible for providing independent advice to our Board.

Prior to joining our Group, Mr. Lyu has been serving as a director and vice president at Hubei Minben Group (湖北民本集團) since February 2022, where he is responsible for the group's informatization-related work. From September 2015 to October 2020, he worked at Google LLC as a software engineer, where he was responsible for the design, development, testing and maintenance of software systems.

Mr. Lyu obtained his bachelor's degree in electronic information engineering from Beihang University (北京航空航天大學) in the PRC in July 2012. He further obtained his master's degree in computer science from The University of Texas at Austin in the United States in May 2015.

Ms. Ng Weng Sin (吳永蒨), was appointed as our independent non-executive Director, effective from the **[REDACTED]**. She is responsible for providing independent advice to our Board.

Ms. Ng has more than 25 years of experience in financial reporting, management and professional services and has been a practising CPA since December 2021. Ms. Ng began her career at Deloitte Touche Tohmatsu (德勤會計師事務所), where she worked as an accountant from August 1997 to September 2001. She then served as a senior accountant at Hong Kong Wing On Travel Service Limited (香港永安旅遊有限公司) from September 2001 to May 2003. From November 2003 to November 2004, she worked as an assistant accounting manager at Hua Yang Printing Holdings Co., Ltd. (華洋印刷控股有限公司), and from November 2004 to May 2006, she served as a finance manager at Norstar Automobile Industrial Holding Limited (北泰汽車工業控股有限公司). From May 2006 to February 2010, she was the financial controller, company secretary and authorized representative of China Information Technology Development Limited (中國信息科技發展有限公司). From August 2010 to October 2013, she served as the chief financial officer of Billion Industrial Holdings Limited (百宏實業控股有限公司), and from February 2011 to October 2013, she also acted as its company secretary and authorized representative. From May 2014 to December 2015, she served as the chief financial officer of Xiwang Special Steel Company Limited (西王特鋼有限公司) and Xiwang Property Holdings Company Limited (西王置業控股有限公司), and from July 2014 to November 2015, she also served as the company secretary and authorized representative of both companies. From December 2016 to November 2021, she successively served as a consultant, executive director, company secretary, authorized representative and chief financial officer of China Public Procurement Ltd* (中國公共採購有限公司) (now known as Cherish Sunshine International Ltd (承輝國際有限公司)).

Ms. Ng has been holding or held directorships in multiple listed companies, including: (i) NewGonow Recreational Vehicles Inc. (新吉奧房車有限公司), a company listed on the Stock Exchange (stock code: 00805), where she has served as an independent non-executive director since December 2024; (ii) New Horizon Health Limited (諾輝健康) ("**New Horizon Health**"), a company formerly listed on the Stock Exchange (stock code: 06606), where she served as an independent non-executive director from April 2024 to April 2025; (iii) Xiamen Jihong Technology Co., Ltd. (廈門吉宏科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002803) and subsequently on the Stock Exchange (stock code: 02603), where she served as an independent non-executive director from February 2024 to November 2025; and (iv) China Public Procurement Limited (中國公共採購有限公司) (now known as Cherish Sunshine International Limited (承輝國際有限公司)), a company listed on the Stock Exchange (stock code: 01094), where she served as an executive director from June 2017 to June 2018.

Ms. Ng obtained her bachelor's degree of arts in accountancy in 1996, a master's degree of professional accounting in 2010 and a master's degree of corporate finance in 2013 from the Hong Kong Polytechnic University. She further obtained a master's degree in business administration (executive master of business administration program) from the Chinese University of Hong Kong in 2015 as well as a master of arts in language studies (translation and interpretation) from the City University of Hong Kong in 2023. She is a fellow member of the Association of Chartered Certified Accountants since April 2005, a fellow member of the Hong Kong Institute of Certified Public Accountants since February 2010 and a fellow member of The Hong Kong Chartered Governance Institute since September 2021.

New Horizon Health, a company incorporated in the Cayman Islands with limited liability, had joint provisional liquidators appointed by the Grand Court of the Cayman Islands over its assets and affairs in August 2025, which is within 12 months after Ms. Ng's resignation as an independent non-executive director in April 2025. The principal business activities of New Horizon Health was the research and development of cancer screening products. On July 8, 2025 (Cayman time), New Horizon Health filed a winding-up petition and an application for the appointment of joint provisional liquidators with the Grand Court of the Cayman Islands. Subsequently, the listing of the shares of New Horizon Health on the Stock Exchange was cancelled with effect from October 27, 2025.

The joint provisional liquidators of New Horizon Health were appointed after Ms. Ng had ceased to act as its independent non-executive director. Ms. Ng confirmed that there was no wrongful act on her part which led to the liquidation of New Horizon Health Limited, and she is not aware of any actual or potential claim that has been or will be made against her as a result of the liquidation or winding-up of New Horizon Health.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table sets forth the key information about our senior management as of the Latest Practicable Date.

Name	Age	Positions	Time of joining our Group	Time of appointment as senior management	Roles and responsibilities
Mr. Huang Zehua (黃澤鏵)	35	Co-founder, chairperson of the Board, executive Director and chief executive officer	June 2022	June 2022	Overall business strategies and operations of our Group
Mr. Zhang Hongsong (張紅松)	53	Co-founder, executive Director and the president	August 2022	August 2022	Strategic planning, R&D and overall heavy-duty trucks operations of our Group
Mr. Zhang Wei (張偉)	48	Executive Director and chief operating officer	January 2025	January 2025	Overall business development and management of our Group
Mr. He Xiongsong (賀雄松)	35	Executive Director, chief financial officer and Board secretary	July 2025	July 2025	Overall financial strategy and the capital market activities of our Group
Ms. Yang Dan (楊丹)	39	Director of finance	July 2022	July 2022	Financial management and strategies of our Group
Mr. Li Kanghua (李康華)	39	Director of technology	July 2022	July 2022	R&D and implementation of electric drive business of our Group

For biographies of senior management who are also executive Directors, namely Mr. Huang, Mr. Zhang, Mr. Zhang Wei (張偉) and Mr. He Xiongsong (賀雄松), see "— Board of Directors — Executive Directors" in this section.

Ms. Yang Dan (楊丹), is our director of finance. Ms. Yang joined our Group in July 2022 and was appointed as a director of finance on the same day. She is responsible for financial management and strategies of our Group. She currently serves as the director of finance in a number of subsidiaries of our Group.

Prior to joining our Group, Ms. Yang worked at Alibaba (China) Network Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司) from January 2011 to May 2011 as a client manager, where she was responsible for the development and servicing of small and medium-sized foreign trade enterprises in the East China region. From March 2012 to May 2014 and from June 2015 to June 2017, she worked at DaXin Certified Public Accountants LLP (大信會計師事務所) as a project manager, where she participated in audit engagements of a listed company and a company seeking initial public offering. From July 2017 to May 2019, Ms. Yang served as the chief financial officer of Shanghai Yanfeng Automotive Technology Co., Ltd. (上海沿鋒汽車科技股份有限公司), where she participated in the overall strategic planning of the company. From June 2019 to June 2022, she served as the director of finance of Eacon Intelligent Driving Technology Co., Ltd. (易控智駕科技股份有限公司), where she was responsible for the overall financial management of a mining truck autonomous driving solutions company and led the completion of its earlier equity financing.

Ms. Yang obtained a bachelor's degree in trade economics from Anhui University of Finance and Economics (安徽財經大學) in the PRC in July 2010.

Mr. Li Kanghua (李康華), is our director of technology (技術總監). Mr. Li joined our Group in July 2022 and was appointed to his current position on the same day. He is primarily responsible for the development planning, technical route, matrix company operation and management of the Company's e-axle business, and the implementation of various plans.

Prior to joining our Group, Mr. Li worked at commercial vehicle technical center of SAIC Motor Corporation Limited (上海汽車集團股份有限公司商用車技術中心) from August 2013 to March 2022, responsible for engine development, electric drive system development, vehicle powertrain matching, the formulation of technical roadmaps and product planning for the three-electric systems, as well as advanced project management.

Mr. Li obtained his bachelor's degree in thermal energy and power engineering from Nanchang University (南昌大學) in the PRC in July 2010. He later obtained his master's degree in power machinery and engineering from Jiangsu University (江蘇大學) in the PRC in July 2013.

OTHER INFORMATION IN RELATION TO OUR DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there is no other information in relation to his or her appointment which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

Save as disclosed above, none of our Directors and senior management held any directorships in any other company listed in Hong Kong or overseas during the three years immediately preceding the date of this document.

None of our Directors and senior management is related to other Directors and senior management.

Our Company dissolved the supervisory board on May 20, 2026. As advised by our PRC Legal Advisor, such dissolution was made in accordance with the requirements of the PRC Company Law and relevant rules including the Notice on Transitional Arrangements for the Implementation of Supporting System Rules for the New Company Law (《關於新<公司法>配套制度規則實施相關過渡期安排》) issued by the CSRC on December 27, 2024, and is in compliance with applicable PRC laws and the CSRC's regulatory requirements.

JOINT COMPANY SECRETARIES

Mr. He Xiongsong (賀雄松), has been appointed as one of our joint company secretaries. For his biography, see "— Board of Directors — Executive Directors" in this section.

Ms. Liu Shengyun (柳聖云) has been appointed as one of our joint company secretaries. Ms. Liu has approximately four years of experience in the company secretarial and corporate governance fields. She is currently serving as a consultant at Computershare Hong Kong Investor Services Limited.

She is currently an associate of each of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

Our Company has established three committees under the Board in accordance with the relevant laws and regulations in mainland China, the Articles of Association and the code of corporate governance practices under the Listing Rules, including the Audit Committee, the Remuneration Committee and the Nomination Committee.

Audit Committee

We have established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise internal control management system in the fields of financial management, risk management and regulatory compliance, comprehensive supervise all company employees, partners and suppliers. The Audit Committee comprises three independent non-executive Directors, namely, Mr. Lyu Xiaofan, Dr. Hou Anping and Ms. Ng Weng Sin. Mr. Lyu Xiaofan is the chairperson of the Audit Committee. Ms. Ng Weng Sin holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Nomination Committee

We have established a Nomination Committee in compliance with the Code on Corporate Governance set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to our Board regarding the appointment of Directors and

Board succession. The Nomination Committee comprises one executive Director and two independent non-executive Directors, namely, Mr. Huang, Dr. Hou Anping and Ms. Ng Weng Sin. Mr. Huang is the chairperson of the Nomination Committee.

Remuneration Committee

We have established a Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration Committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management. The Remuneration Committee comprises one executive Director and two independent non-executive Directors, namely, Mr. Huang, Dr. Hou Anping and Ms. Ng Weng Sin. Dr. Hou Anping is the chairperson of the Remuneration Committee.

CORPORATE GOVERNANCE CODE

We recognize the importance of incorporating elements of good corporate governance in our management structure and internal control procedures so as to achieve effective accountability. Our Company intends to comply with all code provisions in Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules after the **[REDACTED]** apart from code provision C.2.1 of Part 2 of the Corporate Governance Code, which provides that the roles of chairperson of the Board and chief executive should be separate and should not be performed by the same individual.

The roles of chairperson of the Board and chief executive officer of our Company are currently performed by Mr. Huang. In view of Mr. Huang's substantial contribution to our Group since our establishment and his extensive experience, we consider that having Mr. Huang acting as both our chairperson of the Board and chief executive officer will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Mr. Huang continues to act as both our chairperson of the Board and chief executive officer after the **[REDACTED]**, and therefore currently do not propose to separate the functions of chairperson of the Board and chief executive officer. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises 3 independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Mr. Huang and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue reviewing the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairperson of the Board and chief executive officer is necessary.

BOARD DIVERSITY POLICY

Our Board has adopted a board diversity policy which outlines the principles and framework for achieving and maintaining diversity at the Board level. In assessing potential Board candidates, we consider a broad range of diversity perspectives, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. Candidates are selected based on merit and their expected contribution to the Board, taking into account our business model and evolving operational needs.

Our Directors collectively possess a balanced combination of expertise and experience, including overall management and strategic planning, accounting and corporate governance, as well as relevant industry knowledge. The Board currently comprises three independent non-executive Directors from diverse professional backgrounds, representing one-third of the Board. Our Directors also reflect age diversity, ranging from 35 to 53 years old.

We are committed to promoting and enhancing gender diversity across all levels of our Company, including the Board and senior management. As at the Latest Practicable Date, two of our nine Directors are female, which is consistent with our board diversity policy. To further advance gender diversity, we will continue to identify and evaluate qualified female candidates with diverse expertise and experience, and maintain a pool of potential Board candidates for consideration. This pool will be reviewed periodically by our Nomination Committee to support succession planning and strengthen gender representation at the Board level. In addition, gender diversity will be considered in our recruitment of mid- to senior-level personnel, with a view to developing a sustainable pipeline of female senior management and future Board candidates.

Our Nomination Committee is responsible for overseeing the implementation of the board diversity policy. Following the **[REDACTED]**, the Nomination Committee will review the policy periodically to ensure its ongoing effectiveness, and we will report annually in our corporate governance report on the implementation of the board diversity policy.

COMPLIANCE ADVISOR

We have appointed Rainbow Capital (HK) Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Advisor will advise our Company in certain circumstances including:

(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, sales or transfers of treasury shares 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, development 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 regarding unusual movements in the **[REDACTED]** or **[REDACTED]** of its **[REDACTED]** securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the applicable requirements under the Listing Rules and laws and regulations.

The term of appointment of our Compliance Advisor shall commence on the **[REDACTED]** and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the **[REDACTED]**.

REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors and senior management members who receive remuneration from our Company are paid in forms of fees, wages, salaries, bonuses, pension scheme contributions, limited partnership interests, and other benefits in kind. When reviewing and determining the specific remuneration packages for our Directors and members of the senior management of our Company, the Shareholders' meetings and the Board take into account factors such as educational background, professional experience, years of service, salaries paid by comparable companies, level of responsibilities, Company's operation conditions and desirability of performance-based remuneration. As required by the relevant PRC laws and regulations, our Company also participates in various defined contribution plans organized by relevant provincial and municipal government authorities and welfare schemes for employees of our Company, including medical insurance, injury insurance, unemployment insurance, pension insurance, maternity insurance and housing provident fund.

Under the arrangement currently in force, we estimate the total compensation before taxation to be accrued to our Directors for the year ending December 31, 2026 to be RMB169.6 million.

For the years ended December 31, 2023, 2024 and 2025, the total amount of remuneration (including fees, wages, salaries, bonuses and pension scheme contributions) and other benefits in kind (if applicable) paid to our Directors were RMB5.2 million, RMB5.7 million and RMB15.1 million, respectively. For details on the remuneration of each Director during the Track Record Period, please refer to Note 8 to the Accountants' Report in Appendix I to this document.

For the years ended December 31, 2023, 2024 and 2025, the total emoluments paid to the five highest paid individuals (including three, two and four Directors) by us amounted to RMB7.7 million, RMB9.4 million and RMB15.6 million, respectively. For details on the remuneration of the five highest-paid employees during the Track Record Period, please refer to Note 9 to the Accountants' Report in Appendix I to this document.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, during the Track Record Period, no other amounts shall be paid or payable by us or any of our subsidiaries to our Directors or the five highest paid individuals.

CONFIRMATIONS FROM OUR DIRECTORS

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 May 2026, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) that his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules; (ii) that he or she have no past or present financial or other interest in the business of our Company or its 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 or her independence at the time of his/her appointments.

Rule 8.10 of the Listing Rules

Each of our Directors (other than our independent non-executive Directors) confirms that as of the Latest Practicable Date, save as disclosed in this document, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business and requires disclosure under Rule 8.10 of the Listing Rules.

From time to time our non-executive Directors and independent non-executive Directors may serve on the boards of both private and public companies within the broader heavy-duty truck industry. However, as these Directors are not members of our executive management team, we do not believe that their interests in such companies as a director would render us incapable of carrying on our business independently from the other companies in which such Directors may hold directorships from time to time.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately upon **[REDACTED]** (taking into account the Share Subdivision, and assuming the **[REDACTED]** is not exercised) and the Conversion of Unlisted Shares into H Shares, 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 to our Company and the Stock Exchange 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:

				Immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares	
Name of shareholder	Nature of interest	Description of Shares	Number of Share interested in as of the date of this document	Number of Shares	% of shareholding in the total issued share capital[1]
Mr. Huang[2]	Beneficial interest	Unlisted Shares	5,921,868	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
	Interest in controlled corporation	Unlisted Shares	7,011,475	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
Yangzhou Bannarui[2]	Beneficial interest	Unlisted Shares	5,314,287	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
Fujian Shidai Zeyuan Equity Investment Fund Partnership (Limited Partnership) (福建時代澤遠股權投資基金合夥企業(有限合夥)) ("**Shidai Zeyuan**")[3]	Beneficial interest	Unlisted Shares	4,829,586	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
Xiamen Puquan Private Fund Management Partnership (Limited Partnership) (廈門溥泉私募基金管理合夥企業(有限合夥)) ("**Xiamen Puquan**")[3]	Interest in controlled corporation	Unlisted Shares	4,953,825	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
Taibai Investments Pte. Ltd. ("**Taibai**")[4]	Beneficial interest	Unlisted Shares	3,118,868	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
Temasek Holdings (Private) Limited ("**Temasek**")[4]	Interest in controlled corporation	Unlisted Shares	3,898,585	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
Momenta (Shanghai) Automotive Technology Co., Ltd. (初速度(上海)汽車技術有限公司) ("**Momenta**")[5]	Beneficial interest	Unlisted Shares	3,555,710	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**
Shanghai Chentao Asset Management Co., Ltd. (上海辰韜資產管理有限公司)("**Shanghai Chentao**")[6]	Interest in controlled corporation	Unlisted Shares	2,724,489	**[REDACTED]**	**[REDACTED]**
		H Shares	—	**[REDACTED]**	**[REDACTED]**

Notes:

(1) The calculation is based on **[REDACTED]** Shares (comprising **[REDACTED]** H Shares to be **[REDACTED]** under the **[REDACTED]**, **[REDACTED]** Unlisted Shares and **[REDACTED]** H Shares to be converted from Unlisted Shares) in issue immediately upon completion of the Share Subdivision, the **[REDACTED]** and the Conversion of Unlisted Shares into H Shares (assuming the **[REDACTED]** is not exercised).

(2) Mr. Huang is deemed to be interested in **[REDACTED]** Shares following the completion of the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]**, consisting of (i) **[REDACTED]** Shares directly held by himself; (ii) **[REDACTED]** Shares, **[REDACTED]** Shares, **[REDACTED]** Shares and **[REDACTED]** Shares held by Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao and Yangzhou Shengyao, respectively. Each of Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao and Yangzhou Shengyao is a limited partnership for which Shanghai Dongyao is the general partner. Shanghai Dongyao is owned as to 99% by Mr. Huang.

(3) Xiamen Puquan is deemed to be interested in **[REDACTED]** Shares following the completion of the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]**, consisting of (i) **[REDACTED]** Shares held by Shidai Zeyuan; (ii) **[REDACTED]** Shares held by Shenzhen Jingmu Changqing Venture Capital Partnership (Limited Partnership) (深圳市景沐長青創業投資合夥企業(有限合夥)) ("**Jingmu Changqing**"). Each of Shidai Zeyuan and Jingmu Changqing is a limited partnership controlled by Xiamen Puquan as its general partner. Xiamen Puquan, also a limited partnership, is controlled by its general partner Hu Dianjun (胡殿君). In addition, Contemporary Amperex Technology Industry Investment Co., Ltd. (寧德時代新能源產業投資有限公司) ("**CATL Investment**") held 45.00% limited partnership interest in Xiamen Puquan. CATL Investment is wholly owned by Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 300750) and the Stock Exchange (stock code: 3750)) ("**CATL**"). As such, under the SFO, each of Hu Dianjun, Xiamen Puquan, CATL Investment and CATL is deemed to be interested in the Shares held by Shidai Zeyuan and Jingmu Changqing.

(4) Temasek is deemed to be interested in **[REDACTED]** Shares following the completion of the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]**, consisting of (i) **[REDACTED]** Shares held by Taibai; (ii) **[REDACTED]** Shares held by True Light Investments P Pte. Ltd. ("**True Light**"). Taibai is a private company limited by shares incorporated in Singapore, which is an indirect wholly-owned subsidiary of Temasek. True Light is indirectly wholly-held by True Light Capital GP Pte. Ltd. ("**True Light GP**"), in its capacity as general partner, for and on behalf of a fund managed by True Light Capital Pte. Ltd. ("**True Light Capital**"). Both True Light GP and True Light Capital are independent, indirectly wholly-owned subsidiaries of Temasek.

(5) Momenta is a limited company wholly owned indirectly by Momenta (Suzhou) Technology Co., Ltd. (魔門塔(蘇州)科技有限公司) ("**Suzhou Momenta**"). Suzhou Momenta is wholly owned by Momenta HongKong Limited, which is wholly owned by Momenta Global Limited. As such, under the SFO, each of Momenta Global Limited, Momenta HongKong Limited and Suzhou Momenta is deemed to be interested in the Shares held by Momenta.

(6) Shanghai Chentao is the general partner of each of Jiaxing Shinuo Venture Capital Partnership (Limited Partnership) (嘉興實諾創業投資合夥企業(有限合夥)) ("**Jiaxing Shinuo**"), Ningbo Huitong Venture Capital Partnership (Limited Partnership) (寧波匯通創業投資合夥企業(有限合夥)) ("**Ningbo Huitong**") and Shanghang Xingchen Venture Capital Partnership (Limited Partnership) (上杭興辰創業投資合夥企業(有限合夥)) ("**Shanghang Xingchen**"). As such, Shanghai Chentao is deemed to be interested in **[REDACTED]** Shares following the completion of the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]**, consisting of (i) **[REDACTED]** Shares held by Jiaxing Shinuo; (ii) **[REDACTED]** Shares held by Ningbo Huitong; and (iii) **[REDACTED]** Shares held by Shanghang Xingchen. Shanghai Chentao is owned by Xu Haiying and Lin Xinzheng as to 51.20% and 48.80%, respectively. As such, under the SFO, each of Xu Haiying and Lin Xinzheng is deemed to be interested in Shares where Shanghai Chentao is interested. In addition, Liu Dongmei is deemed to be interested in the Shares held by Jiaxing Shinuo, in which she held 78.8% limited partnership interest, under the SFO.

Save as disclosed herein, our Directors are not aware of any persons who will, immediately following completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), the Share Subdivision and the Conversion of Unlisted Shares into H Shares, without taking into account the **[REDACTED]** that may be taken up under the **[REDACTED]**, have interests or short positions in Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, will be, directly or indirectly, 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 our Company or any other member of our Group.

SHARE CAPITAL

This section presents certain information regarding our share capital prior to and following the completion of the **[REDACTED]**, the Share Subdivision and the Conversion of Unlisted Shares into H Shares.

BEFORE THE [REDACTED]

As of the date of this document, our registered share capital was RMB43,041,326 comprising 43,041,326 Unlisted Shares with a nominal value of RMB1.00 each.

UPON COMPLETION OF THE [REDACTED]

Assuming the **[REDACTED]** is not exercised, the share capital of our Company immediately after the **[REDACTED]**, the Share Subdivision and the Conversion of Unlisted Shares into H Shares will be as follows:

Description of Shares[1]	Number of Shares	Approximate percentage of the enlarged issued share capital after the [REDACTED]
Unlisted Shares	**[REDACTED]**	**[REDACTED]**%
H Shares converted from Unlisted Shares[2]	**[REDACTED]**	**[REDACTED]**%
H Shares to be issued pursuant to the **[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Total	**[REDACTED]**	**100.00%**

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary shares in the share capital of our Company and are regarded as one class of Shares.

(2) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon **[REDACTED]**, see "History, Development and Corporate Structure — Public Float" and "History, Development and Corporate Structure — Capitalization of our Company."

Assuming the **[REDACTED]** is exercised in full, the share capital of our Company immediately after the **[REDACTED]**, the Share Subdivision and the Conversion of Unlisted Shares into H Shares will be as follows:

Description of Shares[1]	Number of Shares	Approximate percentage of the enlarged issued share capital after the [REDACTED]
Unlisted Shares	**[REDACTED]**	**[REDACTED]**%
H Shares converted from Unlisted Shares[2]	**[REDACTED]**	**[REDACTED]**%
H Shares to be issued pursuant to the **[REDACTED]**	**[REDACTED]**	**[REDACTED]**%
Total	**[REDACTED]**	**100.00%**

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary shares in the share capital of our Company and are regarded as one class of Shares.

(2) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon **[REDACTED]**, see "History, Development and Corporate Structure — Public Float" and "History, Development and Corporate Structure — Capitalization of our Company."

RANKING

Upon completion of the **[REDACTED]**, the share capital of our Company will consist of Unlisted Shares and H Shares. Both Unlisted Shares and H Shares are ordinary shares in the share capital of our Company and are regarded as one class of Shares. However, except for certain qualified domestic institutional investors in the PRC, 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, H Shares generally cannot be **[REDACTED]** for by or **[REDACTED]** between legal or natural persons of the PRC. Unlisted Shares and H Shares will rank pari passu with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. All dividends in respect of the H Shares are to be paid by us in Renminbi, Hong Kong dollars or in the form of H Shares.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

Our Unlisted Shares are unlisted Shares which are currently not listed or traded on any stock exchange.

According to stipulations by the State Council securities regulatory authority and the Articles of Association, the Unlisted Shares may be converted into H Shares. Such converted Shares may be listed or traded on an overseas stock exchange provided that the conversion and trading of such converted Shares shall only be effected after all requisite internal approval process have been duly completed and the approval from the relevant PRC regulatory authorities (including the CSRC) and the relevant overseas stock exchange have been obtained.

In addition, such conversion and trading shall in all respects comply with the regulations prescribed by the State Council securities regulatory authority and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

If any of the Unlisted Shares are to be converted to H Shares and to be **[REDACTED]** on the Stock Exchange, such conversion requires the approval of the relevant PRC regulatory authorities, including the CSRC. Approval of the Stock Exchange is required for the listing of such converted Shares on the Stock Exchange. Subject to fulfilling the procedures below, our Company may apply for the listing of all or any portion of the Unlisted Shares on the Stock Exchange as H Shares before any proposed conversion so that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of shares for entry on the H Share register. As any listing of additional Shares after our Company's **[REDACTED]** on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it does not require prior application for listing as at the time of our Company's **[REDACTED]** in Hong Kong. Any listing of the converted Shares on the Stock Exchange after the **[REDACTED]** is subject to prior notification by way of announcement to inform Shareholders and the public of any proposed conversion.

After all the requisite approvals have been obtained, the relevant Unlisted Shares will be withdrawn from the Unlisted Share register, and our Company will re-register such Shares on the H Share register maintained in Hong Kong and instruct the **[REDACTED]** to issue H Share certificates. Registration on the H Share register of our Company will be on the conditions that (i) the **[REDACTED]** lodges with the Stock Exchange a letter confirming the entry of the relevant H Shares on the H Share register and the due dispatch of H Share certificates; and (ii) the admission of the H Shares to be **[REDACTED]** on the Stock Exchange complies with the Listing Rules and the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted Shares are re-registered on the H Share register of our Company, such Shares would not be listed as H Shares.

RESTRICTIONS OF SHARE TRANSFER

In accordance with the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by our Company prior to the issue of H Shares will be subject to such statutory restriction on transfer within a period of one year from the **[REDACTED]**.

Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company unless otherwise permitted by applicable laws and regulations. The Shares that the aforementioned persons hold in our Company cannot be transferred within half a year after they leave their positions as Directors and members of the senior management in our Company. The Articles of Association may contain other restrictions on the transfer of the Shares held by our Directors and members of senior management of our Company.

SHAREHOLDERS' GENERAL MEETINGS

For details of circumstances under which Shareholders' general meeting are required, see "Appendix V — Summary of Articles of Association" to this document.

REGISTRATION OF SHARES NOT LISTED ON AN OVERSEAS STOCK EXCHANGE

According to 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》) and the Detailed Rules for the Implementation of Registration and Custody Business of Non-Overseas Listed Shares of Overseas Listed Companies by China Securities Depository and Clearing Corporation Limited (《中國證券登記結算有限責任公司境外上市公司非境外上市股份登記存管業務實施細則》) issued by the CSRC, the shares that are not listed on any overseas stock exchange shall be centrally registered and deposited at a domestic securities depository and settlement agency.

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

Subject to the **[REDACTED]** becoming unconditional, our Directors will be granted general unconditional mandates to issue our Shares and repurchase our Shares. Please refer to "Appendix IV — Statutory and General Information — 1. Further Information about our Group — D. Resolutions of the Shareholders of the Company" for further details. Any reference to an allotment, issue, grant, offer or disposal of Shares therein shall include the sale or transfer of treasury Shares in the capital of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, options, warrants or similar rights to subscribe for Shares) to the extent permitted by, and subject to the provisions of the Listing Rules and applicable laws and regulations.

You should read the following discussion and analysis in conjunction with our historical financial information, together with the accompanying notes, included in the Accountants' Report set out in Appendix I to this document. Our consolidated financial information has been prepared in accordance with IFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants' Report and not rely solely on the information contained in this section.

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 assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, our actual performance may differ materially from those anticipated in these forward-looking statements, as a result of various risks and uncertainties over which we do not have full control. For details, see "Forward-looking Statements" and "Risk Factors" in this document.

OVERVIEW

We are a global leading provider of new energy intelligent heavy-duty trucks, pioneering in autonomous heavy-duty trucking technology. According to Frost & Sullivan, we were the first company globally to possess both forward-engineering vehicle development capabilities and an end-to-end multimodal large language model ("**MLLM**") for heavy-duty truck autonomous driving.

We have built a distinctive and deeply integrated model spanning vehicle, algorithm and data capabilities, with each reinforcing the others, which we believe positions us among the players best placed to lead and capture the opportunities of the autonomous trucking era. We have forward-engineered new energy intelligent heavy-duty trucks that are purpose-built for autonomous road freight operations, delivering strong stability and efficiency under complex and diverse operating conditions. We have designed our end-to-end MLLM for autonomous driving with streamlined system architecture and strong scenario generalization capabilities. Our scaled commercialization enables a data-driven, closed-loop iteration process that continuously refines our vehicle design and strengthens our core technologies.

Our business and financial performance demonstrate rapid commercialization trajectory. During the Track Record Period, we primarily generated revenue from the sales of new energy intelligent heavy-duty trucks and started offering RoboTruck vehicles in 2025. Our revenue increased significantly from RMB1.2 million in 2023 to RMB124.1 million in 2024, representing a growth of 10,569.9%, and further increased by approximately 320.8% to RMB522.2 million in 2025. Our gross loss margin improved steadily during the Track Record Period, from 287.2% in 2023 to 34.7% in 2024, and further to 2.5% in 2025, bringing us to the cusp of gross profitability. Our sales of new energy intelligent heavy-duty truck(s) remained the core revenue driver, contributing RMB507.4 million in 2025, accounting for 97.2% of total revenue. We incurred net losses of RMB114.3 million, RMB240.8 million and RMB280.7 million for the years ended 31 December 2023, 2024 and 2025, respectively, primarily attributable to research and development costs of RMB71.4 million, RMB116.2 million and RMB126.0 million, as well as selling and administrative expenses incurred to support our rapid business expansion.

BASIS OF PRESENTATION AND PREPARATION

Our historical financial information has been prepared in accordance with all applicable International Financial Reporting Standards ("**IFRS**") Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"). For the purpose of preparing this Historical Financial Information, we have adopted all applicable new and revised IFRS Accounting Standards throughout the Track Record Period, except for any new standards or interpretations that are not yet effective during the Track Record Period. The Historical Financial Information also complies with the applicable disclosure provisions of the Listing Rules. For details, see Note 1 to the Accountants' Report set out in Appendix I to this document.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, affected by a number of factors, many of which may be beyond our control. A discussion of the key factors is set out below.

Our Ability to Continuously Commercialize and Optimize Our Vehicles and Solutions

Our historical performance has been primarily driven by the successful launch and commercialization of our two new energy intelligent heavy-duty truck models, Awaken (驚蟄) and Ripen (小滿). We commenced pilot sales in 2023 and officially launched commercial sales in 2024, progressively expanding our vehicle portfolio and market reach. Benefiting from our forward-engineering approach and vertical integration capabilities, we have built our vehicle platform and self-developed core components including our proprietary Matrix four-in-one e-axle, multi-source heat-pump thermal management system and intelligent vehicle control system. Benefiting from the scaled delivery and operation of our new energy intelligent heavy-duty trucks, we have been able to continuously enhance our vehicle systems and core technologies, thereby enhancing our vehicles and solution and driving our long-term business growth. We continuously update our existing models by introducing new configurations and versions, improving our cost structure and enhancing gross profit margins through cost reduction and efficiency enhancement initiatives. During the Track Record Period, the sales volume of our new energy intelligent heavy-duty trucks and vehicles under the RoboTruck solution significantly increased from two units in 2023 to 272 units in 2024, and further to 1,191 units in 2025, driving our revenue growth from RMB1.2 million in 2023 to RMB124.1 million in 2024, and further to RMB522.2 million in 2025.

Meanwhile, we continue to expand the addressable scenarios and revenue models for our RoboTruck solution. In enclosed operating environments, we offer a comprehensive RoboTruck solution, encompassing our vehicles, our proprietary end-to-end MLLM, and a cloud-based digital platform that could be integrated with customer-specific operating scenarios. As of December 31, 2025, we delivered 15 vehicles under the RoboTruck solution. We plan to progressively commence charging customers technology service fees and expand our RoboTruck solution to additional application scenarios. We believe the continued development of our RoboTruck solution will provide us with diversified revenue streams and support our long-term growth.

Our Continued Investment in Research and Development

The new energy heavy-duty truck industry represents a large and growing market in which technological capability is a key differentiating factor. We have self-developed key vehicle systems, including Matrix four-in-one e-axle, heat-pump-based vehicle thermal management system and vehicle electronic control system. These systems contribute to the core objectives for our new energy intelligent heavy-duty trucks, namely, energy-efficient operating economics, full lifecycle reliability, and intelligent operations.

Our financial performance will be significantly dependent on our ability to sustain our technological leadership. In particular, we are enhancing our autonomous driving capabilities, vehicle architecture and core component design, with our research and development costs amounting to RMB71.4 million, RMB116.2 million and RMB126.0 million in 2023, 2024 and 2025, respectively. We expect to continue to incur substantial, and potentially increasing, research and development costs and to dedicate significant resources to improving and refining our technology capabilities.

Manufacturing and Supply Chain Management

We collaborate closely with selected suppliers for the procurement and production of battery, e-axle and other key components applied in our new energy intelligent heavy-duty trucks. We also collaborate with established contract assembly partners to assemble and produce heavy-duty trucks. The quality, stability and resilience of our supply chain are essential to our ability to meet delivery schedules, maintain product quality and manage production costs. The pricing of our trucks is determined with reference to multiple factors, with unit cost of sales being a key consideration. As batteries are the primary component of our vehicles, fluctuations in battery prices can directly affect our unit costs, average selling prices and gross profit margins. Volatility in raw-material prices or any disruption in the supply chain could also adversely affect our vehicle development and manufacturing schedules. To enhance our supply-chain reliability and integration, we self-design and develop our core system-level solutions, engage supply chain partners for manufacturing major components, and collaborate with qualified contract assembly for final vehicle assembly. We have established a structured supplier qualification and management framework and continue to diversify our contract assembly partner base, thereby preserving operational flexibility and reducing reliance on any particular partner.

Our Ability to Build and Strengthen Our Commercial Ecosystem

We are proactively building a comprehensive service and commercial ecosystem to support customer adoption. We have established a dedicated after-sales service and maintenance network and are working with our ecosystem partners to develop charging and battery-swapping infrastructure. We are also exploring collaboration with a range of business partners across the scenarios we serve to further advance the intelligent and autonomous upgrade of heavy-duty trucking operations.

We believe that the maturation of this broader ecosystem reinforces demand for our vehicle deliveries and RoboTruck solution. As supporting infrastructure and services become more widely available, the value proposition of our new energy intelligent heavy-duty trucks and RoboTruck solution strengthen, creating a mutually reinforcing cycle between ecosystem development and customer adoption that supports our long-term commercial growth.

Cost Control and Operational Efficiency

Our ability to improve our cost control and operational efficiency is critical to our financial performance, particularly as we continue to scale up production and expand our customer base. During the Track Record Period, our cost of sales amounted to RMB4.5 million, RMB167.2 million and RMB535.4 million in 2023, 2024 and 2025, respectively, with raw material costs accounting for 37.6%, 89.1% and 95.9% of total cost of sales in the respective years. We developed a suite of proprietary technologies designed to reduce manufacturing and component costs. For example, our multi-source heat pump thermal management system streamlines the system architecture and improves the level of integration, reducing weight by 62 kg, volume by 43%, and the number of components by 18% compared with distributed solutions. These design improvements lower per-unit material consumption, reduce energy costs for end users, and support our continued cost optimization.

We are committed to continuously enhancing our operational efficiency across administration, sales and marketing, and research and development. In 2025, our total operating expenses accounted for 43.5% of our revenue. We expect to further improve our administrative efficiency by streamlining our operational structure and optimizing resource allocation as our business scales. For sales and marketing, we aim to leverage our expanding distributor network to facilitate market reach, with the number of distributors growing rapidly from 33 as of December 31, 2024 to 98 as of December 31, 2025. As our distributors increasingly assume responsibility for regional market development, customer acquisition and after-sales services, we expect to achieve broader market coverage with lower incremental selling costs per unit sold. Furthermore, our platform-based R&D strategy promotes extensive reuse and standardization of key components, core subsystems and structural parts across vehicle models, enabling us to apply our modular technologies across all models with shorter development cycles and lower marginal development costs, thereby improving manufacturing scalability and overall R&D cost efficiency.

MATERIAL ACCOUNTING POLICIES AND CRITICAL JUDGMENTS AND ESTIMATES

The preparation of historical financial statements in conformity with IFRS Accounting Standards requires our management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Set out below is a summary of the material accounting policies on our revenue recognition. For a detailed description of the material accounting policies judgements and estimates which we believe are most important for understanding our results of operations and financial condition, see Note 2 and Note 3 to the Accountants' Report set out in Appendix I to this document.

Material Accounting Policies on Revenue Recognition

We classify income as revenue when it arises from the sale of goods, the provision of services in the ordinary course of our business. We are the principal for our revenue transactions and recognize revenue on a gross basis. In determining whether we act as a principal or as an agent, we consider

whether we obtain control of the products before they are transferred to the customers. Control refers to our ability to direct the use of and obtain substantially all of the remaining benefits from the products. Revenue is recognized when control over a product or service is transferred to the customer, at the amount of promised consideration to which we are expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

Sales of Goods

Revenue for sales of goods is recognized when products are delivered at the customers' premises which is taken to be the point in time when the customer has accepted and taken possession of the goods at the amount of promised consideration to which we are expected to be entitled.

Rendering of Services

Revenue of services is recognized when the customer passes the acceptance and the development results are submitted.

DESCRIPTION OF SELECTED COMPONENTS OF THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

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

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue	**1,163**	**100.0**	**124,091**	**100.0**	**522,170**	**100.0**
Cost of sales	(4,503)	(387.2)	(167,184)	(134.7)	(535,432)	(102.5)
Gross loss	**(3,340)**	**(287.2)**	**(43,093)**	**(34.7)**	**(13,262)**	**(2.5)**
Other net gain	1,652	142.0	7,905	6.4	5,991	1.1
Selling expenses	(3,754)	(322.8)	(24,799)	(20.0)	(47,473)	(9.1)
Administrative expenses	(24,799)	(2,132.3)	(41,283)	(33.3)	(53,778)	(10.3)
Research and development costs	(71,423)	(6,141.3)	(116,166)	(93.6)	(126,038)	(24.1)
Impairment loss on trade and other receivables and financial guarantee issued	(8)	(0.7)	(1,566)	(1.3)	(1,044)	(0.2)
Loss from operations	**(101,672)**	**(8,742.2)**	**(219,002)**	**(176.5)**	**(235,604)**	**(45.1)**
Changes in the carrying amount of ordinary shares with redemption rights	(12,100)	(1,040.4)	(20,515)	(16.5)	(41,824)	(8.0)
Other finance costs	(539)	(46.3)	(1,330)	(1.1)	(3,308)	(0.6)
Finance costs	(12,639)	(1,086.8)	(21,845)	(17.6)	(45,132)	(8.6)
Loss before taxation	**(114,311)**	**(9,829.0)**	**(240,847)**	**(194.1)**	**(280,736)**	**(53.8)**
Income tax	—	—	—	—	—	—
Loss for the year	**(114,311)**	**(9,829.0)**	**(240,847)**	**(194.1)**	**(280,736)**	**(53.8)**

NON-IFRS MEASURE

To supplement our financial information, which is presented in accordance with IFRS Accounting Standards, we also provide adjusted net loss as a non-IFRS measure, which is not required by, or presented in accordance with, the IFRS Accounting Standards. Our adjusted net loss (Non-IFRS measure) as a percentage of revenue narrowed during the Track Record Period.

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted by adding back (i) equity-settled share-based payment expenses, which are non-cash in nature, and (ii) changes in the carrying amount of ordinary shares with redemption rights, which are non-cash in nature. Such redemption liabilities will be reclassified to equity upon the **[REDACTED]**. We believe that non-IFRS measure facilitates comparisons of operating performance from period to period, aiming to provide useful information to **[REDACTED]** in understanding and evaluating our results of operations in the same manner as it helped our management. However, our presentation of adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The application of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following table reconciles our adjusted net loss (non-IFRS measure) for the periods indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year	**(114,311)**	**(240,847)**	**(280,736)**
Add:			
Equity-settled share-based payment	3,652	3,924	8,097
Changes in the carrying amount of ordinary shares with redemption rights	12,100	20,515	41,824
Adjusted net loss (non-IFRS measure)	**(98,559)**	**(216,408)**	**(230,815)**

Revenue

Revenue by Business Line

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

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
New energy intelligent heavy-duty trucks	**1,150**	**98.9**	**120,756**	**97.3**	**507,382**	**97.2**
Ripen	—	—	16,190	13.0	306,274	58.7
Awaken	1,150	98.9	104,566	84.3	201,108	38.5
RoboTruck solution	**—**	**—**	**—**	**—**	**8,102**	**1.5**
Others[(1)]	**13**	**1.1**	**3,335**	**2.7**	**6,686**	**1.3**
Total	**1,163**	**100.0**	**124,091**	**100.0**	**522,170**	**100.0**

Note:

(1) Others mainly represent revenue from (a) sales of spare parts and accessories, and (b) provision of technical services including R&D, maintenance and trial-drive services.

We recorded significant revenue growth during the Track Record Period, from RMB1.2 million in 2023 to RMB124.1 million in 2024 and further to RMB522.2 million in 2025. We primarily generated revenue from sales of our new energy intelligent heavy-duty trucks, including the Ripen and Awaken models.

Our RoboTruck solution provides customers with vehicles equipped with by-wire chassis, end-to-end MLLM, and a cloud-based digital platform that could be integrated with customer-specific operating scenarios. As of December 31, 2025, we delivered 15 vehicles equipped with by-wire chassis under the RoboTruck solution. We plan to progressively commence charging customers technology service fees and expand our RoboTruck solution to additional application scenarios.

In addition, revenue from others complements the vehicle sales business, with the sale of spare parts and accessories reflecting rising after-sales demand alongside a growing installed base. We also generated revenue from provision of technical services including R&D, maintenance, and trial-drive services.

Revenue from Sales of New Energy Intelligent Heavy-Duty Trucks

Revenue generated from the sales of our new energy intelligent heavy-duty trucks is primarily driven by their sales volume and average selling prices. The following table sets forth a breakdown of the sales volume and average selling prices by vehicle model for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	units	*RMB per unit*	*units*	*RMB per unit*	*units*	*RMB per unit*
Ripen	—	—	39	415,111	751	407,821
Awaken	2	575,221	233	448,782	425	473,195

In 2023, we commenced pilot sales of the Awaken model. In 2024, we formally launched and commenced commercialization of the Awaken and Ripen models, with sales volumes of 233 units and 39 units, respectively, in that year. Our sales volume increased substantially from 2024 to 2025 to 425 units of Awaken and 751 units of Ripen, primarily attributable to our advanced technological strengths in vehicle design, increased market recognition of our brand and vehicles, and the continued expansion of our sales network. We continue to leverage our research and development capabilities to iterate these vehicles for better performance and launch new versions, thereby expanding our vehicle portfolio to meet evolving customer demands.

The pricing of our trucks is determined with reference to multiple factors, with unit cost of sales being a key consideration. As batteries are the primary component of our vehicles, fluctuations in battery prices can directly affect our unit costs, average selling prices and gross profit margins. The average selling price of Ripen decreased from RMB415,111 in 2024 to RMB407,821 in 2025, primarily attributable to our continued efforts in optimizing cost structure of our vehicles, which passed on cost savings to customers through more competitive pricing. Meanwhile, the average selling price of Awaken increased from RMB448,782 in 2024 to RMB473,195 in 2025, primarily because we offered vehicles equipped with larger battery packs offering longer driving range.

Revenue by Sales Channel

We adopt a balanced sales model combining distributor-based sales and direct sales to achieve broad and efficient market coverage across diverse regions and customer segments. We engage distributors for sales of our new energy intelligent heavy-duty trucks and RoboTruck vehicles, and maintain a direct sales channel across all of our business lines. The following table sets forth a breakdown of our revenue by sales channel in absolute amount and as a percentage of our total revenue for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Distributorship	—	—	85,184	68.6	372,870	71.4
Direct Sales	1,163	100.0	38,907	31.4	149,300	28.6
Total	**1,163**	**100.0**	**124,091**	**100.0**	**522,170**	**100.0**

During the Track Record Period, the revenue growth across our sales channels aligned with our business growth. Revenue from the sales through distributorship accounted for nil, 68.6%, and 71.4% of our total revenue in 2023, 2024, and 2025, respectively. The overall growth of our sales of new energy intelligent heavy-duty trucks and RoboTruck vehicles through distributorship reflected our effort in expanding our distribution channels, which enables us to reach a broader customer base and achieve deeper market penetration.

Cost of Sales

Our cost of sales primarily consist of raw material costs, manufacturing costs and provision of inventories. The following table sets forth a breakdown of our cost of sales in absolute amounts and as a percentage of our total cost of sales for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Raw material costs	1,694	37.6	149,006	89.1	513,501	95.9
Manufacturing costs	42	0.9	5,772	3.5	16,004	3.0
Provision of inventories	2,739	60.8	11,810	7.1	(9,836)	(1.8)
Others[(1)]	28	0.7	596	0.3	15,763	2.9
Total	**4,503**	**100.0**	**167,184**	**100.0**	**535,432**	**100.0**

Note:

(1) Others mainly represent costs for depreciation and logistics.

Our cost of sales increased from RMB4.5 million in 2023 to RMB167.2 million in 2024 and further to RMB535.4 million in 2025, in line with our business expansion. Our raw material costs primarily include batteries, e-axles and other vehicle components. During the Track Record Period, raw material costs constituted the largest component of our cost of sales, accounting for 37.6%, 89.1%, and 95.9% of our total cost of sales in 2023, 2024, and 2025, respectively. We recorded provision of inventories of RMB2.7 million and RMB11.8 million in 2023 and 2024, respectively, as the net

realisable value of our finished goods fell below their carrying costs due to negative gross margins during the early stages of commercialization, and a net reversal of RMB9.8 million in 2025 as our gross margin profile improved significantly.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

Our gross profit/(loss) represents our revenue less our cost of sales, and our gross margin represents gross profit/(loss) divided by our revenue, expressed as a percentage. The following table sets forth a breakdown of our gross profit/(loss) and gross profit/(loss) margin in absolute amounts and as a percentage of our total revenue for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit/(Loss)	Gross Profit/(Loss) Margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
New energy intelligent heavy-duty trucks	**(3,340)**	**(290.4)**	**(42,280)**	**(35.0)**	**(14,800)**	**(2.9)**
Ripen	—	—	(5,751)	(35.5)	(1,206)	(0.4)
Awaken	(3,340)	(290.4)	(36,529)	(34.9)	(13,594)	(6.8)
RoboTruck solution	**—**	**—**	**—**	**—**	**352**	**4.3**
Others	**—**	**—**	**(813)**	**(24.4)**	**1,186**	**17.7**
Total	**(3,340)**	**(287.2)**	**(43,093)**	**(34.7)**	**(13,262)**	**(2.5)**

Our sales of new energy intelligent heavy-duty trucks were at an early stage of commercialization during the Track Record Period. We recorded gross loss of RMB3.3 million, RMB43.1 million and RMB13.3 million in 2023, 2024 and 2025, respectively. Changes in our gross loss were primarily in relation to (i) revenue growth since the commercialization of our new energy intelligent heavy-duty trucks in 2024; and (ii) our continuing efforts in cost control and supply chain management.

Our gross loss margin narrowed significantly from 287.2% in 2023 to 34.7% in 2024 and further to 2.5% in 2025. We believe that our gross loss margin in 2023 was not indicative of our ongoing operations as it reflected our pilot sales stage with only two units delivered. The subsequent improvement was primarily driven by (i) substantial revenue growth as delivery volumes increased from 272 units in 2024 to 1,176 units in 2025, (ii) increasing economies of scale in procurement and manufacturing which strengthened our supply chain management and allowed us to source more competitive suppliers for key components, and (iii) continued technological iteration in vehicle design and core hardware systems which lowered per-unit material consumption. Furthermore, our RoboTruck solution achieved a positive gross margin of 4.3% in 2025, primarily because our vehicles equipped with by-wire chassis embody higher technology content and command higher selling prices. We expect

our gross margin to continue improving as we scale up sales of our new energy intelligent heavy-duty trucks and RoboTruck solutions through continued technological iteration, and further strengthen cost management and operational efficiency.

Other Net Gain

Our other net gain mainly consists of (i) government grants from local government authorities, (ii) interest income from our deposits, and (iii) gain on wealth management products. The following table sets forth the breakdown of our other net gain in absolute amounts and as a percentage of total other net gain for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Government grants	11	0.7	7,367	93.2	6,266	104.6
Interest income	492	29.8	315	4.0	294	4.9
Gain on wealth management products	1,149	69.5	308	3.9	7	0.1
Net gain on disposal of property, plant and equipment	1	0.1	—	—	—	—
Net loss on early termination of leases	—	—	—	—	(70)	(1.2)
Others	(1)	(0.1)	(85)	(1.1)	(506)	(8.4)
Total	**1,652**	**100.0**	**7,905**	**100.0**	**5,991**	**100.0**

During the Track Record Period, we received government grants that were non-recurring in nature, mainly from different levels of local governments in connection with R&D projects and business development within the relevant jurisdictions.

Selling Expenses

Our selling expenses primarily consisted of (i) employee compensation expenses in relation to our sales personnel, including share-based payments (ii) marketing expenses, (iii) travel expenses in relation to our marketing activities, and (iv) others. The following table sets forth a breakdown of our selling expenses in absolute amounts and as a percentage of total selling expenses for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Employee compensation expenses	2,777	74.0	15,354	61.9	30,418	64.1
Marketing expenses	304	8.1	4,358	17.6	10,110	21.3
Travel expenses	596	15.9	4,310	17.4	4,349	9.2
Others[(1)]	77	2.0	777	3.1	2,596	5.4
Total	**3,754**	**100.0**	**24,799**	**100.0**	**47,473**	**100.0**

Note:

(1) Primarily represents storage and logistics expenses, business development expenses, professional service expenses, and amortization of intangible assets.

Our selling expenses increased from RMB3.8 million in 2023, to RMB24.8 million in 2024, and further to RMB47.5 million in 2025, primarily due to (i) an increase in employee compensation expenses, driven by higher headcount and performance-based incentives for our sales personnel, and the recruitment of more experienced sales professionals to support our business expansion, and (ii) an increase in marketing expenses associated with our sales and marketing efforts which includes convention costs, media-related costs, as well as online and outdoor advertisement costs.

Administrative Expenses

Our administrative expenses primarily consisted of (i) employee compensation expenses in relation to our administrative personnel, including share-based payments (ii) professional services expenses, mainly including the service fees for our financial advisers and other consulting service providers in relation to our financing activities, (iii) office and lease expenses, (iv) business development expenses and (v) others. The following table sets forth a breakdown of our administrative expenses in absolute amounts and as a percentage of total administrative expenses for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Employee compensation expenses	14,000	56.5	27,040	65.5	33,683	62.6
Professional service expenses	4,795	19.3	4,695	11.4	6,178	11.5
Office and lease expenses	4,051	16.3	6,832	16.5	8,232	15.3
Business development expenses	1,317	5.3	1,397	3.4	2,063	3.8
Others[(1)]	636	2.6	1,319	3.2	3,622	6.8
Total	**24,799**	**100.0**	**41,283**	**100.0**	**53,778**	**100.0**

(1) Primarily represents utility expenses, tax and surcharges, and transaction fees.

Research and Development Costs

Our research and development costs primarily consisted of (i) employee compensation expenses in relation to our R&D personnel, including share-based payments, (ii) external resource costs, representing the cloud services and software subscriptions, (iii) inspection fees, (iv) contract R&D costs for certification testing and tooling development, (v) raw materials for R&D, and (vi) others. The following table sets forth a breakdown of our research and development costs in absolute amounts and as a percentage of total research and development costs for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Employee compensation expenses	47,004	65.8	74,977	64.5	74,048	58.8
External resource costs	456	0.6	3,300	2.8	16,975	13.5
Inspection fees	8,932	12.5	11,795	10.2	13,753	10.9
Contract R&D costs	9,174	12.8	15,628	13.5	8,839	7.0
Raw materials	781	1.1	2,944	2.5	5,093	4.0
Others[(1)]	5,076	7.2	7,522	6.5	7,330	5.8
Total	**71,423**	**100.0**	**116,166**	**100.0**	**126,038**	**100.0**

Note:

(1) Primarily represents travel costs, depreciation costs, amortization costs, and intellectual property-related costs.

Impairment Loss on Trade and Other Receivables and Financial Guarantee Issued

Our impairment loss on trade and other receivables and financial guarantee issued represents the loss allowance measured under expected credit loss model. Our impairment losses on trade and other receivables and financial guarantee issued were RMB8 thousand, RMB1.6 million, and RMB1.0 million in 2023, 2024 and 2025, respectively.

Finance Costs

Our finance costs primarily consisted of (i) changes in the carrying amount of ordinary shares with redemption rights, and (ii) interest expenses on loans and borrowings. Our changes in the carrying amount of ordinary shares with redemption rights arose from our contractual obligation to redeem our equity instruments for cash upon the occurrence of certain events and was recognized as financial liabilities.

The following table sets forth a breakdown of our finance costs in absolute amounts and as a percentage of total finance costs for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Changes in the carrying amount of ordinary shares with redemption rights	12,100	95.7	20,515	93.9	41,824	92.7
Interest expenses on loans and borrowings	—	—	647	3.0	1,702	3.8
Interest expenses on obligations arising from leaseback	—	—	—	—	900	2.0
Interest expenses on lease liabilities	539	4.3	683	3.1	706	1.5
Total	**12,639**	**100.0**	**21,845**	**100.0**	**45,132**	**100.0**

Income Tax

We did not record any income tax during the Track Record Period, as we recorded losses before taxation during the Track Record Period and did not record any material current or deferred income tax expense. During the Track Record Period and up to the Latest Practicable Date, we had made all the required tax filings with the relevant tax authorities in the PRC and we are not aware of any outstanding or potential disputes with such tax authorities.

We are subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of our Group are domiciled and operated. Pursuant to the PRC Enterprise Income Tax (the "**EIT**"), our Company and our subsidiaries in the Chinese Mainland are subject to EIT at a rate of 25%. During the Track Record Period, certain of our subsidiaries were qualified as High and New Technology Enterprises ("**HNTE**") and enjoyed a preferential EIT at a rate

of 15%. According to the tax incentive policies promulgated by the State Tax Bureau of the PRC, effective for the period from 1 January 2023, an additional 100% of qualified R&D costs incurred is allowed to be deducted from taxable income. For details, see Note 7 to the Accountants' Report set out in Appendix I to this document.

Loss for the Year

As a result of the foregoing, we recorded loss for the year of RMB114.3 million, RMB240.8 million and RMB280.7 million in 2023, 2024 and 2025, respectively.

YEAR-TO-YEAR COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased by 320.8% from RMB124.1 million in 2024 to RMB522.2 million in 2025, primarily driven by the increase in revenue generated from the sales of our new energy intelligent heavy-duty trucks.

Revenue generated from the sales of our new energy intelligent heavy-duty trucks increased significantly, with Ripen revenue increasing from RMB16.2 million in 2024 to RMB306.3 million in 2025 and Awaken revenue increasing from RMB104.6 million in 2024 to RMB201.1 million in 2025. The sales growth in both models was primarily driven by a substantial ramp-up in sales volume, from 39 units in 2024 to 751 units in 2025 for Ripen and from 233 units in 2024 to 425 units in 2025 for Awaken, primarily attributable to our advanced technological strengths in vehicle design, increased market recognition of our brand and vehicles, and the continued expansion of our sales network from 33 distributors in 2024 to 98 in 2025.

Revenue generated from our RoboTruck solution increased from nil in 2024 to RMB8.1 million in 2025, as we are in the process of commercializing our solution and delivered 15 RoboTruck vehicles in 2025.

Cost of Sales

Our cost of sales increased by 220.3% from RMB167.2 million in 2024 to RMB535.4 million in 2025, primarily due to an increase in raw material costs associated with the increased sales volume of our new energy intelligent heavy-duty trucks.

Gross Loss and Gross Loss Margin

Our gross loss decreased by 69.2% from RMB43.1 million in 2024 to RMB13.3 million in 2025. In the meanwhile, our margin profile improved from gross loss margin of 34.7% in 2024 to gross loss margin of 2.5% in 2025. The decrease in our gross loss and gross loss margin mainly reflected our continued efforts to optimize the cost structure of our vehicles, for example, our engagement with a new battery supplier for Ripen in 2025, enabling us to procure the battery packs at more favorable prices. In addition, enhanced technical capabilities in vehicle design and core hardware systems enabled further vehicle lightweighting, contributing to reduced per-unit material consumption. The decreases in

our gross loss and gross loss margin are also attributable to a reduction in per-unit manufacturing costs for our new energy intelligent heavy-duty trucks, as higher production volume allowed the depreciation and amortization of engineering molds to be allocated over more vehicles.

Other Net Gain

Our other net gain decreased from RMB7.9 million in 2024 to RMB6.0 million in 2025, primarily due to a decrease of RMB1.1 million in government grants we recognized in the respective years, which are non-recurring in nature.

Selling Expenses

Our selling expenses increased from RMB24.8 million in 2024 to RMB47.5 million in 2025, primarily due to (i) an increase in employee compensation expenses, driven by higher headcount and performance-based incentives for our sales personnel, and the recruitment of more experienced sales professionals to support our business expansion, and (ii) an increase in marketing expenses associated with our sales and marketing efforts which includes convention costs, media-related costs, as well as online and outdoor advertisement costs.

Administrative Expenses

Our administrative expenses increased from RMB41.3 million in 2024 to RMB53.8 million in 2025, primarily due to increases in (i) employee compensation expenses attributable to the expansion of our administrative team to support our business growth, and (ii) professional service expenses with respect to our equity financing activities.

Research and Development Costs

Our research and development costs increased from RMB116.2 million in 2024 to RMB126.0 million in 2025, primarily due to an increase in external resource costs for the cloud services and software subscriptions, partially offset by a decrease in contract R&D costs as we transitioned more R&D activities in-house, in line with our focus on conducting core R&D internally.

Impairment Loss on Trade and Other Receivables and Financial Guarantee Issued

Our impairment loss on trade and other receivables and financial guarantee issued decreased by 33.3% from RMB1.6 million in 2024 to RMB1.0 million in 2025, primarily due to a reversal of the financial guarantee provision as our outstanding guarantee exposure declined from RMB13.6 million to RMB9.0 million, partially offset by higher ECL provision on trade receivables in line with revenue growth.

Finance Costs

Our finance costs increased from RMB21.8 million in 2024 to RMB45.1 million in 2025, primarily driven by the issuance of successive rounds of investments. See "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments" and note 25 to the Accountants' Report in Appendix I to this document.

Income Tax

We did not incur any income tax in 2024 and 2025.

Loss for the Year

As a result of the above, we recorded net loss of RMB240.8 million and RMB280.7 million in 2024 and 2025, respectively.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased significantly from RMB1.2 million in 2023 to RMB124.1 million in 2024, primarily driven by the formal launch and commercialization of our Awaken and Ripen models in 2024, with sales volumes of 233 units and 39 units respectively, as well as the expansion of our distribution network from nil as of December 31, 2023 to 33 distributors as of December 31, 2024.

Cost of Sales

Our cost of sales increased significantly from RMB4.5 million in 2023 to RMB167.2 million in 2024, primarily due to an increase in raw material costs and manufacturing costs for the production of our new energy intelligent heavy-duty trucks.

Gross Loss and Gross Loss Margin

As a result of the foregoing factors and the early stage of commercialization of our new energy intelligent heavy-duty trucks, our gross loss increased from RMB3.3 million in 2023 to RMB43.1 million in 2024. We believe that our gross loss margin in 2023 of 287.2% was not indicative of our ongoing operations as it reflected our pilot sales stage with only two units delivered near the end of the year. Our gross loss margin subsequently narrowed to 34.7% in 2024, primarily driven by substantial revenue growth as we formally launched and commenced commercialization of our Ripen and Awaken models during the year.

Other Net Gain

Our other net gain increased significantly from RMB1.7 million in 2023 to RMB7.9 million in 2024, primarily due to an increase in non-recurring government grants we recognized in the respective years, mainly relating to R&D activities.

Selling Expenses

Our selling expenses increased significantly from RMB3.8 million in 2023 to RMB24.8 million in 2024, primarily due to (i) an increase in employee compensation expenses, attributable to the increased headcount and average compensation of our sales personnel, (ii) an increase in marketing expenses and (iii) an increase in travel expenses, all of which in connection with marketing efforts for the two vehicle models launched and commercialized in 2024.

Administrative Expenses

Our administrative expenses increased from RMB24.8 million in 2023 to RMB41.3 million in 2024, primarily due to an increase in employee compensation expenses as we expanded our administration team to support our operational expansion.

Research and Development Costs

Our research and development costs increased from RMB71.4 million in 2023 to RMB116.2 million in 2024, primarily due increases in (i) employee compensation expenses, (ii) contract R&D costs, and (iii) inspection fees, all related to the development, testing and iteration of our vehicle models.

Impairment Loss on Trade and Other Receivables and Financial Guarantee Issued

Our impairment loss on trade and other receivables and financial guarantee issued increased from RMB8.0 thousand in 2023 to RMB1.6 million in 2024, as a result of an increase in outstanding trade receivables at the end of the respective years, in line with the increase of revenue for the respective years.

Finance Costs

Our finance costs increased significantly from RMB12.6 million in 2023 to RMB21.8 million in 2024, primarily due to an increase in changes in the carrying amount of ordinary shares with redemption rights, driven by the issuance of successive rounds of investments. See "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments" and note 25 to the Accountants' Report in Appendix I to this document.

Income Tax

We did not incur any income tax in 2023 and 2024.

Loss for the Year

As a result of the above, we recorded net loss of RMB114.3 million and RMB240.8 million in 2023 and 2024, respectively.

DESCRIPTION OF SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth a summary of our consolidated statements of financial positions as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets			
Property, plant and equipment	18,245	32,096	39,221
Right-of-use assets	17,772	13,961	15,735
Intangible assets	1,166	1,870	2,827
Trade receivables	—	—	18,056
Other non-current assets	3,651	741	851
Total non-current assets	**40,834**	**48,668**	**76,690**
Current assets			
Inventories	5,982	33,566	142,450
Trade and other receivables	10,558	72,372	130,230
Financial assets measured at fair value through profit and loss ("**FVTPL**")	50,000	—	—
Pledged bank deposits	—	—	180,208
Cash and cash equivalents	32,089	12,970	154,637
Total current assets	**98,629**	**118,908**	**607,525**
Current liabilities			
Trade and other payables	29,730	110,846	434,801
Contract liabilities	—	1,401	10,992
Loans and borrowings	—	43,460	120,953
Lease liabilities	3,356	2,639	4,772
Provisions	4	519	2,318
Ordinary shares with redemption rights	215,073	356,088	723,912
Total current liabilities	**248,163**	**514,953**	**1,297,748**
Net current liabilities	**(149,534)**	**(396,045)**	**(690,223)**
Total assets less current liabilities	**(108,700)**	**(347,377)**	**(613,533)**
Non-current liabilities			
Provisions	8	893	3,517
Lease liabilities	14,435	11,796	11,835
Total non-current liabilities	**14,443**	**12,689**	**15,352**
Net liabilities	**(123,143)**	**(360,066)**	**(628,885)**

Property, Plant and Equipment

Our property, plant and equipment consists of (i) mold for the production of our new energy intelligent heavy-duty trucks, (ii) leasehold improvement associated with the offices of subsidiaries, (iii) office and other equipment used in our daily operations, (iv) construction in progress, primarily in relation to the construction of our prototype workshops, and (v) machinery and equipment for our research and development activities.

Our property, plant and equipment increased from RMB18.2 million as of December 31, 2023 to RMB32.1 million as of December 31, 2024 and further to RMB39.2 million as of December 31, 2025, primarily due to the increase in molds, construction in progress and leasehold improvement to support our business expansion.

Right-of-use Assets

Our right-of-use assets consisted of properties leased for our office premises. Our right-of-use assets decreased from RMB17.8 million as of December 31, 2023 to RMB14.0 million as of December 31, 2024, primarily due to depreciation charge of leasehold buildings. Our right-of-use assets increased to RMB15.7 million as of December 31, 2025, primarily due to the addition of new leases for office premises to support our growing operations.

Inventories

Our inventories consisted of (i) raw materials, primarily comprising batteries, e-axles, driving compartment components, and other vehicle components, and (ii) finished goods, representing new energy intelligent heavy-duty trucks ready for sale. The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	3,130	17,387	98,796
Finished goods	2,852	16,179	43,654
Total	**5,982**	**33,566**	**142,450**

Our inventories increased from RMB6.0 million as of December 31, 2023 to RMB33.6 million as of December 31, 2024, and further increased to RMB142.5 million as of December 31, 2025, as we increased procurement of raw materials and expanded production of our new energy intelligent heavy-duty trucks, in line with our growing business scale.

The following table sets forth the aging analysis of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within one year	5,982	33,283	142,450
One year to two years	—	283	—
Total	**5,982**	**33,566**	**142,450**

The following table sets forth our inventory turnover days for the years indicated:

	As of December 31,		
	2023	2024	2025
Inventory turnover days[(1)]	315	43	59

Note:

(1) Calculated as the average of the opening and ending balance of inventories for the year divided by cost of sales for the relevant year and multiplied by 360 days.

Our inventory turnover days decreased significantly from 315 days in 2023 to 43 days in 2024, primarily because 2023 represented our pilot sales stage with minimal revenue against which inventory was measured, and the substantial increase in revenue following the commercial launch of our Awaken and Ripen models in 2024 significantly outpaced the growth in inventory. Our inventory turnover days subsequently increased to 59 days in 2025, primarily as we increased procurement of raw materials, in particular batteries, to support accelerating delivery schedules and rising market demand.

As of April 30, 2026, RMB112.7 million, or approximately 79.1%, of our inventories as of December 31, 2025 had been subsequently consumed.

Trade and Other Receivables

Our trade and other receivables recorded as non-current assets consists of trade receivables due from customers under 36-month installment payment arrangements that are not expected to be collected within one year.

Our trade and other receivables recorded as current assets primarily consist of (i) trade receivables due from third parties, mainly representing outstanding amounts due from our customers for the sales of new energy intelligent heavy-duty trucks, (ii) bills receivables, (iii) other receivables, representing deposits and security deposits, (iv) VAT recoverable, representing input VAT on purchases of raw materials, components, and services that has not yet been offset against output VAT or refunded, and (v) prepayments to suppliers. The following table sets forth details of our trade and other receivables as of the dates indicated:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets			
Trade receivables	—	—	18,056
Current assets			
Trade receivables	1,300	12,220	79,239
Less: loss allowance on trade receivables	(8)	(166)	(1,302)
	1,292	12,054	77,937
Bills receivable	—	270	7,572
Other receivables	2,508	8,306	8,589
Less: loss allowance on other receivables	—	—	—
	2,508	8,306	8,589
Value-added tax ("**VAT**") recoverable	4,485	9,215	3,700
Prepayments to suppliers	2,273	42,527	32,432
	10,558	**72,372**	**130,230**

Our trade and other receivables increased from RMB10.6 million as of December 31, 2023 to RMB72.4 million as of December 31, 2024 and further to RMB130.2 million as of December 31, 2025, primarily reflecting the overall growth of our business and increased sales activities.

The following table sets forth the aging analysis of our trade and bills receivables presented based on the invoice date and net of loss allowance as of the dates indicated:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0 to 90 days	1,292	10,928	101,527
91 to 180 days	—	1,396	1,590
181 to 360 days	—	—	448
	1,292	12,324	103,565

The following table sets forth our trade receivables turnover days for the years indicated:

	As of December 31,		
	2023	2024	2025
Trade receivables turnover days[(1)]	200	19	37

Note:

(1) Calculated as the average of the opening and ending balance of trade receivables for the year divided by revenue for the relevant year and multiplied by 360 days.

Our trade receivables turnover days decreased from 200 days in 2023 to 19 days in 2024, primarily because 2023 represented our pilot sales stage during which we delivered only two vehicles in December 2023 with payment received in 2024, resulting in a disproportionately high receivables balance relative to the minimal revenue recognised during the year. Our trade receivables turnover days further increased to 37 days in 2025, primarily attributable to a timing effect, as we received a significantly higher volume of orders in November and December 2025 compared to prior months, resulting in a higher outstanding balance at year-end, with the growth rate of trade receivables being much higher than that of revenue.

As of April 30, 2026, RMB67.7 million, or approximately 65.3%, of our trade and bills receivables as of December 31, 2025 had been subsequently collected.

Financial assets measured at FVTPL

Our financial assets measured at FVTPL represented our investments in wealth management products with variable returns. Such investments were classified as Level 2 fair value measurements. In accordance with our risk management and investment strategy, we manage and evaluate the performance of these investments on a fair value basis and therefore these investments are designated as financial assets at FVTPL. For details, see Note 18 to the Accountants' Report set out in Appendix I to this document.

Our financial assets measured at FVTPL decreased from RMB50.0 million as of December 31, 2023 to nil as of December 31, 2024 and 2025, respectively, as we redeemed all the wealth management products with outstanding balances in 2024.

We adopted a comprehensive set of internal policies and guidelines to monitor and control the investment risks regarding our financial assets measured at FVTPL. We devise investment decisions based on our estimated capital requirements and our annual budget, taking into account the duration, expected returns and risks of the wealth management product to better utilize excess cash when our cash sufficiently covers our ordinary course of business. We generally limit our purchases to short-term products with stable interest rates, which are redeemable on demand from reputable commercial banks.

After **[REDACTED]**, we may continue our investments strictly in accordance with our internal policies and measures and the requirements under Chapter 14 of the Listing Rules.

Trade and Other Payables

Our trade and other payables consisted of (i) trade payables, representing the outstanding amounts due to our suppliers in relation to the production of our vehicles, (ii) bills payable for our procurement of raw materials, (iii) payroll payables, (iv) other payables and accruals, mainly representing accrued sales rebates, (v) VAT and sundry taxes payable, and (vi) financial guarantee issued, representing our guarantee obligations for certain customers who finance their vehicle purchases through third-party finance leases. The following table sets forth details of our trade and other payables as of the dates indicated:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	13,166	63,745	205,496
Bills payable	—	—	165,542
Payroll payables	15,094	22,237	35,176
Other payables and accruals	1,019	23,123	26,727
VAT and sundry taxes payable	451	873	1,316
Financial guarantee issued	—	868	544
	29,730	110,846	434,801

Our trade and other payables increased from RMB29.7 million as of December 31, 2023 to RMB110.8 million as of December 31, 2024 and further to RMB434.8 million as of December 31, 2025, in line with our expanded procurement scale to support the production of vehicles.

The following table sets forth the aging analysis of our trade payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within one year	12,612	63,737	205,464
Over one years	554	8	32
Total	**13,166**	**63,745**	**205,496**

The following table sets forth our trade payables turnover days for the years indicated:

	As of December 31,		
	2023	2024	2025
Trade payables turnover days[(1)]	533	83	91

Note:

(1) Calculated as the average of the opening and ending balance of trade payables for the year divided by cost of sales for the relevant year and multiplied by 360 days.

Our trade payables turnover days were 533 days in 2023, primarily because our cost of sales was minimal at RMB4.5 million corresponding to pilot sales of only two vehicles, while our trade payables balance as of December 31, 2023 reflected the initial procurement of raw materials and components in preparation for the commercial launch and mass production of our vehicle models in 2024. Our trade payables turnover days subsequently decreased to 83 days in 2024 and 91 days in 2025, generally in line with the credit terms granted by suppliers to us.

As of April 30, 2026, RMB138.7 million, or approximately 67.5%, of our payables as of December 31, 2025 had been subsequently settled.

Contract Liabilities

Our contract liabilities represented advances from our customers for the procurement of our vehicles, which amounted to nil, RMB1.4 million and RMB11.0 million as of December 31, 2023, 2024 and 2025.

As of April 30, 2026, RMB7.8 million, or approximately 70.7%, of our contract liabilities as of December 31, 2025 had been subsequently recognized as revenue.

Ordinary Shares With Redemption Rights

Our ordinary shares with redemption rights increased from RMB215.1 million as of December 31, 2023, to RMB356.1 million as of December 31, 2024, and further to RMB723.9 million as of December 31, 2025. For ordinary shares with redemption rights granted to certain investors, upon the occurrence of specified trigger events, the investors have right to request us to redeem the invested capital held by them. The redemption liabilities reflect our obligations to purchase back the invested capital, i.e. our equity instruments under the preferential rights. For more information, see "History, Development and Corporate Structure — Pre-**[REDACTED]** Investments — Special Rights of the Pre-**[REDACTED]** Investors."

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, our primary use of cash was to fund our R&D activities and other working capital requirements during our business operations. We financed our operations and other capital requirements mainly through equity financing, cash generated from our business operations and bank borrowings.

We expect to fund our future working capital and cash requirements with existing cash and cash equivalents, revenue generated from sales of our vehicles and solution, the **[REDACTED]** from the **[REDACTED]**, and, when necessary, bank borrowings and other financing activities. We will closely monitor the level of our working capital and diligently review future cash flow requirements and adjust our operation and expansion plans, if necessary, to ensure that we maintain sufficient working capital to support our business operations.

As of April 30, 2026, the most recent practicable date for determining our indebtedness, we had cash and cash equivalent of RMB659.9 million. As of April 30, 2026, we had unutilized banking facilities of RMB1,262.9 million. Considering our internal resources, the anticipated cash flow from

operations, available banking facilities and the estimated **[REDACTED]** from the **[REDACTED]**, our Directors confirm that the working capital available to us is sufficient at present and for at least the next 12 months from the date of this document.

Current Assets and Liabilities

The following table sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)
Current assets				
Inventories	5,982	33,566	142,450	284,781
Trade and other receivables	10,558	72,372	130,230	127,749
Financial assets measured at FVTPL	50,000	—	—	550,000
Cash and cash equivalents	32,089	12,970	154,637	659,903
Pledged bank deposits	—	—	180,208	200,802
Total current assets	**98,629**	**118,908**	**607,525**	**1,823,235**
Current liabilities				
Trade and other payables	29,730	110,846	434,801	621,664
Contract liabilities	—	1,401	10,992	20,586
Loans and borrowings	—	43,460	120,953	85,951
Lease liabilities	3,356	2,639	4,772	5,106
Provisions	4	519	2,318	4,666
Ordinary shares with redemption rights	215,073	356,088	723,912	1,898,719
Total current liabilities	**248,163**	**514,953**	**1,297,748**	**2,636,692**
Net current liabilities	**(149,534)**	**(396,045)**	**(690,223)**	**(813,457)**

Our net current liabilities increased from RMB690.2 million as of December 31, 2025 to RMB813.5 million as of April 30, 2026, primarily due to (i) an increase of RMB1,174.8 million in ordinary shares with redemption rights; and (ii) an increase of RMB186.9 million in trade and other payables; partially offset by (i) an increase of RMB550.0 million in financial assets measured at FVTPL; and (ii) an increase of RMB505.3 million in cash and cash equivalents.

Our net current liabilities increased from RMB396.0 million as of December 31, 2024 to RMB690.2 million as of December 31, 2025, primarily due to (i) an increase of RMB367.8 million in ordinary shares with redemption rights; and (ii) an increase of RMB324.0 million in trade and other payables; partially offset by (i) an increase of RMB180.2 million in pledged bank deposits and (ii) an increase of RMB141.7 million in cash and cash equivalents.

Our net current liabilities increased from RMB149.5 million as of December 31, 2023 to RMB396.0 million as of December 31, 2024, primarily due to (i) an increase of RMB141.0 million in ordinary shares with redemption rights; (ii) an increase of RMB81.1 million in trade and other payables; and (iii) a decrease of RMB50.0 million in financial assets measured at FVTPL; partially offset by an increase of RMB61.8 million in trade and other receivables.

Cash Flows

The following table sets forth the components of our consolidated cash flows statements for the years indicated:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net cash used in operating activities	(84,244)	(212,708)	(232,616)
Net cash (used in) / generated from investing activities	(31,109)	34,315	(25,537)
Net cash generated from financing activities	140,806	159,274	399,820
Net increase / (decrease) in cash and cash equivalents	**25,453**	**(19,119)**	**141,667**
Cash and cash equivalents at beginning of the year	6,636	32,089	12,970
Cash and cash equivalents at end of the year	**32,089**	**12,970**	**154,637**

Net Cash Used in Operating Activities

We had cash used in operating activities of RMB232.6 million in 2025, primarily attributable to our loss before taxation of RMB280.7 million adjusted by certain non-cash and non-operating items, including financial costs of RMB45.1 million; and (i) changes in working capital negatively affected our cash flows, primarily including an increase in pledged bank deposits of RMB170.2 million, an increase in inventories of RMB108.9 million and an increase in trade and other receivables of RMB75.9 million, and (ii) changes in working capital that positively affected our cash flows, primarily including an increase in trade and other payables of RMB324.0 million.

We had net cash used in operating activities of RMB212.7 million in 2024, primarily attributable to our loss before taxation of RMB240.8 million adjusted by certain non-cash and non-operating items, including financial costs of RMB21.8 million; and (i) changes in working capital negatively affected our cash flows, primarily including an increase in trade and other receivables of RMB61.8 million and an increase in inventories of RMB27.6 million, and (ii) changes in working capital that positively affected our cash flows, primarily including an increase in trade and other payables of RMB81.1 million.

We had net cash used in operating activities of RMB84.2 million in 2023, primarily attributable to our loss before taxation of RMB114.3 million adjusted by certain non-cash and non-operating items, including financial costs of RMB12.6 million; and (i) changes in working capital negatively affected our cash flows, primarily including an increase in trade and other receivables of RMB10.5 million, and (ii) changes in working capital that positively affected our cash flows, primarily including an increase in trade and other payables of RMB25.2 million.

Net Cash (Used in)/Generated from Investing Activities

We had net cash used in investing activities of RMB25.5 million in 2025, which was primarily due to the payments for purchase of property, plant and equipment, construction in progress and intangible assets of RMB15.5 million and proceeds from sale of financial assets measured at FVTPL of RMB5.0 million.

We had net cash generated from investing activities of RMB34.3 million in 2024, which was primarily due to the proceeds from sale of financial assets measured at fair value through profit or loss of RMB81.1 million, partially offset by the payment for purchase of financial assets measured at fair value through profit or loss of RMB30.8 million and the payments for purchase of property, plant and equipment, construction in progress and intangible assets of RMB16.0 million.

We had net cash used in investing activities of RMB31.1 million in 2023, which was primarily due to the payment for purchase of financial assets measured at fair value through profit or loss of RMB50.0 million and the payments for purchase of property, plant and equipment, construction in progress and intangible assets of RMB22.3 million, partially offset by the proceeds from sale of financial assets measured at fair value through profit or loss of RMB41.1 million.

Net Cash Flow Generated from Financing Activities

We had net cash generated from financing activities of RMB399.8 million in 2025, which was primarily due to the issuance of ordinary shares with redemption rights of RMB326.0 million and the proceeds from loans and borrowings of RMB130.9 million, partially offset by the repayment of loans and borrowings of RMB53.4 million.

We had net cash generated from financing activities of RMB159.3 million in 2024, which was primarily due to the issuance of ordinary shares with redemption rights of RMB120.5 million and the proceeds from loans and borrowings of RMB43.4 million.

We had net cash generated from financing activities of RMB140.8 million in 2023, which was primarily due to the issuance of ordinary shares with redemption rights of RMB141.0 million.

INDEBTEDNESS

As of December 31, 2023, 2024, 2025, and April 30, 2026, being the most recent practicable date for determining our indebtedness, except as disclosed in the table below, we did not have any material indebtedness:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)
Current				
Loans and borrowings	—	43,460	120,953	85,951
Lease liabilities	3,356	2,639	4,772	5,106
Non-current				
Lease liabilities	14,435	11,796	11,835	9,545
Total	**17,791**	**57,895**	**137,560**	**100,602**

Loans and Borrowings

Our loans and borrowings comprised short-term bank loans and obligations arising from sales and leaseback transactions. For the interest rate profile of our loans and borrowings during the Track Record Period, see Note 22 to the Accountants' Report set out in Appendix I to this document. Our loans and borrowings increased from nil as of December 31, 2023 to RMB43.5 million as of December 31, 2024 and further increased to RMB121.0 million as of December 31, 2025, reflecting the higher working capital demands and expanded credit facilities amid business growth. Our bank loans subsequently decreased to RMB86.0 million as of April 30, 2026 to support our operational needs.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material defaults or breaches of covenants in repayment of indebtedness. Our Directors further confirm that, during the Track Record Period and up to the Latest Practicable Date, we did not experience any difficulty in obtaining bank loans and other borrowings, difficulties in obtaining credit facilities, or withdrawal of facilities or requests for repayment.

Lease Liabilities

During the Track Record Period, our lease liabilities were primarily in relation to leases of our office premises. As of December 31, 2023, 2024 and 2025, our lease liabilities (current and non-current portion) amounted to RMB17.8 million, RMB14.4 million and RMB16.6 million, respectively. As of April 30, 2026, our lease liabilities amounted to RMB14.7 million.

Except as disclosed above and as otherwise disclosed in this document, as of April 30, 2026, being our indebtedness statement date, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Our Directors have confirmed that there is no material change in our indebtedness since April 30, 2026 and up to the Latest Practicable Date.

CAPITAL EXPENDITURE

Our capital expenditures during the Track Record Period primarily relates to payments for purchase of property, plant and equipment, construction in progress and intangible assets, which amounted to RMB22.3 million, RMB16.0 million and RMB15.5 million in 2023, 2024 and 2025, respectively. We plan to fund our future capital expenditure with our existing cash and cash equivalents, cash generated from our operations, the **[REDACTED]** from the **[REDACTED]**, and, when necessary, bank borrowings.

CAPITAL COMMITMENTS

Our capital commitments are related to contractual commitments in relation to the acquisition and upgrade of property, plant and equipment. As of December 31, 2023, 2024, and 2025, our capital commitments amounted to RMB5.5 million, RMB4.9 million, and RMB7.3 million, respectively.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details about our related party transactions during the Track Record Period, see Note 31 to the Accountants' Report set out in Appendix I to this document. Our Directors believe that our transactions with related parties during the Track Record Period were conducted on an arm's-length basis, and they did not distort our results of operations or make our historical results not reflective of our future performance.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025, and April 30, 2026, being the Latest Practicable Date for the purpose of the indebtedness statement, we did not have any material contingent liabilities. Our Directors confirm that there had been no material change in our contingent liabilities since April 30, 2026 and up to the date of this document.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the years/as of the dates indicated.

	As of / For the Year ended December 31,		
	2023	2024	2025
Revenue growth rate (%)[1]	N/A	10,569.9	320.8
Gross loss margin (%)[2]	287.2	34.7	2.5
Adjusted net loss margin (non-IFRS measure) (%)[3]	8,474.5	174.4	44.2
Current ratio [4]	0.4	0.2	0.5
Quick ratio [5]	0.4	0.2	0.4

Note:

(1) Revenue growth rate is calculated as the year-on-year growth rate of revenue.

(2) Gross profit/(gross loss) margin is calculated as gross profit/gross loss divided by revenue, expressed as a percentage

(3) Adjusted net loss margin (non-IFRS measure) is calculated as adjusted net loss (non-IFRS measure) divided by revenue, expressed as a percentage

(4) Current ratio represents current assets divided by current liabilities as of the relevant year end.

(5) Quick ratio represents current assets excluding inventories divided by current liabilities as of the relevant year end.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISKS

We are exposed to a variety of market and other financial risks, including credit risk, liquidity risk, interest rate risk, and currency risk. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner. For details of our financial risk management, see Note 28 to the Accountants' Report set out in Appendix I to this document.

DIVIDENDS

We did not declare or pay dividends on our Shares during the Track Record Period. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company law. Currently, we do not have a dividend policy or pre-determined dividend payout ratio in place. As confirmed by our PRC Legal Advisor, any future net profit that we make will have to be applied to make up for our historically accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our 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 profit to our statutory common reserve fund as described above.

DISTRIBUTABLE RESERVES

As of December 31, 2025, the Company did not have any reserves available for distribution to our Shareholders.

[REDACTED] EXPENSES

[REDACTED] expenses to be borne by us are estimated to be approximately HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the **[REDACTED]** of the indicative **[REDACTED]** range of HK$**[REDACTED]** to HK$**[REDACTED]** per Share), representing approximately **[REDACTED]**% of the estimate gross **[REDACTED]** from the **[REDACTED]** assuming no Shares are issued pursuant to the **[REDACTED]**. The **[REDACTED]** expenses consist of (i) **[REDACTED]**-related expenses, including **[REDACTED]** commission, of approximately HK$**[REDACTED]**, and (ii) non-**[REDACTED]**-related expenses of approximately HK$**[REDACTED]**, comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$**[REDACTED]**, and (b) other fees and expenses of approximately HK$**[REDACTED]**. During the Track Record Period, no **[REDACTED]** expenses were charged to our consolidated statements of profit or loss and other comprehensive income, and no issue costs were prepaid. Approximately HK$**[REDACTED]** is expected to be charged to our consolidated statements of profit or loss and other comprehensive income, and approximately HK$**[REDACTED]** is expected to be accounted for as a deduction from equity upon the **[REDACTED]**. We do not believe any of the above fees or expenses are material or are unusually high to us. The **[REDACTED]** expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED [REDACTED] ADJUSTED NET TANGIBLE ASSETS

See "Appendix II — Unaudited **[REDACTED]** Financial Information."

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work that our Directors consider appropriate and after due and careful consideration, our Directors confirm that, as of 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 latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this document, and there was no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, they were not aware of any circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS

For a detailed description of our future plans, see "Business — Our Strategies."

USE OF [REDACTED]

We estimate that the **[REDACTED]** of the **[REDACTED]**, after deducting the estimated **[REDACTED]** commissions and other fees and expenses paid and payable by us in connection with the **[REDACTED]**, will be approximately HK$**[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the **[REDACTED]** of the indicative range of the **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per H Share), and that the **[REDACTED]** is not exercised.

We currently intend to use the **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts as set out below:

(a) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for research and development. We intend to continuously invest in the research, development, and commercialization of core technologies to further strengthen our leading position in the new energy intelligent heavy-duty truck sector. More specifically:

   (i) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for the research and development of autonomous driving technologies. We plan to continue to invest in and iterate on our autonomous driving technologies, with a focus on core areas including data accumulation, model capability enhancement, and training efficiency optimization. As our computing capabilities continue to improve and our data set continues to expand, we expect to further scale up our end-to-end MLLM to enhance overall performance. We will also actively explore more efficient training strategies, including the application of large-scale parallel training and simulation technologies, to continuously improve training efficiency and effectiveness. We aim to achieve the large-scale commercial application of autonomous driving in complex scenarios such as gravel pits, ports, dedicated transportation lines, and short-haul logistics.

   To this end, we expect to strategically expand our R&D team by recruiting professionals with extensive experience in artificial intelligence, autonomous driving, and safety redundancy systems for heavy-duty trucks. Additionally, we expect to increase cloud services related expenditures to support infrastructure upgrades and system enhancements. Through the continuous iteration and accumulation of these R&D capabilities, we are committed to developing RoboTruck solutions across multiple scenarios. We aim to form a replicable, low-cost, and standardized deployment model for our technologies.

   (ii) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for the development of vehicle hardware technologies. We will continue our research and development of core vehicle technologies guided by our forward-engineering philosophy, including the development of our new-generation platform T, e-axle, power battery system, and core technologies related to electric controls, among others.

In particular, we plan to further strengthen our in-house R&D capabilities for core heavy-duty truck electric powertrain systems, including continuous iteration of our four-in-one integrated e-axle and development of our six-in-one high-power-density adopt modular design to continuously optimize the performance of e-axles in terms of energy efficiency, lightweighting, adaptability to complex working conditions, long-term operational reliability, and maintainability to meet the differentiated needs of various scenarios.

To maintain and further expand our competitive advantage in vehicle hardware technology, including e-axles, we expect to recruit senior researchers and engineers with leading industry experience and concurrently invest in our talents to enhance their capabilities. Furthermore, we will continue to invest in tooling, molds, and related professional testing and equipment required for vehicle technologies development. Additionally, we plan to further advance the development of autonomous driving-native heavy-duty truck models and continue to increase investment in core systems for the development of next-generation intelligent models, including intelligent by-wire chassis.

(b) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for expanding our sales and after-sales service network. Our goal is to expand our sales network and to build a full-lifecycle, comprehensive, and highly responsive after-sales service ecosystem for new energy intelligent heavy-duty truck customers, enhancing customer experience and brand reputation to support the continuous expansion of our business scale. Specifically:

(i) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for expanding our sales network. Domestically, we plan to expand our sales team and our distributor network to increase the breadth and density of our coverage in core markets nationwide. We will also strengthen our branding and increase our sales through targeted online branding campaigns, offline industry exhibitions, and marketing activities. In terms of overseas expansion, we intend to prioritize penetration into core markets such as Australia, Europe, and Southeast Asia, establishing localized sales and technical support teams, and gradually expanding our business footprint to other prospective countries and regions.

(ii) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for strengthening our after-sales service capabilities. To support our growing in-service vehicle fleet and enhance service efficiency and customer satisfaction, we plan to further expand our nationwide after-sales service network, deepen partnerships with additional high-quality third-party service stations, and achieve comprehensive coverage of key logistics and transportation hubs and major industrial cluster regions. Meanwhile, we intend to utilize our self-developed Sophon Data Platform and cloud-based digital platform to integrate real-time vehicle operational data monitoring and intelligent fault warning functions. Combined with predictive maintenance models, we aim to achieve early fault identification and proactive maintenance during idle or charging periods, building an intelligent service system focused on "maintenance over repair." We also plan to expand our after-sales customer service team, strengthen end-to-end monitoring of service processes and rapid response capabilities, and improve the training system for service personnel to continuously enhance the professionalism of our after-sales service.

(c) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for selectively pursuing strategic initiatives. We plan to deepen our strategic cooperation with upstream and downstream manufacturing, technology, and operational partners with business synergies through various initiatives including but not limited to acquisitions, strategic alliances, joint venture arrangements, or other minority equity investments. Such initiatives aim to further strengthen our supply chain and to complete our offerings full-stack solutions in terms of new energy autonomous driving heavy-duty trucks. Potential investment and partnership targets include upstream and downstream manufacturers, technology providers and operators that (i) have complementary capabilities in new energy intelligent heavy-duty truck technology, autonomous driving systems and key components and software, and (ii) can deliver clear product, supply-chain or go-to-market synergies, secure critical supply and accelerate deployment of our vehicles and solution. Our Directors believe there is a sufficient number of potential investment or acquisition targets in the market, and that we have a dedicated team to source and execute such transactions. As of the Latest Practicable Date, we have not entered into any letters of intent or agreements regarding any acquisitions or investments, nor have we identified any specific acquisition or investment targets.

(d) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used for working capital and other general corporate purposes to support our daily operations and overall business growth.

The above allocation of the **[REDACTED]** will be adjusted on a pro rata basis in the event that the **[REDACTED]** is fixed below or above the **[REDACTED]** of the indicative **[REDACTED]** range. If the **[REDACTED]** is set at HK$**[REDACTED]** per H Share, which is the high end of our indicative **[REDACTED]** range, the **[REDACTED]** from the **[REDACTED]** will increase by approximately HK$**[REDACTED]**. If the **[REDACTED]** is set at HK$**[REDACTED]** per H Share, which is the low end of our indicative **[REDACTED]** range, the **[REDACTED]** from the **[REDACTED]** will decrease by approximately HK$**[REDACTED]**. Any additional **[REDACTED]** received from the exercise of the **[REDACTED]** will also be allocated to the above purposes on a pro rata basis. In the event that the **[REDACTED]** is exercised in full, we will receive **[REDACTED]** of HK$**[REDACTED]** (after deducting the estimated **[REDACTED]** commissions and other fees and expenses paid and payable by us in connection with the **[REDACTED]** and assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the **[REDACTED]** of our indicative **[REDACTED]** range).

To the extent that the **[REDACTED]** are not immediately applied to the above purposes, we will only deposit the **[REDACTED]** into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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The following is the text of a report set out on pages I-1 to I-66, received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF 江蘇零一汽車科技股份有限公司 JIANGSU ZERON AUTOMOBILE TECHNOLOGY COMPANY LIMITED, GOLDMAN SACHS (ASIA) L.L.C. AND HAITONG INTERNATIONAL CAPITAL LIMITED

Introduction

We report on the historical financial information of 江蘇零一汽車科技股份有限公司 Jiangsu Zeron Automobile Technology Company Limited (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-66, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025, 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, for each of the years ended 31 December 2023, 2024 and 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-66 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [date] (the "**Document**") in connection with the initial **[REDACTED]** of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information, and for such internal control as the directors of the Company 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 (the "**HKICPA**"). 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 and presentation set out in Note 1 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 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 purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at 31 December 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 and presentation set out in Note 1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 27(c) to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

[*date*]

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, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*(Expressed in Renminbi ("**RMB**"))*

	Note	Year ended 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*4(a)*	1,163	124,091	522,170
Cost of sales		(4,503)	(167,184)	(535,432)
Gross loss		(3,340)	(43,093)	(13,262)
Other net gain	*5*	1,652	7,905	5,991
Selling expenses		(3,754)	(24,799)	(47,473)
Administrative expenses		(24,799)	(41,283)	(53,778)
Research and development costs		(71,423)	(116,166)	(126,038)
Impairment loss on trade and other receivables and financial guarantee issued	*6(c)*	(8)	(1,566)	(1,044)
Loss from operations		(101,672)	(219,002)	(235,604)
Changes in the carrying amount of ordinary shares with redemption rights	*25*	(12,100)	(20,515)	(41,824)
Other finance costs	*6(a)*	(539)	(1,330)	(3,308)
Finance costs		(12,639)	(21,845)	(45,132)
Loss before taxation	*6*	(114,311)	(240,847)	(280,736)
Income tax	*7(a)*	—	—	—
Loss for the year		(114,311)	(240,847)	(280,736)
Other comprehensive income for the year (after tax)		—	—	—
Total comprehensive income for the year		(114,311)	(240,847)	(280,736)
Loss per share				
— Basic and diluted *(RMB)*	*10*	(9.14)	(16.13)	(14.91)

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in RMB)

	Note	As at 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*11*	18,245	32,096	39,221
Right-of-use assets	*12*	17,772	13,961	15,735
Intangible assets	*13*	1,166	1,870	2,827
Trade receivables	*17*	—	—	18,056
Other non-current assets	*15*	3,651	741	851
		40,834	48,668	76,690
Current assets				
Inventories	*16*	5,982	33,566	142,450
Trade and other receivables	*17*	10,558	72,372	130,230
Financial assets measured at fair value through profit and loss ("**FVTPL**")	*18*	50,000	—	—
Pledged bank deposits	*19(a)*	—	—	180,208
Cash and cash equivalents	*19(a)*	32,089	12,970	154,637
		98,629	118,908	607,525
Current liabilities				
Trade and other payables	*20*	29,730	110,846	434,801
Contract liabilities	*21*	—	1,401	10,992
Loans and borrowings	*22*	—	43,460	120,953
Lease liabilities	*23*	3,356	2,639	4,772
Provisions	*24*	4	519	2,318
Ordinary shares with redemption rights	*25*	215,073	356,088	723,912
		248,163	514,953	1,297,748
Net current liabilities		(149,534)	(396,045)	(690,223)
Total assets less current liabilities		(108,700)	(347,377)	(613,533)
Non-current liabilities				
Provisions	*24*	8	893	3,517
Lease liabilities	*23*	14,435	11,796	11,835
		14,443	12,689	15,352
Net liabilities		(123,143)	(360,066)	(628,885)
Capital and reserves				
Paid-in capital	*27(b)*	14,108	15,872	24,368
Reserves	*27(d)*	(137,251)	(375,938)	(653,253)
Total deficit		(123,143)	(360,066)	(628,885)

The accompanying notes form part of the Historical Financial Information.

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

(Expressed in RMB)

	Note	As at 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*11*	18,199	32,061	30,719
Right-of-use assets	*12*	17,772	13,961	11,081
Intangible assets	*13*	1,166	1,870	2,827
Investments in subsidiaries	*14*	—	20,000	70,000
Other non-current assets	*15*	3,651	741	815
		40,788	68,633	115,442
Current assets				
Inventories	*16*	5,982	33,566	142,450
Trade and other receivables	*17*	10,353	72,218	170,280
Financial assets measured at FVTPL	*18*	30,000	—	—
Pledged bank deposits	*19(a)*	—	—	161,426
Cash and cash equivalents	*19(a)*	29,055	12,922	127,254
		75,390	118,706	601,410
Current liabilities				
Trade and other payables	*20*	16,650	115,270	440,355
Contract liabilities	*21*	—	1,401	10,765
Loans and borrowings	*22*	—	43,460	120,953
Lease liabilities	*23*	3,356	2,639	3,690
Provisions	*24*	4	519	2,318
Ordinary shares with redemption rights	*25*	215,073	356,088	723,912
		235,083	519,377	1,301,993
Net current liabilities		(159,693)	(400,671)	(700,583)
Total assets less current liabilities		(118,905)	(332,038)	(585,141)
Non-current liabilities				
Provisions	*24*	8	893	3,517
Lease liabilities	*23*	14,435	11,796	8,229
Total non-current liabilities		14,443	12,689	11,746
Net liabilities		(133,348)	(344,727)	(596,887)
Capital and reserves				
Paid-in capital	*27(b)*	14,108	15,872	24,368
Reserves	*27(d)*	(147,456)	(360,599)	(621,255)
Total deficit		(133,348)	(344,727)	(596,887)

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in RMB)

		Attributable to equity shareholders of the Company				
	Note	**Paid-in capital**	**Capital reserve**	**Share-based payment reserve**	**Accumulated losses**	**Total deficit**
		RMB'000 (Note 27(b))	*RMB'000 (Note 27(d)(i))*	*RMB'000 (Note 27(d)(ii))*	*RMB'000*	*RMB'000*
Balance at 1 January 2023		9,000	(2,500)	1,191	(23,175)	(15,484)
Changes in equity for 2023:						
Total comprehensive income		—	—	—	(114,311)	(114,311)
Capital injection by investors	*27(b)*	1,500	1,500	—	—	3,000
Issuance of ordinary shares with redemption rights	*27(b)*	3,608	137,392	—	—	141,000
Recognition of ordinary shares with redemption rights	*25*	—	(141,000)	—	—	(141,000)
Equity-settled share-based payment	*26*	—	—	3,652	—	3,652
Balance at 31 December 2023		14,108	(4,608)	4,843	(137,486)	(123,143)

		Attributable to equity shareholders of the Company				
	Note	**Paid-in capital**	**Capital reserve**	**Share-based payment reserve**	**Accumulated losses**	**Total deficit**
		RMB'000 (Note 27(b))	*RMB'000 (Note 27(d)(i))*	*RMB'000 (Note 27(d)(ii))*	*RMB'000*	*RMB'000*
Balance at 1 January 2024		14,108	(4,608)	4,843	(137,486)	(123,143)
Changes in equity for 2024:						
Total comprehensive income		—	—	—	(240,847)	(240,847)
Issuance of ordinary shares with redemption rights	*27(b)*	1,764	118,736	—	—	120,500
Recognition of ordinary shares with redemption rights	*25*	—	(120,500)	—	—	(120,500)
Equity-settled share-based payment	*26*	—	—	3,924	—	3,924
Balance at 31 December 2024		15,872	(6,372)	8,767	(378,333)	(360,066)

The accompanying notes form part of the Historical Financial Information.

		Attributable to equity shareholders of the Company				
	Note	**Paid-in capital**	**Capital reserve**	**Share-based payment reserve**	**Accumulated losses**	**Total deficit**
		RMB'000 (Note 27(b))	*RMB'000 (Note 27(d)(i))*	*RMB'000 (Note 27(d)(ii))*	*RMB'000*	*RMB'000*
Balance at 1 January 2025		15,872	(6,372)	8,767	(378,333)	(360,066)
Changes in equity for 2025:						
Total comprehensive income		—	—	—	(280,736)	(280,736)
Capital injection by investors	*27(b)*	3,820	—	—	—	3,820
Issuance of ordinary shares with redemption rights	*27(b)*	4,676	321,324	—	—	326,000
Recognition of ordinary shares with redemption rights	*25*	—	(326,000)	—	—	(326,000)
Equity-settled share-based payment	*26*	—	—	8,097	—	8,097
Balance at 31 December 2025		24,368	(11,048)	16,864	(659,069)	(628,885)

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in RMB)

	Note	Year ended 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Operating activities:				
Cash used in operations	*19(b)*	(84,244)	(212,708)	(232,616)
Income tax paid		—	—	—
Net cash used in operating activities		(84,244)	(212,708)	(232,616)
Investing activities:				
Payments for purchase of property, plant and equipment and intangible assets		(22,266)	(15,994)	(15,548)
Proceeds from disposal of property, plant and equipment		8	1	4
Payment for purchase of financial assets measured at FVTPL		(50,000)	(30,757)	(15,001)
Proceeds from sale of financial assets measured at FVTPL		41,149	81,065	5,008
Net cash (used in)/generated from investing activities		(31,109)	34,315	(25,537)
Financing activities:				
Proceeds from loans and borrowings	*19(c)*	—	43,420	130,900
Repayment of loans and borrowings	*19(c)*	—	—	(53,420)
Interest paid for loans and borrowings	*19(c)*	—	(607)	(2,589)
Proceeds from the issuance of ordinary shares with redemption rights	*27(b)*	141,000	120,500	326,000
Proceeds from capital injection by investors	*27(b)*	3,000	—	3,820
Capital element of lease rentals paid	*19(c)*	(2,655)	(3,356)	(4,185)
Interest element of lease rentals paid	*19(c)*	(539)	(683)	(706)
Net cash generated from financing activities		140,806	159,274	399,820
Net increase/(decrease) in cash and cash equivalents		25,453	(19,119)	141,667
Cash and cash equivalents at the beginning of the year		6,636	32,089	12,970
Cash and cash equivalents at the end of the year	*19(a)*	32,089	12,970	154,637

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 Basis of preparation and presentation of Historical Financial Information

Jiangsu Zeron Automobile Technology Company Limited (江蘇零一汽車科技股份有限公司) (the "**Company**"), formerly known as Shanghai Zeron Automobile Technology Co., Ltd. (上海零一汽車科技有限公司), was established in Shanghai, People's Republic of China (the "**PRC**") on 2 June 2022 as a company with limited liability under the Company Law of the PRC. The Company was converted into a joint stock limited liability company on 12 February 2026.

The Company and its subsidiaries (the "**Group**") are principally engaged in the research and development and sales of new energy intelligent heavy-duty truck(s) and robotruck solution in the PRC.

The statutory financial statements of the Company for the years ended 31 December 2023 and 2024 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by Suzhou Lide Certified Public Accountants Co., Ltd.* (蘇州立德會計師事務所有限公司). At the date of this report, the statutory financial statements for year ended 31 December 2025 are yet to be prepared.

As at the date of the report, the Company has direct or indirect interests in the following subsidiaries, all of which are private and limited liability companies.

Company name	Place and date of establishment and operation	Particulars of issued and paid-in capital	Proportion of ownership interest		Principal activities
			Directly held by the Company	Indirectly held by the Company	
Beijing Zeron Zhika Technology Co., Ltd. (北京零一智卡科技有限公司) */**	Chinese Mainland, 18 April 2022	RMB10 million/ Nil	100%	—	Provision of research and development services
Shanghai Lingdong Zhika Automobile Technology Co., Ltd. (上海零動智卡汽車科技有限公司) */**	Chinese Mainland, 10 May 2023	RMB1 million/ Nil	100%	—	Provision of research and development services
Tianjin Zeron Automobile Co., Ltd. (天津零一汽車有限公司) */**	Chinese Mainland, 17 January 2024	RMB1 million/ Nil	100%	—	No substantial business activities
Anhui Jushi Transmission Technology Co., Ltd. (安徽矩石傳動科技有限公司) */**	Chinese Mainland, 23 September 2024	RMB50 million/ RMB50 million	100%	—	Operation of e-axle business
Jiangsu Lingdong Zhika Automobile Co., Ltd. (江蘇零動智卡汽車有限公司) */**	Chinese Mainland, 20 November 2024	RMB30 million/ Nil	100%	—	No substantial business activities

* *For identification purpose only.*

Company name	Place and date of establishment and operation	Particulars of issued and paid-in capital	Proportion of ownership interest: Directly held by the Company	Proportion of ownership interest: Indirectly held by the Company	Principal activities
Fujian Lingdong Automobile Technology Co., Ltd. (福建零動汽車科技有限公司) */**	Chinese Mainland, 25 December 2024	RMB20 million/ RMB20 million	100%	—	Sales
Lishui Lingdong Zhika Technology Co., Ltd. (麗水市凌動智卡科技有限公司) */**	Chinese Mainland, 06 February 2025	RMB45 million/ Nil	100%	—	Purchase of Material
Hefei Dongyao Automobile Import & Export Co., Ltd. (合肥動邀汽車進出口有限公司) */**	Chinese Mainland, 22 October 2025	RMB1 million/ Nil	100%	—	No substantial business activities
Wuhan Dongyao Import & Export Co., Ltd. (武漢市動邀進出口有限公司) */**	Chinese Mainland, 25 November 2025	RMB1 million/ Nil	100%	—	No substantial business activities
Lishui Lingdong Zhika Automobile Sales and Service Co., Ltd. (麗水市凌動智卡汽車銷售服務有限公司) */**	Chinese Mainland, 11 February 2025	RMB5 million/ Nil	—	100%	Sales
Anhui Province Zeron Zhixing New Energy Technology Co., Ltd. (安徽省零一智行新能源科技有限公司) */**	Chinese Mainland, 03 March 2026	RMB200 million/ Nil	100%	—	Sales

* The official names of the above entities are in Chinese. The English names are for identification purpose only.

** No statutory financial statements have been prepared for these entities during the Track Record Period.

All companies comprising the Group have adopted 31 December as their financial year end date.

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"). Further details of the material accounting policy information adopted are set out in Note 2.

The Historical Financial Information has been prepared assuming the Group will continue as a going concern notwithstanding that the Group recorded net current liabilities of RMB690,223,000 and net liabilities of RMB628,885,000 as at 31 December 2025, which is primarily due to the recognition of ordinary shares with redemption rights of RMB723,912,000 as current liabilities (see Note 25). The directors of the Company believe that the ordinary shares with redemption rights will not be redeemed within the next twelve months from 31 December 2025 and all of the special rights granted to the investors would be terminated upon the Company's **[REDACTED]** and the ordinary shares with redemption rights will be reclassified from liability to equity. The directors of the Company are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due and to sustain its operations for the foreseeable future after reviewing the Group's cash flow

projectionprepared by the management, taking into account the expected working capital requirements covering the next twelve months from 31 December 2025. Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing this Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards to the Track Record Period, except for any amendments, new standards or interpretations that are not yet effective for the Track Record Period. The revised and new accounting standards and interpretations issued but not yet effective for the Track Record Period are set out in Note 32.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

The Historical Financial Information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2 Material accounting policy information

(a) Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis except for the assets and liabilities as set out in Notes 2(d) and 2(o).

(b) Use of estimates and judgments

The preparation of the Historical Financial Information in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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.

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3.

(c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(h)(iii)).

(d) Other investments in securities

The Group's policies for investments in securities, other than investments in subsidiaries and associates, are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value, plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 28(e). These investments are subsequently accounted for as follows, depending on their classification.

Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

— amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method, foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

— FVOCI — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner

as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in OCI. When the investment is derecognised, the amount accumulated in OCI is recycled from equity to profit or loss.

— FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses (see Note 2(h)(iii)).

Construction in progress represents property, plant and equipment under construction and equipment pending installation, and is initially recognised at cost. The construction in progress is transferred to property, plant and equipment when the asset is substantially ready for its intended use. No depreciation is provided in respect of construction in progress.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Except for mould, depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual values, if any, using the straight-line method over their estimated useful lives. Depreciation of mould is calculated using the unit-of-production method. Depreciation is generally recognised in profit or loss.

The estimated useful lives are as follows:

Machinery and equipment	10 years
Office and other equipment	3–5 years
Vehicle	4 years
Leasehold improvement	shorter of useful lives or lease term

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(f) Intangible assets

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

Software	3 years

Amortisation methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less and leases of low-value assets which, for the Group are primarily leased offices. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and are charged to profit or loss as incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(e) and 2(h)(iii)).

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost (see Notes 2(d) and 2(h)(i)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses ("**ECLs**") on the following items:

— financial assets measured at amortised cost (including cash and cash equivalents, bank deposits and trade receivables and other receivables, which are held for the collection of contractual cash flows which represent solely payments of principal and interest);

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following rates if the effect is material:

— fixed-rate financial assets, trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;

— variable-rate financial assets: current effective interest rate;

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

— 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

— lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

— financial instruments that are determined to have low credit risk at the reporting date; and

— other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

— failure to make payments of principal or interest on their contractually due dates;

— an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

— an actual or expected significant deterioration in the operating results of the debtor; and

— existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in non-equity securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income (OCI) and accumulated in the fair value reserve (recycling) does not reduce the carrying amount of the financial asset in the statement of financial position.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

— Significant financial difficulties of the debtor;

— A breach of contract, such as a default or being more than 90 days past due;

— The restructuring of a loan or advance by the group on terms that the group would not consider otherwise;

— It is probable that the debtor will enter bankruptcy or other financial reorganisation; or

— The disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Credit losses from financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "**holder**") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees issued are initially recognised. The amount initially recognised as deferred income is subsequently amortised in profit or loss over the term of the guarantee as income.

The Group monitors the risk that the specified debtor will default on the contract and remeasures the above liability at a higher amount when ECLs on the financial guarantees are determined to be higher than the carrying amount in respect of the guarantees.

A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in Note 2(h)(i) apply.

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is then discounted using the current risk-free rate adjusted for risks specific to the cash flows.

(iii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("**CGUs**").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use based on the estimated future cash flows, 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 CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(j) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(s)(i)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see Note 2(k)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(s)(i)).

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration, and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost (see Note 2(h)(i)).

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(m) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(s).

(o) Ordinary shares with redemption rights

A contract that contains an obligation to purchase the Company's equity instruments for cash or another financial asset gives rise to a financial liability even if the Company's obligation to purchase is conditional on the counterparty exercising a right to redeem. The redemption obligations to purchase back own equity instruments are recognised as financial liabilities initially at the present value of the redemption amount, and are reclassified from equity. Subsequently, changes in the carrying amount of the financial liabilities are recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The carrying amount of the financial instruments derecognised was credited into the equity.

(p) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Share-based payments

A share-based compensation is classified as equity-settled, cash settled or as transactions with cash alternatives. The term "equity-settled share-based compensation" refers to a transaction in which the Group receives goods or services as consideration for its own equity instruments (including shares or share options), or receives goods or services but has no obligation to settle the transaction in cash or other assets.

The grant-date fair value of equity-settled share-based compensation granted to employees is measured using the binomial model method and binomial tree model. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date. The equity amount is recognised in the capital reserve until either the equity instruments is exercised, when it is included in the amount recognised in share capital for the shares issued, or the award expires, when it is released directly to retained profits. Certain awards granted under the Group's share-based compensation scheme include a leaver repurchase feature that may result in cash settlement when an employee terminates employment during the service period. The Group accounts for the underlying awards as equity-settled to the extent employees are expected to complete the relevant service conditions and receive or retain the equity instruments. For employees expected not to complete the relevant service conditions, the Group assesses whether that repurchase right gives rise to a present obligation to settle the affected awards in cash, considering all facts and circumstances, including whether equity settlement has commercial substance, the Group's past practice, any stated policy and any valid expectations created with employees. To the extent that the Group has a present obligation to settle the affected awards in cash, those affected awards are accounted for as cash-settled share-based compensation.

The fair value of the amount payable to employees in respect of cash-settled share-based payments is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become entitled to payment. The liability is remeasured at each reporting date and at settlement date based on its fair value. Any changes in the liability are recognised in profit or loss.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

(q) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

— temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

— temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

— taxable temporary differences arising on the initial recognition of goodwill; and

— those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(r) Provision and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(s) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods and the provision of services in the ordinary course of the Group's business.

The Group is the principal for its revenue transactions and recognises revenue on a gross basis. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sale of products

The Group typically offers customers of new energy intelligent heavy-duty truck(s) and robotruck solution. Revenue is recognised when products are delivered at the customers' premises which is taken to be the point in time when the customer has accepted and taken possession of the products at the amount of promised consideration to which the Group is expected to be entitled.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where

the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

(ii) Rendering of services

Revenue of services is recognised when the customer passes the acceptance and the development results are submitted.

(iii) Interest income

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(iv) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Group for the cost of an asset are recognised as deferred income and subsequently recognised in profit or loss on a systematic basis over the useful life of the asset.

(t) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(u) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third party.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(v) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 Accounting judgements and estimates

(a) Sources of estimation uncertainty

Notes 25 and 26 contains information about the assumptions and their risk factors relating to ordinary shares with redemption rights and share-based transactions. Other significant sources of estimation uncertainty in the process of applying the Group's accounting policies are as follows:

(i) Depreciation

As explained in Note 2(e), mould is depreciated using the units of production method based on the expected production volume of the product. Other than the mould, property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. The useful lives are based on the Group's historical experience with similar assets. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expenses to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets. The depreciation for future periods are adjusted if there are material changes from previous estimates.

(ii) Impairment of trade and other receivables

The Group's management determines the loss allowance for expected credit losses on trade and other receivables based on an assessment of the present value of all expected cash shortfalls. These estimates are based on the information about past events, current conditions and forecasts of future economic conditions. The Group's management reassesses the loss allowance at each reporting period end.

(iii) Warranty provisions

As explained in Note 24, the Group makes provisions under the warranties it gives on sale of its new energy intelligent heavy-duty truck(s) taking into account the Group's recent claim experience. As the Group is continually upgrading its product designs and launching new models it is possible that the recent claim experience is not indicative of future claims that it will receive in respect of past sales. Any increase or decrease in the provision would affect profit or loss in future years.

(iv) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated distribution expenses and related taxes. These estimates are based on the current market condition and historical experience of selling products of similar nature. It could change significantly as a result of competitor actions in response to changes in market conditions. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-downs and affect the Group's profit or loss and net asset value.

4 Revenue and segment reporting

(a) Revenue

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15			
New energy intelligent heavy-duty truck(s)	1,150	120,756	507,382
RoboTruck solution	—	—	8,102
Others	13	3,335	6,686
	1,163	124,091	522,170

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Disaggregation by timing of revenue recognition			
— Point in time	1,163	124,091	522,170
Total	1,163	124,091	522,170

The Group applies the practical expedient in paragraph 121 of IFRS 15 of not disclosing the transaction price allocated to the remaining performance obligation as the original expected duration of substantially all the contracts of the Group are within one year or less.

(b) Segment reporting

IFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Company's chief operating decision maker for the purpose of resources allocation and performance assessment. On this basis, the Company has determined that it only has one operating segment which is the research and development, manufacturing and sales of new energy intelligent heavy-duty truck(s).

(i) Geographic information

No geographical information is shown as the revenue and loss from operations of the Group is almost all derived from activities in the PRC, and almost all of the Group's non-current assets are located physically or operationally in the PRC.

(ii) Information about major customers

During the Track Record Period, the Group's customers with whom transactions have exceeded 10% of the Group's revenue are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Customer A	1,150	28,999	65,389
Customer B	N/A*	14,708	N/A*
Total	1,150	43,707	65,389

* Less than 10% of the Group's revenue in the respective years.

5 Other net gain

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants *(i)*	11	7,367	6,266
Net loss on early termination of leases	—	—	(70)
Net gain on disposal of property, plant and equipment	1	—	—
Gain on wealth management products	1,149	308	7
Interest income	492	315	294
Others	(1)	(85)	(506)
	1,652	7,905	5,991

(i) Government grants mainly represent the reward and subsidies provided to the Group in connection with R&D activities and business development within the relevant jurisdictions.

6 Loss before taxation

Loss before taxation is arrived at after charging/(crediting):

(a) Other finance costs:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other finance costs			
Interest expenses on loans and borrowings	—	647	1,702
Interest expenses on obligations arising from leaseback transactions	—	—	900
Interest expenses on lease liabilities	539	683	706
	539	1,330	3,308

(b) Staff costs:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Salaries, wages and other benefits	41,800	92,331	103,714
Contributions to retirement schemes *(i)*	4,209	9,132	9,631
Equity-settled share-based payment expenses	3,652	3,924	8,097
Cash-settled share-based payment expenses	1,450	3,068	9,832
	51,111	108,455	131,274

(i) Pursuant to the relevant labor rules and regulations in the PRC, the Company and its subsidiaries in the PRC participate in defined contribution retirement benefit schemes organised by the local government authorities whereby the Company and its subsidiaries in the PRC are required to make contributions to the Schemes based on certain percentages of the eligible employee's salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.

The Group has no other material obligation for the payment of pension benefits beyond the annual contributions described above.

(c) Other items:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Depreciation and amortisation			
— Owned property, plant and equipment *(Note 11)*	1,159	3,698	5,666
— Right-of-use assets *(Note 12)*	2,674	3,811	4,513
— Intangible assets *(Note 13)*	405	649	1,688
Impairment losses/(reversal of impairment losses) recognised			
— Trade and other receivables *(Note 28(a))*	8	698	1,369
— Financial guarantee *(Note 29)*	—	868	(325)
Product warranty provision *(Note 24)*	12	1,412	5,835
Research and development expenses *(i)*	71,423	116,166	126,038
Cost of inventories sold *(Note 16) (ii)*	4,503	164,445	520,883

(i) Research and development expenses include RMB44,869,000, RMB71,781,000 and RMB70,698,000 for the years ended 31 December 2023, 2024 and 2025 respectively relating to staff costs and depreciation and amortisation expenses, which amounts are also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

(ii) Cost of inventories sold include RMB Nil, RMB1,874,000 and RMB5,050,000 for the years ended 31 December 2023, 2024 and 2025 respectively relating to staff costs and depreciation and amortisation expenses, which amounts are also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

7 Income tax

(a) Taxation in the consolidated statements of profit and loss and other comprehensive income represents:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Provision for income tax for the year	—	—	—

(b) Reconciliation between income tax expense and accounting loss at applicable tax rates:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before taxation	(114,311)	(240,847)	(280,736)
National tax on loss before taxation, calculated at the rates applicable to profit in the tax jurisdictions concerned *(i)*	(28,578)	(43,424)	(69,262)
Effect of additional deduction on research and development expenses *(ii)*	(13,105)	(18,866)	(19,588)
Tax effect of non-deductible expenses	1,369	1,583	4,222
Tax losses and temporary differences not recognised	37,289	57,630	78,354
Tax effect of changes in the carrying amount of ordinary share with redemption rights	3,025	3,077	6,274
Actual income tax expense	—	—	—

(i) Pursuant to the PRC Enterprise Income Tax (the "**EIT**"), the Company and its subsidiaries in the Chinese Mainland are subject to EIT at a rate of 25%. During the Track Record Period, the Company was qualified as High and New Technology Enterprises ("**HNTE**") and enjoyed a preferential EIT at a rate of 15%.

(ii) According to the new tax incentive policies promulgated by the State Tax Bureau of the PRC, effective for the period from 1 January 2023, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income.

(c) Deferred tax assets not recognised

As at 31 December 2023, 2024 and 2025, the Group has not recognised deferred tax assets in respect of their respective cumulative tax losses of RMB232,346,000, RMB570,939,000 and RMB919,159,000 and temporary differences of RMB1,813,000, RMB16,130,000 and RMB12,186,000 respectively, in accordance with the accounting policy set out in Note 2(q), as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

8 Directors' emoluments

Year ended 31 December 2023

	Directors' fees	Salaries, allowance and benefits in kind	Discretionary bonuses	Contributions to retirement scheme	Share-based payment *(i)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors:						
Mr. Huang Zehua (黃澤鏵)	—	215	26	38	—	279
Mr. Zhang Hongsong (張紅松)	—	638	154	63	1,328	2,183
Ms. Yang Dan (楊丹)	—	405	74	68	764	1,311
Non-Executive Directors:						
Mr. Lin Xinzheng (林新正)	—	—	—	—	—	—
Mr. Song Chunyu (宋春雨)	—	—	—	—	—	—
Mr. Cong Zhen (叢真)	—	—	—	—	—	—
Mr. Xu Shuo (徐爍)	—	764	196	63	403	1,426
	—	2,022	450	232	2,495	5,199

Year ended 31 December 2024

	Directors' fees	Salaries, allowance and benefits in kind	Discretionary bonuses	Contributions to retirement scheme	Share-based payment *(i)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors:						
Mr. Huang Zehua (黃澤鏵)	—	232	9	38	—	279
Mr. Zhang Hongsong (張紅松)	—	891	99	66	1,417	2,473
Ms. Yang Dan (楊丹)	—	528	85	71	831	1,515
Non-Executive Directors:						
Mr. Lin Xinzheng (林新正)	—	—	—	—	—	—
Mr. Cheng Yan (程炎) *(ii)*	—	—	—	—	—	—
Mr. Cong Zhen (叢真) *(iii)*	—	—	—	—	—	—
Mr. Song Chunyu (宋春雨)	—	—	—	—	—	—
Mr. Xu Shuo (徐爍)	—	1,087	120	66	124	1,397
	—	2,738	313	241	2,372	5,664

Year ended 31 December 2025

	Directors' fees	Salaries, allowance and benefits in kind	Discretionary bonuses	Contributions to retirement scheme	Share-based payment *(i)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors:						
Mr. Huang Zehua (黃澤鏵)	—	241	—	38	—	279
Mr. Zhang Hongsong (張紅松)	—	595	112	68	2,445	3,220
Mr. Zhang Wei (張偉) *(ii)*	—	1,520	—	68	4,068	5,656
Mr. Wang Panqu (王泮渠) *(ii)*	—	1,166	260	48	1,444	2,918
Ms. Yang Dan (楊丹)	—	467	20	71	1,341	1,899
Non-Executive Directors:						
Mr. Lin Xinzheng (林新正)	—	—	—	—	—	—
Mr. Cheng Yan (程炎)	—	—	—	—	—	—
Mr. Song Chunyu (宋春雨)	—	—	—	—	—	—
Ms. Xia Yan (夏炎) *(ii)*	—	—	—	—	—	—
Mr. Xu Shuo (徐爍) *(iii)*	—	625	80	23	395	1,123
	—	4,614	472	316	9,693	15,095

(i) These amounts represent the estimated value of share options granted to the directors of the Company under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in Note 2(p)(ii). The details of share-based payment transactions are disclosed in Note 26.

(ii) Mr. Cheng Yan (程炎) were appointed as non-executive director of the Company in January 2024. Mr. Zhang Wei (張偉) and Mr. Wang Panqu (王泮渠) were appointed as executive directors of the Company in June 2025. Ms. Xia Yan (夏炎) was appointed as a non-executive director of the Company in June 2025.

(iii) Mr. Cong Zhen (叢真) ceased to act as a non-executive director of the Company in January 2024. Mr. Xu Shuo (徐爍) ceased to act as a non-executive director of the Company in June 2025.

(iv) Mr. He Xiongsong (賀雄松) were appointed as executive director of the Company in May 2026. Mr. Li Xiao (李瀟) were appointed as executive director of the Company in February 2026.

During the Track Record Period, there were no amounts paid or payable by the Group to the directors or any of the highest paid individuals set out in Note 9 below as an inducement to join or upon joining the Group or as a compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any remuneration during the Track Record Period.

9 Individuals with highest emoluments

Of the five individuals with the highest emoluments for the years ended 31 December 2023, 2024 and 2025, only three, two and four are directors whose emoluments are disclosed in Note 8. The aggregate of the emoluments in respect of the remaining two, three and one individuals during the Track Record Period are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	1,703	3,813	967
Discretionary bonuses	492	623	254
Contributions to retirement benefit schemes	121	182	71
Equity-settled share-based payment *(Note 26)*	466	739	624
	2,782	5,357	1,916

The emoluments of the individuals who are not directors and who are amongst the five highest paid individuals of the Group are within the following bands:

	Year ended 31 December		
	2023	2024	2025
HKD			
1,000,001–1,500,000	1	—	—
1,500,001–2,000,000	1	2	—
2,000,001–2,500,000	—	—	1
2,500,001–3,000,000	—	1	—

10 Loss per share

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue during the Track Record Period.

As described in Note 33, the Company was converted into a joint stock company with limited liability and 24,368,089 shares of RMB1.00 each were issued in February 2026. For the purpose of computing basic and diluted loss per share, the weighted average number of ordinary shares deemed to be in issue before the Company's conversion into a joint stock company was determined assuming the conversion into joint stock company had occurred since 1 January 2023, at the exchange ratio established in the conversion in February 2026.

	Year ended 31 December		
	2023	2024	2025
Loss of the year attributable to ordinary equity shareholders of the Company *(RMB'000)*	(69,939)	(129,052)	(120,330)
Weighted average number of ordinary shares deemed to be in issue *('000)*	7,655	8,000	8,071
Basic loss per share *(RMB)*	(9.14)	(16.13)	(14.91)

Loss for the year attributable to equity shareholders of the Company

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year attributable to all equity shareholders of the Company	(114,311)	(240,847)	(280,736)
Allocation of loss for the year attributable to ordinary shares with redemption rights *(Note 25)*	44,372	111,795	160,406
Loss for the year attributable to ordinary equity shareholders of the Company	(69,939)	(129,052)	(120,330)

Weighted average number of ordinary shares

	Year ended 31 December		
	2023	2024	2025
	'000	*'000*	*'000*
Ordinary shares at 1 January deemed to be in issue	9,000	14,108	15,872
Effect of ordinary shares deemed to be in issue *(Note 27(b))*	3,512	822	2,958
Effect of ordinary shares with redemption rights issued to investors *(Note 25)*	(4,857)	(6,930)	(10,759)
Weighted average number of ordinary shares at 31 December deemed to be in issue	7,655	8,000	8,071

(b) Diluted earnings per share

Ordinary shares with redemption rights issued to investors (Note 25) and share options granted under the Company's share option scheme (Note 26) were not included in the calculation of diluted loss per share because their effect would have been anti-dilutive. Accordingly, diluted loss per share were the same as basic loss per share during the Track Record Period.

11 Property, plant and equipment

The Group

	Machinery and equipment	Mould	Vehicle	Office and other equipment	Leasehold improvement	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:							
At 1 January 2023	—	—	—	1,507	—	—	1,507
Additions	—	12,331	1,948	1,481	1,283	926	17,969
Disposals	—	—	—	(8)	—	—	(8)
At 31 December 2023 and 1 January 2024	—	12,331	1,948	2,980	1,283	926	19,468
Additions	—	8,788	116	1,778	3,992	2,876	17,550
Transfer from construction in progress	104	114	—	1,205	—	(1,423)	—
Disposals	—	—	—	(1)	—	—	(1)
At 31 December 2024 and 1 January 2025	104	21,233	2,064	5,962	5,275	2,379	37,017
Additions	853	1,632	86	1,279	5,097	3,848	12,795
Transfer from construction in progress	468	888	—	631	—	(1,987)	—
Disposals	—	—	—	(10)	—	—	(10)
At 31 December 2025	1,425	23,753	2,150	7,862	10,372	4,240	49,802
Accumulated depreciation:							
At 1 January 2023	—	—	—	(65)	—	—	(65)
Charge for the year	—	—	(423)	(685)	(51)	—	(1,159)
Written back on disposals	—	—	—	1	—	—	1
At 31 December 2023 and 1 January 2024	—	—	(423)	(749)	(51)	—	(1,223)
Charge for the year	(5)	(930)	(479)	(1,431)	(853)	—	(3,698)
At 31 December 2024 and 1 January 2025	(5)	(930)	(902)	(2,180)	(904)	—	(4,921)
Charge for the year	(34)	(2,339)	(494)	(1,829)	(970)	—	(5,666)
Written back on disposals	—	—	—	6	—	—	6
At 31 December 2025	(39)	(3,269)	(1,396)	(4,003)	(1,874)	—	(10,581)
Net book value:							
At 31 December 2023	—	12,331	1,525	2,231	1,232	926	18,245
At 31 December 2024	99	20,303	1,162	3,782	4,371	2,379	32,096
At 31 December 2025	1,386	20,484	754	3,859	8,498	4,240	39,221

The Company

	Machinery and equipment	Mould	Vehicle	Office and other equipment	Leasehold improvement	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:							
At 1 January 2023	—	—	—	1,507	—	—	1,507
Additions	—	12,331	1,948	1,431	1,283	926	17,919
Disposals	—	—	—	(8)	—	—	(8)
At 31 December 2023 and 1 January 2024	—	12,331	1,948	2,930	1,283	926	19,418
Additions	—	8,788	116	1,778	3,992	2,876	17,550
Transfer from construction in progress	104	114	—	1,205	—	(1,423)	—
Disposals	—	—	—	—	—	—	—
At 31 December 2024 and 1 January 2025	104	21,233	2,064	5,913	5,275	2,379	36,968
Additions	—	1,632	86	1,275	98	1,204	4,295
Transfer from construction in progress	—	888	—	631	—	(1,519)	—
Disposals	—	—	—	(10)	—	—	(10)
At 31 December 2025	104	23,753	2,150	7,809	5,373	2,064	41,253
Accumulated depreciation:							
At 1 January 2023	—	—	—	(65)	—	—	(65)
Charge for the year	—	—	(423)	(681)	(51)	—	(1,155)
Written back on disposals	—	—	—	1	—	—	1
At 31 December 2023 and 1 January 2024	—	—	(423)	(745)	(51)	—	(1,219)
Charge for the year	(5)	(930)	(479)	(1,421)	(853)	—	(3,688)
At 31 December 2024 and 1 January 2025	(5)	(930)	(902)	(2,166)	(904)	—	(4,907)
Charge for the year	(10)	(2,339)	(494)	(1,820)	(970)	—	(5,633)
Written back on disposals	—	—	—	6	—	—	6
At 31 December 2025	(15)	(3,269)	(1,396)	(3,980)	(1,874)	—	(10,534)
Net book value:							
At 31 December 2023	—	12,331	1,525	2,185	1,232	926	18,199
At 31 December 2024	99	20,303	1,162	3,747	4,371	2,379	32,061
At 31 December 2025	89	20,484	754	3,829	3,499	2,064	30,719

12 Right-of-use assets

The Group

	Properties leased for own use carried at cost
	RMB'000
Cost:	
At 1 January 2023	—
Additions	20,446
At 31 December 2023, 1 January 2024, 31 December 2024 and 1 January 2025	20,446
Additions	6,837
Effects of lease termination	(2,249)
At 31 December 2025	25,034
Accumulated depreciation:	
At 1 January 2023	—
Charge for the year	(2,674)
At 31 December 2023 and 1 January 2024	(2,674)
Charge for the year	(3,811)
At 31 December 2024 and 1 January 2025	(6,485)
Charge for the year	(4,513)
Effects of lease termination	1,699
At 31 December 2025	(9,299)
Net book value:	
At 31 December 2023	17,772
At 31 December 2024	13,961
At 31 December 2025	15,735

The Company

	Properties leased for own use carried at cost
	RMB'000
Cost:	
At 1 January 2023	—
Additions	20,446
At 31 December 2023, 1 January 2024, 31 December 2024 and 1 January 2025	20,446
Additions	1,362
Effects of lease termination	(2,249)
At 31 December 2025	19,559
Accumulated depreciation:	
At 1 January 2023	—
Charge for the year	(2,674)
At 31 December 2023 and 1 January 2024	(2,674)
Charge for the year	(3,811)
At 31 December 2024 and 1 January 2025	(6,485)
Charge for the year	(3,692)
Effects of lease termination	1,699
At 31 December 2025	(8,478)
Net book value:	
At 31 December 2023	17,772
At 31 December 2024	13,961
At 31 December 2025	11,081

The analysis of expense items in relation to lease recognised in the Group's profit or loss is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation charge of right-of-use assets by class of underlying asset:			
Leasehold buildings, carried at depreciated cost	2,674	3,811	4,513
Interest on lease liabilities *(Note 6(a))*	539	683	706
Expenses relating to short-term leases	1,115	915	1,352
Net loss on early termination of leases	—	—	70

The Group has obtained the right to use properties through tenancy agreements. The leases typically run for an initial period of 2 to 6 years.

13 Intangible assets

The Group and the Company

	Software
	RMB'000
Cost:	
At 1 January 2023	961
Additions	645
At 31 December 2023 and 1 January 2024	1,606
Additions	1,353
At 31 December 2024 and 1 January 2025	2,959
Additions	2,645
At 31 December 2025	5,604
Accumulated amortisation:	
At 1 January 2023	(35)
Charge for the year	(405)
At 31 December 2023 and 1 January 2024	(440)
Charge for the year	(649)
At 31 December 2024 and 1 January 2025	(1,089)
Charge for the year	(1,688)
At 31 December 2025	(2,777)
Net book value:	
At 31 December 2023	1,166
At 31 December 2024	1,870
At 31 December 2025	2,827

14 Investments in subsidiaries

The carrying amounts of investments in subsidiaries of the Company are listed as below:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Investments in subsidiaries	—	20,000	70,000

Further details of the subsidiaries are set out in Note 1.

15 Other non-current assets

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for property, plant and equipment	3,651	741	851

16 Inventories

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	3,130	17,387	98,796
Finished goods	2,852	16,179	43,654
	5,982	33,566	142,450

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount of inventories sold	4,503	164,445	520,883
Write-down of inventories	—	2,739	14,549
	4,503	167,184	535,432
Cost of inventories recognised in research and development costs	781	2,944	5,093
	5,284	170,128	540,525

17 Trade and other receivables

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables			
— due from third parties	1,300	12,220	97,295
Less: loss allowance on trade receivables	(8)	(166)	(1,302)
	1,292	12,054	95,993
Less: trade receivables due more than one year	—	—	(18,056)
	1,292	12,054	77,937
Bills receivable	—	270	7,572
Other receivables	2,508	8,306	8,589
Less: loss allowance on other receivables	—	—	—
	2,508	8,306	8,589
Value-added tax ("**VAT**") recoverable	4,485	9,215	3,700
Prepayments to suppliers	2,273	42,527	32,432
	10,558	72,372	130,230

Except for the trade receivables amounting to RMB18,056,000, all other trade and other receivables are expected to be recovered or recognised as expense within one year.

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables			
— due from third parties	1,300	12,220	62,778
— due from subsidiaries	—	—	61,953
Less: loss allowance on trade receivables	(8)	(166)	(1,061)
	1,292	12,054	123,670
Less: trade receivables due more than one year	—	—	—
	1,292	12,054	123,670
Bills receivable	—	270	7,398
Other receivables			
— due from third parties	2,371	8,190	8,269
— due from subsidiaries	—	2	14,121
Less: loss allowance on other receivables	—	—	—
	2,371	8,192	22,390
VAT recoverable	4,478	9,176	2,223
Prepayments to suppliers	2,212	42,526	14,599
	10,353	72,218	170,280

(a) Ageing analysis

As of the end of the Track Record Period, the ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0 to 90 days	1,292	10,928	101,527
91 to 180 days	—	1,396	1,590
181 to 360 days	—	—	448
	1,292	12,324	103,565

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0 to 90 days	1,292	10,928	129,030
91 to 180 days	—	1,396	1,590
181 to 360 days	—	—	448
	1,292	12,324	131,068

Details of the Group's credit policy and credit risk arising from trade receivable and bills receivables are set out in Note 28(a).

18 Financial assets measured at fair value through profit and loss

The Group

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets measured at FVTPL			
— Wealth management products	50,000	—	—

The Company

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets measured at FVTPL			
— Wealth management products	30,000	—	—

The financial assets measured at FVTPL represent wealth management products with variable returns. Further information on the fair value measurement is disclosed in Note 28(e).

19 Cash and cash equivalents, pledged bank deposits and other cash flow information

(a) Cash and cash equivalents and pledged bank deposits

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents	32,089	12,970	154,637
Pledged bank deposits	—	—	180,208

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents	29,055	12,922	127,254
Pledged bank deposits	—	—	161,426

The Group's pledged bank deposits mainly represented deposits pledged for bills payable or purchase of wealth management products as at 31 December 2025.

(b) Reconciliation of loss before taxation to cash used in operations:

	Note	Year ended 31 December		
		2023	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Loss before taxation		(114,311)	(240,847)	(280,736)
Adjustments for:				
Depreciation and amortisation	*6(c)*			
— owned property, plant and equipment		1,159	3,698	5,666
— right-of-use assets		2,674	3,811	4,513
— intangible assets		405	649	1,688
Finance costs		12,639	21,845	45,132
Net gain on disposal of property, plant and equipment	*5*	(1)	—	—
Net loss on early termination of leases	*5*	—	—	70
Equity-settled share-based payment expenses	*26*	3,652	3,924	8,097
Gain on wealth management products	*5*	(1,149)	(308)	(7)
Changes in working capital				
Increase in inventories		(4,071)	(27,584)	(108,884)
Increase in trade and other receivables		(10,474)	(61,814)	(75,914)
Increase in trade and other payables		25,222	81,116	323,953
Increase in contract liabilities		—	1,401	9,591
Increase in pledged bank deposits		—	—	(170,208)
Increase in provisions		11	1,401	4,423
Cash used in operations		(84,244)	(212,708)	(232,616)

(c) Reconciliation of liabilities arising from financing activities:

	Lease liabilities	**Ordinary shares with redemption rights**	**Total**
	RMB'000 (Note 23)	*RMB'000 (Note 25)*	*RMB'000*
At 1 January 2023	—	61,973	61,973
Changes from financing cash flows:			
Capital element of lease rentals paid	(2,655)	—	(2,655)
Interest element of lease rentals paid	(539)	—	(539)
Proceeds from the issuance of ordinary shares with redemption rights	—	141,000	141,000
Total changes from financing cash flows	(3,194)	141,000	137,806
Other changes:			
Interest expenses	539	12,100	12,639
Increase in lease liabilities from entering into new leases during the year	20,446	—	20,446
Total other changes	20,985	12,100	33,085
At 31 December 2023	17,791	215,073	232,864

	Loans and borrowings	Lease liabilities	Ordinary shares with redemption rights	Total
	RMB'000 (Note 22)	*RMB'000 (Note 23)*	*RMB'000 (Note 25)*	*RMB'000*
At 1 January 2024	—	17,791	215,073	232,864
Changes from financing cash flows:				
Proceeds from loans and borrowings	43,420	—	—	43,420
Capital element of lease rentals paid	—	(3,356)	—	(3,356)
Interest element of lease rentals paid	—	(683)	—	(683)
Proceeds from the issuance of ordinary shares with redemption rights	—	—	120,500	120,500
Interest paid	(607)	—	—	(607)
Total changes from financing cash flows	42,813	(4,039)	120,500	159,274
Other changes:				
Interest expenses	647	683	20,515	21,845
Total other changes	647	683	20,515	21,845
At 31 December 2024 and 1 January 2025	**43,460**	**14,435**	**356,088**	**413,983**
Changes from financing cash flows:				
Proceeds from loans and borrowings	130,900	—	—	130,900
Repayments of loans and borrowings	(53,420)	—	—	(53,420)
Capital element of lease rentals paid	—	(4,185)	—	(4,185)
Interest element of lease rentals paid	—	(706)	—	(706)
Proceeds from the issuance of ordinary shares with redemption rights	—	—	326,000	326,000
Interest paid	(2,589)	—	—	(2,589)
Total changes from financing cash flows	74,891	(4,891)	326,000	396,000
Other changes:				
Increase in lease liabilities from entering into new leases during the year	—	6,837	—	6,837
Decrease in lease liabilities from early termination of leases during the year	—	(480)	—	(480)
Interest expenses	2,602	706	41,824	45,132
Total other changes	2,602	7,063	41,824	51,489
At 31 December 2025	**120,953**	**16,607**	**723,912**	**861,472**

(d) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

	Year ended 31 December		
	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within operating cash flows	(1,115)	(915)	(1,352)
Within financing cash flows	(3,194)	(4,039)	(4,891)
	(4,309)	(4,954)	(6,243)

20 Trade and other payables

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	13,166	63,745	205,496
Bills payable	—	—	165,542
Payroll payables	15,094	22,237	35,176
Other payables and accruals	1,019	23,123	26,727
VAT and sundry taxes payable	451	873	1,316
Financial guarantee issued *(Note 29)*	—	868	544
	29,730	110,846	434,801

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	13,166	63,745	155,998
Amount due to subsidiaries	—	20,000	71,011
Bills payable	—	—	176,509
Payroll payables	2,779	7,598	11,340
Other payables and accruals	640	22,758	24,319
VAT and sundry taxes payable	65	301	634
Financial guarantee issued *(Note 29)*	—	868	544
	16,650	115,270	440,355

As of the end of the Track Record Period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	12,612	63,737	205,464
Over 1 year	554	8	32
	13,166	63,745	205,496

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	12,612	63,738	155,966
Over 1 year	554	7	32
	13,166	63,745	155,998

21 Contract liabilities

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract liabilities			
Receipts in advance from customers	—	1,401	10,992
Movements in contract liabilities			
Balance at 1 January	—	—	1,401
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	—	—	(1,401)
Increase in contract liabilities as a result of billing in advance	—	1,401	10,992
	—	1,401	10,992

Contract liabilities represent the Group's and the Company's obligations to transfer goods to customers for which the Group has received considerations (or amount of considerations are due) from the customers. All of the contract liabilities are expected to be recognised as income within one year.

22 Loans and borrowings

(a) The analysis of the carrying amount of loans and borrowings is as follows:

The Group and the Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Current			
Short-term bank loans	—	43,460	115,981
Obligations arising from sale and leaseback transactions	—	—	4,972
	—	43,460	120,953

Interest rates comprise fixed rates and floating rates based on Loan Prime Rate ("**LPR**"), and the details are as follows:

	As at 31 December		
	2023	**2024**	**2025**
Current loans	—	one-year LPR-0.25%	one-year LPR-0.55%– one-year LPR-0.1% and 2.35%-4.69%

(b) The bank loans were repayable as follows:

The Group and the Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	—	43,460	115,981
	—	43,460	115,981

(c) The loans and borrowings were secured as follows:

The Group and the Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Bank loans			
— Unsecured *(i)*	—	43,460	115,981
	—	43,460	115,981
Obligations arising from sale and leaseback transactions			
— Secured *(ii)*	—	—	4,972
	—	43,460	120,953

(i) Bank loans of RMB Nil, RMB10,009,000 and RMB91,052,000 were jointly guaranteed by Mr. Huang Zehua and Shanghai Lingdong Zhika Automobile Technology Co., Ltd. (上海零動智卡汽車科技有限公司) as at 31 December 2023, 2024 and 2025, respectively.

(ii) In May 2025, the Company entered into an sale-and-leaseback agreement for new energy intelligent heavy-duty truck(s) with a third party leasing company, pursuant to which the principal lease amount was RMB9,000,000, bearing interest at 4.69% per annum. The principal and interest are repayable quarterly over a one-year term.

Based on the management assessment of the Group, Hubei Xincheng did not obtain control of the assets and the transfer of assets did not satisfy the requirements of IFRS 15 to be accounted for as a sale of the assets. Therefore, the Group continues to recognise the assets and recognised borrowings equal to the transfer proceeds according to IFRS 9.

23 Lease liabilities

As of the end of the Track Record Period, the lease liabilities were repayable as follows:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	3,356	2,639	4,772
After 1 year but within 2 years	2,639	3,567	4,126
After 2 years but within 5 years	11,796	8,229	7,709
	14,435	11,796	11,835
	17,791	14,435	16,607

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	3,356	2,639	3,690
After 1 year but within 2 years	2,639	3,567	3,104
After 2 years but within 5 years	11,796	8,229	5,125
	14,435	11,796	8,229
	17,791	14,435	11,919

24 Provisions

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Product warranty provision			
— Current	4	519	2,318
— Non-current	8	893	3,517
	12	1,412	5,835

Product warranty provision is recognised when the underlying products are sold. Under the terms of the Group's sales agreements, the Group offers warranties for the new energy intelligent heavy-duty truck(s) (see Note 2(r)). Provision is therefore made for the best estimate of the expected settlement under these agreements in respect of products sold which are still within the warranty period. The amount of provision takes into account the Group's recent claim experience, historical warranty data and a weighting of all possible outcomes against their associated probabilities.

25 Ordinary shares with redemption rights

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	61,973	215,073	356,088
Recognition of ordinary shares with redemption rights	141,000	120,500	326,000
Changes in the carrying amount	12,100	20,515	41,824
At the end of the year	215,073	356,088	723,912

Since the date of establishment to 31 December 2025, the Company has completed several rounds of financing by issuing shares with preferred rights to investors, namely, Series Angel, Series Pre-A, Series Pre-A+ and Series A.

Pursuant to the agreements between the Company and the Series Angel Investors, the Series Pre-A Investors, the Series Pre-A+ Investors and the Series A Investors (the "**Investors**"), the Investors were granted certain preferred rights, including the redemption rights upon specified contingent events and the anti-dilution right. The key terms of these preferred rights that impacted the financial statements of the Group and the Company are outlined below:

Redemption rights

The Investors had the right to require the Company to redeem their share capital for cash upon certain events, including but not limited to: (i) a qualified initial public offering does not occur before specified dates; and (ii) a change in the actual controllers of the Company.

The redemption price is the investment amount paid by the investors, plus an annual simple rate of 8% on the investment amount for the period commencing from the investment amount payment date to the redemption settlement date, deducting all accumulated distributed dividends.

Presentation and classification

The Company did not have an unconditional right to avoid redeeming its share capital for cash, since not all specified contingent events were within its control. The Company recognised financial liabilities at the highest present value of those redemption amounts in accordance with the accounting policies set out in Note 2(o). The changes in the carrying amount of the liabilities recognised in "changes in the carrying amount of ordinary shares with redemption rights".

26 Share-based payment

Share option scheme

In July 2022, the Group adopted a share-based payment incentive scheme, pursuant to which the Group is authorised to grant share options to reward the contributions of eligible employees and directors. The scheme is subject to service-based vesting conditions, under which 25% of the total awarded shares shall vest and become exercisable annually over a four-year service period. The contractual life of options is the period from the date of vesting to the earlier of (i) three months after the date of cessation of employment or (ii) the date on which the Company first submits its listing application.

During the four-year service period, if an employee terminates employment, the Company has a right to repurchase vested share options from the employee (the "**repurchase right**") at a price equal to 50% of the Company's per-share post money valuation from the most recent equity financing round when the employment is terminated.

(a) Set out below is the movement in number of the underlying shares of the Company under the share option scheme:

	As at 31 December					
	2023		2024		2025	
	Weighted average exercise price	*Number of share options*	*Weighted average exercise price*	*Number of share options*	*Weighted average exercise price*	*Number of share options*
	RMB		*RMB*		*RMB*	
Outstanding at the beginning of the year	6.29	957,074	8.23	1,638,974	9.26	2,297,558
Granted during the year	10.97	681,900	11.11	792,018	6.65	440,913
Exercised during the year	—	—	—	—	9.17	(669,493)
Forfeited during the year	—	—	7.69	(133,434)	9.42	(175,274)
Outstanding at the end of the year	8.23	1,638,974	9.26	2,297,558	8.67	1,893,704
Exercisable at the end of the year	4.45	216,121	5.23	574,619	1.67	329,380

(b) Cash-settled component of the share option scheme

Certain awards are subject to the Company's repurchase right when employees terminate employment during the service period. Although the repurchase right is exercisable at the Company's discretion, the Company has determined that it has a present obligation to settle in cash for the vested share options when the employment is terminated during the four-year service period. Accordingly, to the extent that employees are not expected to meet the service conditions, the related share-based payment transactions are classified as cash-settled and the related balances are included in trade and other payables. The carrying amounts were RMB1,768,000, RMB4,835,000 and RMB14,668,000 as at 31 December, 2023, 2024 and 2025, respectively. The fair value of cash-settled incentives granted to employees is measured using a binomial model method.

(c) Expenses for the share-based payment have been charged to the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of sales			
Selling expenses	53	208	4,475
Administrative expenses	1,489	1,601	4,789
Research and development costs	3,560	5,183	8,665
	5,102	6,992	17,929

(d) Fair value of share options and assumptions

The fair value of services received in return for share options is measured by reference to the fair value of share options granted. The grant-date fair values of each share options granted are between RMB5.22 to RMB27.21. Binomial model method was used to determine the equity fair value of the ordinary shares of the Company and the estimated fair value of the share options granted is measured based on a binomial tree model. Key assumptions adopted in determining the fair value are as follows:

	As at 31 December		
	2023	2024	2025
Fair value of share options and assumptions			
Fair value at measurement date	RMB7.74–16.89	RMB14.28–25.95	RMB32.70–48.62
Share price	RMB12.86–16.89	RMB21.91–25.95	RMB32.7–37.63
Exercise price	RMB7.44–8.19	RMB13.92	RMB0–13.92
Expected volatility	41.7%–42.1%	42.2%–43.3%	42.4%–43.2%
Option life	10 years	10 years	10 years
Expected dividends	—	—	—
Risk-free interest rate	2.55%–2.62%	1.61%–2.29%	1.70%–1.71%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

27 Capital, reserves and dividends

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the Track Record Period are set out below:

	Note	Paid-in capital	Capital Reserve	Share-based payment reserve	Accumulated losses	Total deficit
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2023		9,000	(2,500)	38	(20,152)	(13,614)
Total comprehensive income		—	—	—	(123,087)	(123,087)
Capital contribution by investors *(i)*	*27(b)*	1,500	1,500	—	—	3,000
Issuance of ordinary shares with redemption rights *(i)*	*27(b)*	3,608	137,392	—	—	141,000
Recognition of ordinary shares with redemption rights	*25*	—	(141,000)	—	—	(141,000)
Equity settled share-based payment	*26*	—	—	353	—	353
Balance at 31 December 2023		14,108	(4,608)	391	(143,239)	(133,348)
Total comprehensive income		—	—	—	(212,629)	(212,629)
Issuance of ordinary shares with redemption rights *(ii)*	*27(b)*	1,764	118,736	—	—	120,500
Recognition of ordinary shares with redemption rights	*25*	—	(120,500)	—	—	(120,500)
Equity settled share-based payment	*26*	—	—	1,250	—	1,250
Balance at 31 December 2024		15,872	(6,372)	1,641	(355,868)	(344,727)
Total comprehensive income		—	—	—	(257,265)	(257,265)
Capital contribution by investors *(iii)*	*27(b)*	3,820	—	—	—	3,820
Issuance of ordinary shares with redemption rights *(iii)*	*27(b)*	4,676	321,324	—	—	326,000
Recognition of ordinary shares with redemption rights	*25*	—	(326,000)	—	—	(326,000)
Equity settled share-based payment	*26*	—	—	1,285	—	1,285
Balance at 31 December 2025		24,368	(11,048)	2,926	(613,133)	(596,887)

(b) Paid-in capital

	Paid-in capital
	RMB'000
Balance at 1 January 2023	9,000
Capital contribution by investors *(i)*	1,500
Issuance of ordinary shares with redemption rights *(i)*	3,608
Balance at 31 December 2023,1 January 2024	14,108
Issuance of ordinary shares with redemption rights *(ii)*	1,764
Balance at 31 December 2024, 1 January 2025	15,872
Capital contribution by investors *(iii)*	3,820
Issuance of ordinary shares with redemption rights *(iii)*	4,676
Balance at 31 December 2025	24,368

(i) For the year ended 31 December 2023, Yangzhou Erjinzhi Zhika Equity Investment Partnership (Limited Partnership) (揚州二進制智卡股權投資合夥企業(有限合夥)) completed the injections totalling RMB3,000,000 in the Company for the subscription of the Company's paid-in capital of RMB1,500,000. The excess of the consideration over the increase in the paid-in capital of RMB1,500,000 was credited to the capital reserve.

Series Pre-A Investors and Pre-A+ Investors completed the injections totalling RMB141,000,000 in the Company for the subscription of the Company's newly issued paid-in capital of RMB3,608,000. The excess of the consideration over the increase in the paid-in capital of RMB137,392,000 was credited to the capital reserve.

(ii) For the year ended 31 December 2024, Series A Investors completed the injections totalling RMB120,500,000 in the Company for the subscription of the Company's newly issued paid-in capital of RMB1,764,000. The excess of the consideration over the increase in the paid-in capital of RMB118,736,000 was credited to the capital reserve.

(iii) For the year ended 31 December 2025, Yangzhou Bannarui Zhika Investment Partnership (Limited Partnership) (揚州班納瑞智卡投資合夥企業(有限合夥)) completed the injections totalling RMB3,820,000 in the Company for the subscription of the Company's paid-in capital of RMB3,820,000.

Series A Investors completed the injections totalling RMB326,000,000 in the Company for the subscription of the Company's newly issued paid-in capital of RMB4,676,000. The excess of the consideration over the increase in the paid-in capital of RMB321,324,000 was credited to the capital reserve.

(c) Dividends

No dividends were paid or declared by the Company or any of its subsidiaries during the Track Record Period.

(d) Nature and purpose of reserves

(i) Capital reserve

The capital reserve primarily consists of the excess of the net contributions from the investors of the Company over the total paid-in capital issued and the amounts in relation to the recognition of the ordinary shares with redemption rights as set out in Note 25.

(ii) Share-based payment reserve

The share-based payment reserve is for recognising the grant date fair value of options issued to employees and directors of the Group under the share-based incentive scheme that has been recognised in accordance with the accounting policy adopted for equity-settled share-based payments in Note 2(p)(ii).

(e) Capital risk management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes bank loans and lease liabilities but excludes ordinary shares with redemption rights) less cash and cash equivalents. Adjusted capital comprises all components of equity and ordinary shares with redemption rights.

The Group's adjusted net debt-to-capital ratio as at 31 December 2023, 2024 and 2025 were as follows:

		As at 31 December		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Loans and borrowings	*22*	—	43,460	120,953
Lease liabilities	*23*	17,791	14,435	16,607
		17,791	57,895	137,560
Less: Cash and cash equivalents	*19*	(32,089)	(12,970)	(154,637)
Adjusted net debt		(14,298)	44,925	(17,077)
Total deficit		(123,143)	(360,066)	(628,885)
Add: Ordinary shares with redemption rights	*25*	215,073	356,088	723,912
Adjusted capital		91,930	(3,978)	95,027
Adjusted net debt-to-capital ratio		N/A	(1,129)%	N/A

28 Financial risk management and fair values of financial instruments

Exposure to credit, liquidity and interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables and financial guarantees. The Group's exposure to credit risk arising from cash and cash equivalents and bills receivable are limited because the counterparties are banks and financial institutions with low credit risks confirmed by the Group.

The Group also expects that there is no significant credit risk associated with other receivables since the counterparties to these financial assets have no material default history.

Except for the financial guarantee provided by the Group as set out in Note 29, the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk in respect of this financial guarantee at the end of the reporting period is disclosed in Note 29.

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are normally due within 90 days from the date of billing.

The Group has no significant concentration of credit risk in industries or countries in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As of 31 December 2023, 2024 and 2025, 100%, 19.4% and 9.2% of the total trade receivables were due from the Group's largest customer, respectively, and 100%, 78.4% and 40.2% of the total trade receivables, respectively, were due from the Group's five largest customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different type of customer, the loss allowance based on past due status is not distinguished among the Group's different customer types.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

	As at 31 December 2023		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Within 1 year	0.62%	1,300	8
		1,300	8

	As at 31 December 2024		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Within 1 year	1.36%	12,220	166
		12,220	166

	As at 31 December 2025		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Within 1 year	0.90%	96,860	867
1–2 years	100.00%	435	435
		97,295	1,302

Expected loss rates are based on historical loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the Track Record Period is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	—	8	166
Impairment losses recognised	8	698	1,369
Uncollectable amounts written off	—	(540)	(233)
At the end of the year	8	166	1,302

(b) Liquidity risk

The Group's policy is to regularly monitor liquidity requirements, and to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group and can be required to pay:

	As at 31 December 2023				
	Contractual undiscounted cash outflow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and other payables	14,185	—	—	14,185	14,185
Lease liabilities	4,038	3,194	12,654	19,886	17,791
Ordinary shares with redemption rights	215,073	—	—	215,073	215,073
	233,296	3,194	12,654	249,144	247,049

	As at 31 December 2024				
	Contractual undiscounted cash outflow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Loans and borrowings	44,099	—	—	44,099	43,460
Trade and other payables	86,868	—	—	86,868	86,868
Lease liabilities	3,194	3,993	8,661	15,848	14,435
Ordinary shares with redemption rights	356,088	—	—	356,088	356,088
	490,249	3,993	8,661	502,903	500,851

	As at 31 December 2025				
	Contractual undiscounted cash outflow				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Loans and borrowings	122,712	—	—	122,712	120,953
Trade and other payables	397,765	—	—	397,765	397,765
Lease liabilities	5,353	5,248	7,236	17,837	16,607
Ordinary shares with redemption rights	723,912	—	—	723,912	723,912
	1,249,742	5,248	7,236	1,262,226	1,259,237

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is primarily exposed to fair value interest rate risk in relation to lease liabilities, interest bearing borrowings and cash flow risk in relation to variable-rate bank balances and interest bearing borrowings. The Group currently does not have an interest rate hedging policy to mitigate interest rate risk; nevertheless, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

(i) The Group's interest rate profile as monitored by management is set out below.

	As at 31 December					
	2023		2024		2025	
	Interest rate %	*RMB'000*	*Interest rate %*	*RMB'000*	*Interest rate %*	*RMB'000*
Fixed rate:						
Lease liabilities	3.65%–4.30%	(17,791)	3.65%–4.30%	(14,435)	2.70%–4.30%	(16,607)
Loans and borrowings	/	—	/	—	2.35%–4.69%	(14,972)
Ordinary shares with redemption rights	8.00%	(215,073)	8.00%	(356,088)	8.00%	(723,912)
		(232,864)		(370,523)		(755,491)
Variable rate:						
Cash and cash equivalents	0.20%–0.25%	32,089	0.10%–0.15%	12,970	0.05%–0.10%	154,637
Pledged bank deposits	/	—	/	—	0.05%–0.10%	180,208
Loans and borrowings	/	—	one-year LPR-0.55% –one-year LPR-0.25%	(43,460)	one-year LPR-0.55% –one-year LPR-0.1%	(105,981)
		32,089		(30,490)		228,864

(ii) Sensitivity analysis

At 31 December 2023 and 2025, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's loss after tax and accumulated losses by approximately RMB321,000 and RMB2,289,000, respectively. At 31 December 2024, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's loss after tax and accumulated losses by approximately RMB305,000.

The sensitivity analysis above indicates the instantaneous change in the Group's loss after taxation (and accumulated losses) and other components of consolidated equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax (and retained earnings) and other components of consolidated equity is estimated as an annualised impact on interest expenses or income of such changes in interest rates.

(d) Currency risk

The Group mainly operates in Chinese Mainland, and most of the Group's monetary assets and liabilities are denominated in RMB. The management considers the Group's exposure to currency risk is insignificant.

(e) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	Fair value at 31 December 2023	Fair value measurements as at 31 December 2023 categorised into		
		Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurement				
Financial assets measured at FVTPL				
— Wealth management products	50,000	—	50,000	—

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the Track Record Period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of wealth management products in Level 2 is determined by discounting the estimated future cash flows at risky rate, which is the benchmark interest rate plus the risk premium as at the end of the reporting period.

(ii) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2023, 2024 and 2025.

29 Financial guarantee issued

An end-customer customer of the Group financed its purchase of the Group's products through finance leases provided by third-party leasing company. The Group undertakes the joint liability guarantee for this customer. In the event of customer default, the Group is required to make payments to the third-party leasing company for the outstanding amounts due from the customer. At the same time, the Group is entitled to repossess and purchase the leased products, and retain any net proceeds in excess of the guarantee payments made to the leasing company. The terms of these guarantees coincide with the tenure of the lease contracts which generally range from 1 to 3 years.

The initial fair value of the financial guarantees upon the initial recognition was immaterial, which was measured based on the future net cash outflow. Subsequently, the financial guarantee contract was remeasured the liability at the higher of the initial recognised amount and the expected credit loss allowance. As at 31 December 2023, 2024 and 2025, the Group's maximum exposure to such guarantees was RMB Nil, RMB13,573,000 and RMB8,999,000, respectively. During the Track Record Period, no customer default incurred.

30 Capital commitments

Capital commitments outstanding as at 31 December 2023, 2024 and 2025 not provided for in the consolidated financial statements were as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contracted for acquisition of property, plant and equipment	5,483	4,894	7,342

31 Material related party transactions

(a) Names and relationship of the related party that had material transactions with the Group during the Track Record Period

Name of related party	Relationship
Momenta (Suzhou) Technology Co., Ltd. 魔門塔(蘇州)科技有限公司	Affiliate of a shareholder

(b) Transactions with related party

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Procurement of goods and services	—	8,962	—

(c) Balance with related party

As at 31 December 2023, 2024 and 2025, the Group had no material balances with related party.

(d) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 8, and certain of the highest paid employees as disclosed in Note 9, is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	1,258	1,651	1,303
Discretionary bonuses	254	193	132
Contributions to retirement benefit schemes	169	175	177
Share-based payment	2,092	2,248	3,786
	3,773	4,267	5,398

32 Possible impact of amendments, new standards and interpretations issued but not yet effective for the Track Record Period

Up to the date of this report, the IASB has issued a number of amendments, new standards and interpretations, which are not yet effective for the Track Record Period, and which have not been adopted in preparing the Historical Financial Information. These developments include:

	Effective for accounting periods beginning on or after
Amendments to IFRS 9 and IFRS 7, *Contracts referencing nature-dependent electricity*	1 January 2026
Amendments to IFRS 9 and IFRS 7, *Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual improvements to IFRS Accounting Standards — Volume 11	1 January 2026
IFRS 18, *Presentation and disclosure in financial statements*	1 January 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	1 January 2027
Amendments to IAS 21, *Translation to a hyperinflationary presentation currency*	1 January 2027
Amendments to IFRS 10 and IAS 28, *Sale or contribution of assets between an investor and its associate or joint venture*	To be determined

The Group is in the process of making an assessment of what the impact of these developments are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidate financial statements of the Group except for the following.

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

33 Subsequent events

On 12 February 2026, the Company was converted into a joint stock limited company under the Company Law of the PRC. Upon the completion of the conversion, 24,368,089 shares with a nominal value of RMB1.0 each were subscribed by all the then shareholders in proportion to their respective equity interest in the Company before the conversion.

In March 2026 and May 2026, the Company completed Series A, Series A+, Series B1 and Series B2 financing by issuing 17,108,804 shares with special rights to investors and the Company received the consideration of RMB 1,728 million from the issuance.

In April 2026, the Group modified its existing share option scheme and converted it into a new Restricted Share Unit ("**RSU**") plan. This modification did not involve the issuance of new shares, the same number of shares originally reserved under the share option scheme was reallocated to the RSU plan. The Group further granted new shares mainly for the purpose of providing incentives to eligible employees of the Group. The participants of the RSU plan invested in the Company by the way of acquiring share capital of the Company through employee share purchase platforms.

34 Ultimate controlling party

As at the date of this report, the directors of the Company consider the ultimate controlling party of the Group to be Mr. Huang Zehua.

Subsequent financial statements

No audited financial statements have been prepared by the Company and its subsidiaries in respect of any period subsequent to 31 December 2025.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

TAXES FOR SECURITIES HOLDERS

The income tax and the tax on capital gains for holders of H Shares shall be subject to the laws and practices of PRC and the jurisdictions in which the holders of H Shares are residents or subject to taxes for other reasons. The following summary of relevant tax provisions is based on current laws and practices, and does not take into account anticipated changes in or amendments to relevant laws and policies or constitute any opinions or suggestions. The discussion is not intended to cover all the possible tax consequences of the **[REDACTED]** in H Shares, nor does it take into account the particular circumstances of any individual **[REDACTED]**, some of which may be subject to special rules. Accordingly, you should consult your own tax adviser as to the tax consequences of the **[REDACTED]** in H-Shares. The following discussion is based on the laws and regulations in force as of the Latest Practicable Date, which and whose interpretations are subject to change or adjustment and may have retrospective effect.

This section does not cover any aspects of Chinese taxation other than income tax, capital tax, value-added tax, stamp duty, and inheritance tax. Prospective **[REDACTED]** should consult their tax advisors regarding the Chinese and other tax implications of holding and disposing of H-shares.

TAXES IN MAINLAND CHINA

Tax on Dividends

Individual Investors

According to 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》) revised by the Standing Committee of the National People's Congress ("**NPCSC**") on August 31, 2018 and effective as of January 1, 2019, and the Implementation Regulations for 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實施條例》) revised by the State Council on December 18, 2018 and effective as of January 1, 2019, dividends distributed by domestic companies to individual investors shall be subject to withholding tax at a flat rate of 20%. Meanwhile, according to the Circular on Issues Concerning Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) promulgated by the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission ("**CSRC**") on September 7, 2015 and effective as of September 8, 2015, dividends and bonuses of shares of listed companies obtained by individuals from the public offering or stock market and held for more than one year shall be temporarily exempted from individual income tax. For shares of listed companies obtained by individuals from the public offering and transfer market and held for no more than one month, the dividends and bonuses thereof shall be fully included into the individual's taxable income; for shares held for more than one month but not more than one year, 50% of the dividends and bonuses thereof shall be temporarily included into the individual's taxable income. The above income shall be uniformly subject to individual income tax at the rate of 20%.

According to the Arrangement between Mainland China and Hong Kong SAR on Avoidance of Double Taxation and 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》) on August 21, 2006, or the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the PRC government can impose tax on dividends paid by Chinese companies to Hong Kong residents (including natural persons and legal entities), but the tax amount shall not exceed 10% of the

total payable dividends. If a Hong Kong resident directly holds 25% or more of the shares in a PRC company, and such Hong Kong resident is the beneficial owner of the dividends and other conditions are satisfied, the relevant tariff shall not exceed 5% of the total payable dividends of the PRC company.

The Fifth Protocol on the Arrangement between the Mainland and the Hong Kong Special Administrative Region for 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 was promulgated by the State Administration of Taxation and became effective on December 6, 2019, provides that such provisions shall not apply to any arrangement or transaction made for one of the main purposes thereof to obtain such tax preference.

In addition, the application of the dividend clauses of the tax treaties is subject to the requirements of the PRC tax laws and regulations, including the guidelines specified in the Circular of the State Administration of Taxation on the Issues Concerning the Application of the Dividend Clauses of Tax Treaties (Guo Shui Han [2009] No. 81) (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》(國稅函[2009]81號)), which came into effect on February 20, 2009. Compliance with these regulations is necessary to determine the tax applicable to dividends under the arrangement.

Corporate Investors

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) ("**Enterprise Income Tax Law**") revised by the NPCSC and effective as of December 29, 2018 and the Implementing Regulations of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) ("**Implementing Regulations of the Enterprise Income Tax Law**") revised by the State Council and effective as of January 20, 2025, non-resident enterprises which do not have a branch or offices in China, or even if they have a branch or offices in China but their China-sourced income is not effectively connected with their branch or offices, shall pay a 10% EIT on their China-sourced income (including dividends paid by Chinese resident enterprises whose shares are issued and listed in Hong Kong). The above-mentioned income tax payable by non-resident enterprises shall be withheld at source, with the payer as the withholding agent and the tax payable shall be withheld from each payment or amount due at the time of payment or when payment becomes due. Such tax may be reduced or exempted under the applicable treaty on the avoidance of double taxation.

The Circular of the State Administration of Taxation on Issues Relating to the Withholding and Remitting of Enterprise Income Tax by PRC Resident Enterprises on Dividends Distributed to Overseas Non-Resident Enterprise Shareholders of H Shares (Guo Shui Han [2008] No. 897) (《國家稅務總局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》(國稅函[2008]897號)), which was issued and implemented by the State Administration of Taxation (the "**SAT**") on November 6, 2008, further clarifies that a PRC-resident enterprise must withhold corporate income tax at a rate of 10% on the dividends paid to overseas non-resident enterprise shareholders of H Shares when distributing dividends for 2008 and onwards. In addition, the Response of the SAT to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B-shares (Guo Shui Han [2009] No. 394) (《國家稅務總局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》(國稅函[2009]394號)), which was issued and implemented by the SAT on July 24, 2009, further provides that any PRC-resident enterprise that is listed on overseas stock exchanges must withhold enterprise income tax at a rate of 10% on dividends for 2008 and onwards that it distributes to non-resident enterprise shareholders. Such tax rate may be further modified under the tax treaty that China has concluded with the relevant jurisdiction.

In accordance with the Arrangement between Mainland China and the Hong Kong Special Administrative Region for 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 PRC government may impose tax on dividends paid by a PRC Company to Hong Kong residents (including natural persons and legal entities), provided that such tax shall not exceed 10% of the aggregate amount of the dividends payable by the PRC Company. If a Hong Kong resident directly holds 25% or more of the shares in a PRC company, and such Hong Kong resident is the beneficial owner of the dividends and other conditions are satisfied, the relevant tariff shall not exceed 5% of the total payable dividends of the PRC company. The Fifth Protocol provides that such provision shall not apply to any arrangement or transaction entered into with one of the primary purposes of such tax preference.

In accordance with applicable regulations, we intend to withhold the tax at the tax rate of 10% from dividends paid to H-share non-PRC resident corporate holders. Non-PRC resident enterprises, which are entitled to enjoy tax reduction or exemption pursuant to the applicable income tax treaty, need to apply to the tax authorities in China for refund of the amount of withheld tax exceeding the conventional tax rate, and the tax refund should be verified by the tax authorities in China.

Tax on Gains from Share Transfers

Individual Investors

According to 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, gains from the sale of shares held by a PRC resident enterprise shall be levied individual income tax at a rate of 20%. According to the Circular on the Continued Exemption of Individual Income Tax on Gains from the Sale of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) promulgated by the Ministry of Finance and the SAT on March 30, 1998 and effective as of the same day, gains from the sale of shares held by a listed company shall continue to be exempted from the individual income tax starting from January 1, 1997. The SAT did not explicitly specify in the newly revised Enterprise Income Tax Law and its implementation rules whether the individual income tax on gains from the sale of shares held by a listed company shall continue to be exempted.

Corporate Investors

In accordance with the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementing rules, non-PRC resident enterprises that have not set up institutions or offices in China, or have set up institutions or offices but the incomes obtained by the enterprises have no actual connection with the set up institutions or offices, shall pay enterprise income tax (EIT) in relation to their incomes generated in China (including gains from the sale of shares held by a PRC resident enterprise) at the rate of 10%. The aforesaid payable income tax on non-PRC resident enterprises shall be withheld at the source, with the payer as the withholding agent. The tax payable shall be withheld from each payment or amount due at the time of payment or when payment becomes due. The withholding tax can be reduced or exempted pursuant to the relevant tax treaty or double taxation agreement.

Tax Policies of Shanghai-Hong Kong Stock Connect

According to the Circular on Tax Policies Relating to the Pilot Program of Shanghai-Hong Kong Stock Connect (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) promulgated by the Ministry of Finance, the SAT and the CSRC on October 31, 2014 and effective as of November 17, 2014, gains as a result of the transfer price difference from investments by domestic enterprises in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect will be included in their total revenues subject to EIT in accordance with the law. For dividends received by mainland individual investors investing in H-shares listed on the HKSE through the Shanghai-Hong Kong Stock Connect, the H-share company shall apply to CSDC, which shall provide the H-share company with the roster of mainland individual investors, and then the H-share company shall withhold and pay the individual income tax on behalf of the investors according to the tax rate of 20%.

According to the Announcement on the Extension of the Relevant Individual Income Tax Policies on the Shanghai-Hong Kong and Shenzhen-Hong Kong Mutual Stock Market Access Mechanism and the Mutual Recognition of Funds between the Mainland and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated on August 21, 2023 and implemented on the same day, individual income tax will continue to be exempted on gains as a result of the transfer price difference from investments by mainland individual investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect or in Hong Kong fund units acquired through mutual recognition of funds until December 31, 2027.

According to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets, gains from dividends from investments by mainland corporate investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect will be included in their total revenues subject to enterprise income tax in accordance with the law. Specifically, gains from dividends derived by a Chinese resident enterprise for holding H shares for 12 consecutive months and above will be exempted from enterprise income tax in accordance with the law. H-share companies do not withhold income tax on dividends for mainland corporate investors and the tax payable shall be declared and paid by the mainland corporate investors themselves.

Tax Policies of Shenzhen-Hong Kong Stock Connect

According to the Circular on Tax Policies relating to the Pilot Program of Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) promulgated by the Ministry of Finance, the SAT and the CSRC on November 5, 2016 and effective as of December 5, 2016, gains as a result of the transfer price difference from investments by mainland corporate investors in stocks listed on the HKSE through the Shenzhen-Hong Kong Stock Connect will be included in their total revenues subject to enterprise income tax in accordance with the law. For dividends received by mainland individual investors investing in H-shares listed on the HKSE through the Shenzhen-Hong Kong Stock Connect, the H-share company shall apply to CSDC, which shall provide the H-share company with the roster of mainland individual investors, and then the H-share company shall withhold and pay the individual income tax on behalf of the investors according to the tax rate of 20%.

According to the Announcement on the Extension of the Relevant Individual Income Tax Policies on the Shanghai-Hong Kong and Shenzhen-Hong Kong Mutual Stock Market Access Mechanism and the Mutual Recognition of Funds between the Mainland and Hong Kong promulgated on August 21,

2023 and implemented on the same day, individual income tax will continue to be exempted on gains as a result of the transfer price difference from investments by mainland individual investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect and in Hong Kong fund units acquired through mutual recognition of funds until December 31, 2027.

According to the Circular on Tax Policies relating to the Pilot Program of Shanghai-Hong Kong Stock Connect, gains from dividends from investments by mainland corporate investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect will be included in their total revenues subject to enterprise income tax in accordance with the law. Specifically, gains from dividends derived by a Chinese resident enterprise for holding H shares for 12 consecutive months and above will be exempted from enterprise income tax in accordance with the law. H-share companies do not withhold income tax on dividends for mainland corporate investors and the tax payable shall be declared and paid by the mainland corporate investors themselves.

Stamp Tax

According to the Stamp Tax Law of the People's Republic of China (《中華人民共和國印花税法》) promulgated on June 10, 2021 and effective as of July 1, 2022, purchase and disposal of H shares outside Mainland China by non-mainland investors will not be subject to the Stamp Tax Law of the People's Republic of China.

Inheritance Tax

Currently, inheritance tax is not levied in Mainland China according to Chinese laws.

MAJOR TAXES OF THE COMPANY IN CHINA

Enterprise Income Tax

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得税法》), enterprises and other organizations that have income accruing in People's Republic of China are enterprise income tax payers, who shall pay enterprise income tax in accordance with the Law. The enterprise income tax rate is 25%. High-tech enterprises that the Chinese government needs to prioritize supporting shall be subject to a reduced enterprise income tax rate of 15%.

Enterprises are further divided into resident enterprises and non-resident enterprises. For the purposes of China's enterprise income tax, enterprises established within China, or those established outside China but with their place of effective management within China, are deemed resident enterprises. Such enterprises shall pay enterprise income tax at a rate of 25% on their income derived both within and outside China. Non-resident enterprises refer to enterprises that have not established an institution or place of business within China, or enterprises that have established an institution or place of business within China but whose income is not effectively connected with such institution or place of business. Such enterprises shall pay enterprise income tax at a rate of 20% on income derived from within China. Such income tax shall be withheld at source, with the payer acting as the withholding agent. In addition, any income derived by non-resident enterprises from the transfer of shares shall be subject to enterprise income tax if such income is deemed to be derived from the transfer of property within China.

Value-added tax

According to the Provisional Regulations of the People's Republic of China on Value-added Tax (《中華人民共和國增值税暫行條例》) revised by the State Council and effective on November 19, 2017, and the Implementing Rules for the Provisional Regulations of the People's Republic of China on Value-added Tax revised by the Ministry of Finance on October 28, 2011 and effective on November 1, 2011, any entity and individual engaged in the sale of goods, the provision of processing, repair, or maintenance services, or the importation of goods within China shall be a VAT taxpayer and shall pay VAT in accordance with the relevant regulations and implementing rules. Unless otherwise specified in the aforementioned regulations, the value-added tax rate for taxpayers selling or importing goods is generally 17%.

According to the Notice on Adjusting Value-added Tax Rates (《關於調整增值税税率的通知》) promulgated by the Ministry of Finance and the SAT on April 4, 2018 and effective on May 1, 2018, the previous applicable 17% and 11% tax rates of a taxpayer engaging in VAT taxable sales activities or importation of goods are adjusted to 16% and 10%, respectively.

According to the Announcement on Policies for Deepening the VAT Reform (《關於深化增值税改革有關政策的公告》) promulgated by the Ministry of Finance, the SAT and the General Administration of Customs on March 20, 2019 and effective on April 1, 2019, the previous applicable 16% tax rate and 10% tax rates of a taxpayer engaging in VAT taxable sales activities or importation of goods are adjusted to 13% and 9% respectively.

The NPCSC promulgated the Value-Added Tax Law (《中華人民共和國增值税法》) on December 25, 2024, which will take effect on January 1, 2026. Upon the implementation of this law, the Provisional Regulations of the People's Republic of China on Value-Added Tax shall be repealed simultaneously. Under the Value-Added Tax Law, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, and real estate within China, as well as import goods, are VAT taxpayers and shall pay value-added tax. Taxpayers selling goods are subject to a 13% tax rate, while those selling services or intangible assets are subject to a 6% tax rate. Except as otherwise provided in the Value-Added Tax Law, taxpayers engaging in taxable transactions shall calculate and pay value-added tax using the general taxation method by offsetting output tax against input tax.

FOREIGN EXCHANGE CONTROL OF CHINA

The legal currency of China is Renminbi (RMB). The State Administration of Foreign Exchange is authorized by the People's Bank of China to be responsible for the administration of all matters related to foreign exchange, including the implementation of foreign exchange regulations.

According to the Foreign Exchange Control Regulations of the People's Republic of China (《中華人民共和國外匯管理條例》) revised by the State Council and effective on August 5, 2008, all international payment and transfer are classified into current account and capital account. China imposes no restrictions on international payments and transfers under the current account. Foreign exchange earnings of Chinese enterprises under the current account may be retained or sold to financial institutions engaged in foreign exchange conversion and sale in accordance with relevant national regulations. Foreign exchange earnings under the capital account may be retained or sold to financial institutions engaged in foreign exchange conversion and sale, subject to approval by the foreign exchange administration authorities, except where otherwise provided by the state.

According to the Administrative Provisions on Foreign Exchange Settlement, Sales and Payment (《結匯、售匯及付匯管理規定》) promulgated by the People's Bank of China on June 20, 1996 and effective on July 1, 1996, other restrictions on foreign exchange convertibility under current account are cancelled, but the existing restrictions on foreign exchange transactions under capital account remain.

Pursuant to relevant PRC laws and regulations, companies in China (including foreign invested enterprises) which need foreign exchange for current account transactions may produce valid receipts and transaction vouchers to make payments from their foreign exchange accounts at designated foreign exchange banks, without the need of approval by the SAFE. Foreign-invested enterprises which need to use foreign exchange to distribute profits to shareholders and Chinese enterprises which need to use foreign exchange to pay fixed dividends pursuant to relevant provisions shall make payment from its foreign exchange account or at designated foreign exchange bank pursuant to a resolution on profit distribution passed by the board of directors.

According to the Decision of the State Council on Matters relating to Cancelling and Adjusting a Number of Administrative Examination and Approval Items (Guo Fa [2014] No. 50) (《國務院關於取消和調整一批行政審批項目等事項的決定》(國發[2014]50號)) promulgated by the State Council and effective on October 23, 2014, the administrative examination and approval by the SAFE and its branches for the repatriation and settlement of funds raised through overseas listing were cancelled.

According to the Notice on Issues Concerning the Administration of Funds for Overseas Listing of Domestic Enterprises (Hui Fa [2014] No. 54) (《關於境內企業境外上市資金管理有關問題的通知》(匯發[2014]54號)) issued by the People's Bank of China and the SAFE, funds raised from overseas listing and proceeds from share reduction or transfer may be repatriated in foreign currency or RMB; for an entity listed under the H-share "full circulation" scheme, dividends distributed to its domestic shareholders shall be paid in RMB within the territory of China; a domestic enterprise may, at its own discretion, convert repatriated foreign currency funds into RMB for use and independently choose means of managing exchange rate risks; banks are supported in directly handling overseas listing registrations for domestic enterprises, and the registration time limit requirements for initial public offerings, additional issuances, share reductions, etc. have been relaxed; funds raised and proceeds from share reduction or transfer shall, in principle, be repatriated to the domestic territory; any remaining amount of funds remitted abroad for share increase by shareholders, or funds remitted but unused due to failure to complete the transaction, shall be promptly repatriated; and qualified domestic enterprises may retain funds raised overseas for use abroad.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving the Policies for the Administration of Foreign Exchange in Direct Investment ("**Circular 13**") (《關於進一步簡化和改進直接投資外匯管理政策的通知》(13號文))) promulgated on February 13, 2015 and effective on June 1, 2015, the SAFE has cancelled the requirement for the foreign exchange registration approval for domestic or overseas direct investments. Instead, the banks are directly responsible for the review and handling of foreign exchange registration for domestic and overseas direct investments, and the SAFE and its branches exercise indirect supervision over foreign exchange registration for direct investment via the banks.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement under Capital Accounts (Hui Fa [2016] No.16) (《關於改革和規範資本項目結匯管理政策的通知》(匯發[2016]16號)) promulgated and implemented by the SAFE on June 9, 2016, domestic institutions can settle their foreign exchange receipts under capital accounts (including repatriated funds raised through overseas listing) at their

discretion with banks according to their actual business needs. Domestic institutions may, at their discretion, settle up to 100% of their foreign exchange receipts under capital accounts for the time being. The SAFE may adjust the aforesaid proportion where appropriate based on balance of payments.

The SAFE promulgated the Provisions on Foreign Exchange Administration over Domestic Direct Investment by Foreign Investors ("**Circular 21**") (《關於外商投資境內直接投資外匯管理規定》(21號文)), which partially abolished on December 30, 2019. Circular 21 stipulates that the SAFE and its local branches shall manage foreign investors' direct investment within the PRC through registration, and banks shall handle the foreign exchange business of direct investment within the PRC according to the registration information provided by the SAFE or its branches.

Pursuant to the Notice of Reforming the Management Method for the Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises ("**Circular 19**") (《關於改革外商投資企業外匯資本金結匯管理方式的通知》(19號文)), promulgated by the SAFE, and partially abolished, respectively, foreign-invested enterprises could settle their foreign exchange capital on a discretionary basis based on the actual needs of their business operations. Foreign invested enterprises are prohibited from using the foreign exchange capital settled in RMB: (1) for any expenditures beyond the business scope of the foreign-invested enterprises or forbidden by laws and regulations; (2) for direct or indirect securities investment; (3) to provide entrusted loans (unless permitted in the business scope), repay inter-company loans (including advances to third parties) or repay RMB bank loans that have been on-lent to a third party; and (4) to purchase real estate not for self-use purposes (save for real estate enterprises). Pursuant to the Notice of Reforming and Standardizing the Foreign Exchange Settlement Management Policies of Capital Accounts ("**Circular 16**") which was partially amended by the SAFE, discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds, and remitted foreign listing proceeds, and the corresponding RMB capital converted from foreign exchange may be used to extend loans to related parties or repay inter-company loans (including advances by third parties). However, there remain substantial uncertainties with respect to Circular 16's interpretation and implementation in practice.

The SAFE issued and implemented on the same date the Notice on Improving the Check of Authenticity and Compliance to Further Promote Foreign Exchange Management Reform ("**Circular 3**") (《關於進一步推動外匯管理改革完善真實合規性審核的通知》(3號文)), which stipulates several capital control measures with respect to the outbound remittance of profits from domestic entities to offshore entities, including (1) when handling remittance of profit at an amount of over US$50,000 for domestic institutions, banks shall review board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements to check if the transactions are genuine; and (2) domestic entities shall make up for previous year's losses before remitting the profits. In addition, pursuant to Circular 3, domestic entities shall make detailed explanations to the bank in respect of the sources of the capital and its utilization arrangements, and provide board resolutions, contracts, and other supporting materials when undergoing the filing procedures in connection with an outbound investment.

The SAFE promulgated the Notice on Further Facilitating Cross-Board Trade and Investment (Hui Fa [2016] No.28) (《關於進一步促進跨國貿易投資便利化的通知》(匯發[2019]28號)). The Notice cancels 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 areas are also allowed to use revenue under capital accounts, such as capital

funds, foreign debt offering proceeds, and remitted foreign listing proceeds for domestic payments without providing supporting 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 administrative regulations for use of revenue from capital accounts.

According to the Notice on Optimizing Foreign Exchange Management to Support the Development of Foreign Businesses (Hui Fa [2020 No.8) (《關於優化外匯管理支援涉外業務發展的通知》(匯發[2020]8號)) issued by the SAFE, eligible enterprises are allowed to use revenue under capital accounts, such as capital funds, foreign debt offering proceeds, and remitted foreign listing proceeds for domestic payments without providing supporting materials to the bank in advance for authenticity verification; provided that the use of funds should be true, in compliance with applicable rules and conforming to the current administrative regulations for use of revenue from capital accounts. Relevant banks should conduct spot checks in accordance with relevant provisions.

According to the Notice on Further Deepening Reforms to Promote the Convenience of Cross-border Trade and Investment ("**Circular 28**") (《關於進一步深化改革促進跨境貿易投資便利化的通知》(28號文)), issued by the SAFE, which provides that qualified high-tech, "professional, sophisticated, unique and new" and technology-based small and medium-sized enterprises in Anhui and certain other areas can borrow foreign debt on their own within an amount not exceeding the equivalent of US$10 million. Circular 28 abolished the restriction that the cumulative remittance amount of up-front expenses of overseas direct investment by a domestic enterprise shall not exceed the equivalent of US$3 million, provided that the cumulative remittance amount shall not exceed 15% of the total proposed investment amount by the PRC entity. Additionally, Circular 28 restructured the asset realization account of capital accounts to the settlement account of capital accounts. The equity transfer consideration funds in foreign currency received by a domestic equity transferor (including institutions and individuals) from domestic parties, as well as the foreign exchange funds raised by domestic enterprises through overseas listing may be directly remitted to the settlement account of capital accounts. Funds in the settlement account of capital accounts may be settled and used at discretion.

This Appendix contains a summary of laws and regulations on companies and securities in the PRC, certain major differences between the PRC Company Law and Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Companies Ordinance as well as the additional regulatory provisions of the Stock Exchange on joint stock limited companies of the PRC. The principal objective of this summary is to provide potential **[REDACTED]** with an overview of the principal laws and regulations applicable to us. This summary is with no intention to include all the information which may be important to the potential **[REDACTED]**. For discussion of laws and regulations specifically governing the business of the Company, please see section entitled "Regulatory Overview" in this Document.

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**") and is made up of written laws, administrative regulations, local regulations, separate regulations, autonomous regulations, rules and regulations of departments, rules and regulations of local governments, international treaties of which the PRC government is a signatory, and other regulatory documents. Court verdicts do not constitute binding precedents. However, they may be used as judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法》), or the "Legislation Law" lastly amended by NPC on March 13, 2023 and effective on March 15, 2023, the NPC and the SCNPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing criminal and civil matters, state organs and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provisions of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their standing committees may formulate local regulations on matters such as urban and rural construction and management, environmental protection and historical and cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of such provinces or autonomous regions. Where laws have other stipulations on matters of local regulations formulated by cities divided into districts, such stipulations shall prevail. The local regulations of cities divided into autonomous regions shall be submitted for approval before implementation.

The standing committees 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 their respective provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in the light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned. The ministries, commissions, PBOC, National Audit Office of the State Council and

institutions with administrative functions directly under the State Council may formulate rules and regulations within the jurisdiction of their respective departments based on the laws and the administrative regulations, decisions and rulings of the State Council.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of the rules enacted by the people's governments of the provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities divided into districts within their respective administrative regions.

The NPC has the power to amend or annul any inappropriate laws formulated by the SCNPC, and to annul any autonomous regulations and separate regulations which have 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, to annul local regulations that contravene the Constitution, laws and administrative regulations, and to annul autonomous regulations and separate regulations which have been approved by the standing committees of the people's congresses of the relevant 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 amend or annul any inappropriate ministerial rules and rules of local governments. The people's congresses of provinces, autonomous regions and municipalities directly under the Central Government have the power to alter or annul any 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 amend or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws belongs to the SCNPC. According to the Decision of the SCNPC Regarding the Strengthening of Interpretation of Laws (《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 by the SCNPC and effective on June 10, 1981, the SCNPC shall give interpretation and make provisions by means of decrees on issues related to the further clarification or supplement of laws or decrees. The Supreme People's Court shall give interpretations on questions involving the specific application of laws and decrees in court trials. The Supreme People's Procuratorate shall interpret all issues involving the specific application of laws and decrees in the procuratorial work. If there are principled differences in the interpretation of the Supreme People's Court and the Supreme People's Procuratorate, they shall be submitted to the SCNPC for interpretation or decision. Interpretation of questions involving the specific application of laws and decrees in areas unrelated to judicial and procuratorial work shall be provided by the State Council and competent authorities.

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 which have enacted these regulations shall provide 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.

PRC JUDICIAL SYSTEM

According to the Constitution and the Law of the PRC of Organization of the People's Courts (《中華人民共和國人民法院組織法》) lastly amended by the SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Court is made up of the Supreme People's Court, the local people's courts, and other special people's courts. The local people's courts are divided into three levels, namely the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up certain people's tribunals based on the status of the region, population and cases. The Supreme People's Court shall be the highest judicial organ of the state. The Supreme People's Court shall supervise the administration of justice by the local people's courts at all levels and by the special people's courts. The people's courts at higher levels shall supervise the judicial work of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) lastly amended by SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Procuratorate is the law supervision organ of the state. The Supreme People's Procuratorate shall be the highest procuratorial organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

The people's courts employ a two-instance trial system, and judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's courts. The people's procuratorate may present a protest to the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts become final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court or the people's courts at the next higher level finds any definite errors in a legally effective final judgment or ruling of the people's court at a lower level, or if the president of a people's court at any level finds any definite errors in a legally effective final judgment or ruling of such court, the case can be retried according to judicial supervision procedures.

The PRC Civil Procedure Law (《中華人民共和國民事訴訟法》), or the "Civil Procedure Law" lastly amended by the SCNPC on September 1, 2023 and effective on January 1, 2024 sets forth the requirements for instituting a civil action, 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 order. All parties to a civil action conducted within the mainland China must comply with the Civil Procedure Law. Civil cases are generally heard by the courts where the defendants are located. The court of jurisdiction in a civil action may be chosen by express agreement between the parties, provided that the court is located at a place that has direct connection with the dispute, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed, or the object of the action is located. However, the choice of the court cannot conflict with the regulations of different jurisdictions and exclusive jurisdictions in any case.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must have the same litigation rights and obligations as a PRC citizen, legal person or other organizations when initiating or defending any proceedings at a people's court. If a foreign court limits

the litigation rights of PRC citizens, legal person or other organizations, the PRC court may apply the same limitations to the citizens, legal person or other organizations of such foreign country. A foreign individual, a person without nationality, a foreign-invested enterprise or a foreign organization must engage a lawyer from Mainland China if such person needs to engage a lawyer in initiating or defending any proceedings at a people's court. Under an international treaty or the principle of reciprocity signed or acceded to by the mainland China, the people's court and foreign courts may require each other to act on their behalf to serve documents, conduct investigations, collect evidence and take other actions on behalf of each other. If the request by a foreign court would result in the violation of the PRC's sovereignty, security or public interest, the people's court shall decline the request.

All parties involved must comply with legally effective civil judgments and rulings. If any party to a civil action refuse to comply with a judgment or order made by a people's court or an award made by an arbitration tribunal, the other party may apply to the people's court for enforcement within two years. Suspension or disruption of the time limit for applying for such enforcement shall comply with the provisions of the applicable law concerning the suspension or disruption of the time-barring of actions.

When a party applies to a people's court for enforcing an effective judgment or ruling by a people's court against a party who is not located within the territory of the mainland China or whose property is not within the mainland China, the party may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court according to the mainland China enforcement procedures if the mainland China has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless among other exceptions, the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the mainland China, its sovereignty or security, or for reasons of social and public interests.

THE PRC COMPANY LAW, OVERSEAS LISTING TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

A joint stock limited company established in mainland China seeking a listing on Hong Kong Stock Exchange is mainly subject to the following laws and regulations of Mainland China.

The Company Law was lastly revised on December 29, 2023 and came into effect on July 1, 2024.

The Overseas Listing Trial Measures and its five interpretative guidelines were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023 and were applicable to the direct and indirect overseas offering and listing of PRC domestic companies' securities.

According to the Overseas Listing Trial Measures and its interpretative guidelines, where a domestic company directly conducts offering and listing overseas, it shall formulate its articles of association in line with the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), or the "Guidelines for Articles of Association", which was lastly amended by the CSRC and came into effect on March 28, 2025.

Set out below is a summary of the major provisions of the Company Law, the Overseas Listing Trial Measures and the Guidelines for Articles of Association which are applicable to our Company.

General Provisions

A joint stock limited company refers to an enterprise legal person incorporated under the Company Law with its registered capital divided into shares of equal par value. The liability of its shareholders is limited to the amount of shares held by them and the company is liable to its creditors for an amount equal to the total value of its assets.

A joint stock limited company shall conduct its business in accordance with laws and regulations as well as public and commercial ethics, be honest and trustworthy and accept the supervision of the government and the public. A company may invest in other companies. If it is prescribed by any law that a company shall not become a capital contributor that shall bear the joint and several liability for the debts of the enterprises it invests in, such provisions shall prevail.

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 Mainland China.

The promoters of subscription of a joint stock company 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 with the presence of subscribers holding more than 50% of the voting rights. The convening and voting procedures for the inaugural meeting of a joint stock limited company incorporated by promotion shall be stipulated in the agreement of the promoters. Powers to be exercised at the inaugural meeting include but are not limited to the adoption of articles of association and the election of members of the board of directors and the supervisory committee of a company. The aforesaid matters shall be resolved by more than 50% of the votes to be casted by subscribers presented at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors shall 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. After the establishment of the company, the board of directors shall verify the capital contribution of shareholders. If a shareholder has not paid the capital contribution in full as stipulated in the company's articles of association on schedule, the company shall issue a written call to the shareholder to make the payment.

The promoters of a company shall: (i) individually and jointly be liable for the payment of all liabilities and expenses incurred in the incorporation process if the company cannot be incorporated; (ii) individually and jointly be liable for the repayment of subscription monies to the subscribers together with interest at bank rates of a deposit for the same period if the company cannot be incorporated; and (iii) as regards the civil liabilities arising from the civil activities undertaken by the promoter at the time of establishment in his/her own name for the purpose of establishing the company, the third party shall have the right to choose to request the promoter to bear such liabilities. (iv) in the

process of establishing a company, if the promoter causes harm to others due to the performance of the company's establishment duties, the company or the innocent promoter shall bear the liability for compensation and may seek compensation from the negligent promoter.

Registered Shares

Under the 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 an intellectual property right, land use rights, shareholding or claims.

The Overseas Listing Trial Measures provides that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi.

Under the 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 issues 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. A joint stock limited company may issue shares at a 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 the Overseas Listing Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholders information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer itself shall file with the CSRC.

Increase of Share Capital

Under the 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 original shareholders, if any. If no par value stock is issued, more than one-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 public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the document.

In addition, the Securities Law of the PRC (2019 Revision) (《中華人民共和國證券法(2019修訂)》) also stipulates the following conditions for the company's public offering of new shares: (i) have a sound organisational structure with satisfactory operating; (ii) have the capability of sustainable operation; (iii) have been issued with an unqualified opinion audit report by the auditor for the company's financial accounting documents in the latest three years; (iv) the issuer and its controlling shareholder(s) and the actual controllers do not have criminal records during the past three years for corruption, bribery, encroachment of assets, misappropriation of assets or disruption of socialist market

economy order; and (v) other conditions required by the securities administration department of the State Council as approved by the State Council. After the new shares issued by the company have been fully paid up, the change must be registered with the company registration authority and a public announcement shall be made.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law: (i) to prepare a balance sheet and a property list; (ii) a company makes a resolution at 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 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 Company Law, a company shall not purchase its own shares. Except for any 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 stocks plan or equity incentives; (iv) with respect to shareholders voting against any resolution adopted at the shareholders' meeting on the merger or division of our Company, the right to demand our Company to acquire the shares held by them; (v) using the shares for the conversion of convertible corporate bonds issued by the listed company; (vi) as required for 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 meetings attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the 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 buy-back 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) above; the total numbers of share of our Company held by a company shall not exceed 10% of the total issued shares of our Company, and shall be transferred or canceled within three years in the case of items (iii), (v) and (vi) above.

A listed company that repurchases its own shares shall perform their obligation of information disclosure according to the provisions of the PRC Securities Law. A listed company acquires its own shares under any of the circumstances stipulated in item (iii), item (v) and item (vi) hereof, shall be carried out trading in a public and centralized manner.

A company shall not accept its own shares as the subject matter of a mortgage.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder of a joint stock limited company should affect a transfer of his shares on securities exchange established 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 of registration in the share register provided in the foregoing requirement shall be affected during a period of 20 days prior to the convening of shareholders' meeting or 5 days prior to the record date for a company's distribution of dividends. However, where there are separate provisions by law on alternation of registration in the share register of listed companies, those provisions shall prevail.

Under the 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 the company are listed and traded on a securities exchange. 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 them 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 restricted transfer period.

Pursuant to the Overseas Listing Trial Measures, for a domestic company directly offering and listing overseas, the shareholders of its unlisted domestic shares applying to convert its unlisted domestic shares into overseas listed shares and listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC, and appoint the domestic company to file with the CSRC.

Shareholders

Under the Company Law and the Articles of Association Guidelines, the rights of holders of ordinary shares of a joint stock limited company include:

- the right to attend or appoint a proxy to attend general meetings and to vote thereat;
- the right to transfer shares in accordance with laws, administrative regulations and provisions of the articles of association;

- the right to inspect the Company's articles of association, share register, counterfoil of Company debentures, minutes of general meetings, resolutions of meetings of the board of directors, resolutions of meetings of the supervisory committee and financial and accounting reports and to make proposals or enquiries on the Company's operations;

- the right 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;

- the right to receive dividends and other forms of profit distribution according to the proportion of shares they hold;

- in the event of the termination or liquidation of the Company, the right to participate in the distribution of the residual properties of the Company in proportion to the number of shares held; and

- other rights granted by laws, administrative regulations, other regulatory documents and the Company's articles of association.

The obligations of a shareholder include the obligation to abide by the Company's articles of association, to pay the subscription moneys in respect of the shares subscribed for and in accordance with the form of making capital contributions, to be liable for the Company's debts and liabilities to the extent of the amount of his or her subscribed shares and any other shareholders' obligation specified in the Company's articles of association.

Pursuant to the Overseas Listing Trial Measures, a domestic company offering and listing overseas shall file with the CSRC as per the requirement of these Measures, submit relevant materials that contain a filing report and a legal opinion, and provide truthful, accurate and complete information on the shareholders, etc.

Shareholders' Meetings

Under the 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.

Under the Company Law, annual shareholders' meetings are required to be held once every year. An interim 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 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 of directors; (v) the supervisory committee proposes to convene the meeting; (vi) other circumstances as stipulated in the articles of association.

Shareholders' meeting shall be convened by the board of directors and presided over by the chairperson of the board of directors. In the event that the chairperson is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairperson. In the event that the vice chairperson 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 general 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 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 interim 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 board of directors in writing 10 days before the shareholders' meeting. The board of directors shall notify other shareholders within two days after receiving the proposal and submit the interim proposal to the shareholders' meeting for consideration.

Under the 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 Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting.

Under the 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.

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 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. Where the PRC Company Law and the articles of association provide that the transfer or acquisition of significant assets or the provision of external guarantees by the company and the other matters must be approved by way of resolution of the shareholders meeting, the board of directors shall convene a shareholders meeting promptly to vote on such matters by shareholders meeting. A shareholder may entrust a proxy by a power of attorney to attend shareholders meetings on his or her behalf, and the power of attorney shall specify the scope of the exercise of the voting rights.

Minutes shall be prepared in respect of matters considered at the shareholders meeting and the chairperson and directors attending the meeting shall endorse such minutes by signature. The minutes shall be kept together with the shareholders' attendance register and the proxy forms.

Board

Under the 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 offices hall not exceed three years. Directors may serve consecutive terms if re-elected.

The board of directors exercises the following functions and powers: (i) to convene shareholder's general meetings and report its work to the shareholder's general meetings; (ii) to implement the resolutions of the shareholder's general 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; to decide on the appointment or dismissal of the deputy manager and financial officer of a company based on the nomination of the manager and as well as remuneration; (ix) to formulate a company's basic management system; (x) other functions and powers specified in the articles of association or granted by the shareholders' meeting.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be notified 10 days before the meeting for every meeting. Interim board meetings may be proposed to be convened by shareholders representing more than one-tenth of the voting rights, more than one-third of the directors or the supervisory committee. The chairman shall convene the meeting within 10 days of receiving such proposal, and preside over the board meeting. The board of directors may otherwise determine the method of giving notice and notice period for convening an interim meeting of the board of directors. A meeting of the board of directors shall be held only if more than one-half of the directors are present. Resolutions of the board of directors shall be passed by more than one-half of all directors. The board of directors will vote on a one-person-one-vote basis. The directors shall attend a board meeting in person. If a director is unable to attend for any reason, he/she may appoint another director by a written power of attorney specifying the scope of the authorization to attend the meeting on his/her behalf. The board of directors shall make minutes of the meeting's decisions on the matters discussed at the meeting, and the directors attending the meeting shall sign the minutes.

If a resolution of the board of directors violates any laws, administrative regulations, articles of association or resolutions of the shareholders meeting, and as a result of which the company sustains serious losses, the directors participating in the resolution are 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 shall be relieved from that liability.

Under the 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) a person who was legal representative 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 "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.

Under the PRC Company Law, the board shall appoint a chairman and may appoint a vice chairman. The chairman and the vice chairman shall be elected with the approval of more than half of all the directors. The chairman shall convene and preside over board meetings and review the implementation of board resolutions. The vice chairman shall assist the chairman to perform his/her duties. Where the chairman is incapable of performing or is not performing his/her duties, the duties shall be performed by the vice chairman. Where the vice chairman is incapable of performing or is not performing his/her duties, a director nominated by more than half of the directors shall perform his/her duties.

A joint stock limited company may, as stipulated in its articles of association, establish an audit committee within the board of directors composed of directors to exercise the functions and powers prescribed for the supervisory committee by the PRC Company Law, and shall not establish a supervisory committee or supervisors. The audit committee shall consist of three or more members, a majority of whom shall not hold any position in the company other than that of director, and shall not have any relationship with the company that may affect their independent and objective judgment. Employee representatives who are members of the board of directors may become members of the audit committee. Resolutions made by a meeting must be passed by more than half of all members to take effect. Each member shall have one vote for voting on resolutions of the audit committee. The proceedings and voting procedures of the audit committee shall be governed by the articles of association, except as provided in the PRC Company Law.

The company may set up other committees under the board of directors in accordance with the provisions of the articles of association.

Supervisory Committee

A joint stock limited company may establish an audit committee composed of directors of the board of directors in accordance with the company's bylaw which exercises the functions of the board of supervisors specified in this Law and is not required to have a board of supervisors or supervisors.

A joint stock limited company that is small or has a small number of shareholders is not required to establish a board of supervisors but shall have one supervisor who exercises the functions of the board of supervisors as provided for in this Law.

Except for the above-mentioned two special circumstances, a joint stock limited company shall have a supervisory committee composed of not less than three members. The supervisory committee is made up of representatives of the shareholders and an appropriate proportion of representatives of the employees of the company. The actual proportion shall be stipulated in the articles of association, provided that the proportion of representatives of the employees shall not be less than one third of the supervisors. Representatives of the employees of the company in the supervisory committee shall be democratically elected by the employees at the employees' representative assembly, employees' general meeting or otherwise. A director and a senior officer of the company shall not serve concurrently as a supervisor.

The supervisory committee shall have a chairman and may have a vice chairman. The chairman and deputy chairman of the supervisory committee shall be elected by more than half of all supervisors. The chairman of the supervisory committee shall convene and preside over the meetings of the supervisory committee. Where the chairman of the supervisory committee is unable or fails to perform his/her duties, the vice chairman of the supervisory committee shall convene and preside over the meetings of the supervisory committee. Where the vice chairman is unable or fails to perform his/her duties, the meetings shall be convened and presided over by a supervisor jointly nominated by more than half of all the supervisors.

Each term of a supervisor shall be three years, and a supervisor may continue to serve his post if he is re-elected. A supervisor shall continue to perform his duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of supervisors' results in the number of supervisors being less than the quorum.

The supervisory committee shall convene a meeting at least every six months. According to the Company Law, the supervisory committee shall make resolutions with the consent of a majority of all supervisors.

The supervisory committee exercises the following functions and power:

- to review the company's financial position;
- to supervise the directors and senior management in the performance of their duties and to propose the dismissal of directors or senior management who violate laws, regulations, the articles of association or resolutions of the general meeting;
- when the acts of directors and senior management are harmful to the company's interests, to require correction of those acts;

- to propose the convening of extraordinary general meetings and to convene and preside over general meetings when the board of directors fails to perform the duty of convening and presiding over general meetings under the Company Law;
- to initiate proposals for resolutions to general meetings;
- to initiate proceedings against directors and senior management;
- other powers and functions stipulated by the articles of association; and

The supervisors may attend the meetings of the board and may inquire about or put forth proposals on matters covered by resolutions of the board. The supervisory committee may initiate investigations into any irregularities identified in the operation of the company and, where necessary, may engage an accounting firm to assist their work at the company's expense.

According to Guidelines for Articles of Association, the company's board of directors shall establish an audit committee to exercise the supervisory authority stipulated by the "Company Law."

Manager and Senior Management

Pursuant to the Company Law, a company shall have a manager who shall be appointed or removed by the board of directors. The manager shall exercise his/her powers in accordance with the company's articles of association or the authorization of the board of directors. Other provisions in the articles of association on the manager's powers shall also be complied with.

The manager shall be present at meetings of the board of directors. However, the manager shall have no voting rights at meetings of the board of directors unless he/she concurrently serves as a director.

According to the Company Law, senior management shall mean the manager, deputy manager(s), person-in-charge of finance, board secretary (in case of a listed company) of a company and other personnel as stipulated in the articles of association.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. The directors, supervisors and senior management are prohibited from:

- embezzling the property of the company and misappropriating the funds of the company;
- depositing the company's capital into accounts under his own name or the name of other individuals;
- taking advantage of power to accept bribes or other illegal income;
- accepting and possessing commissions paid by a third party for transactions conducted with the company;

- unauthorized divulgence of confidential business information of the company;

- other acts in violation of the duty of loyalty to the company;

Where directors, supervisors and senior management who directly or indirectly contract or conduct a transaction with the company shall report to the board of directors or the shareholders' meeting on matters related to the contracting or conducting the transaction, and seek approval by resolution of the board of directors or the shareholders' meeting in accordance with the company's bylaw. If the close relatives of directors, supervisors, and senior management, enterprises under direct or indirect control of directors, supervisors, senior management, or their close relatives, and affiliates in any other affiliation relationship with directors, supervisors, and senior management contract or conduct transactions with the company, the provisions of the preceding paragraph shall report to the board of directors or the shareholders' meeting on matters related to the contracting or conducting the transaction, and seek approval by resolution of the board of directors or the shareholders' meeting in accordance with the company's articles of association.

Directors, supervisors and senior management shall not take advantage of his position to take a business opportunity belonging to the company for himself or another person, except under any of the following circumstances:

- which has been reported to the board of directors or the shareholders' meeting and received approval by resolution of the board of directors or the shareholders' meeting according to the Company's articles of association.

- the company is unable to take the business opportunity according to laws, administrative regulations, or the company's articles of association.

Directors, supervisors and senior management shall not conduct the same kind of business as the company on his own account or on the account of another person, without reporting to the board of directors or the shareholders' meeting, without approval by resolution of the board of directors or the shareholders' meeting according to the company's articles of association.

Directors, supervisors and senior management who contravene any law, regulation or the company's articles of association in the performance of his/her duties and result in any loss to the company shall be personally liable to the company.

The Guidance for Articles of Association provides that a company's directors and senior management shall have duties of diligence towards the company, for example, the directors shall be prudent, serious and diligent in exercising the authority conferred by the company to ensure that the business activities of the company comply with state's laws, administrative regulations and various economic policy requirements and that the business activities do not go beyond the scope of business activities specified in the company's business license; the directors shall treat all shareholders equally; the shareholders shall keep abreast of the company's business management status; both the directors and the senior management shall sign written statements confirming periodic reports of the company and ensure that the information disclosed by the company is true, accurate and complete; both the directors and the senior management shall provide accurate information and materials to the board of supervisors and shall not interfere with the performance of duties by the board of supervisors or

individual supervisors; both the directors and the senior management shall have other diligence duties prescribed by laws, administrative regulations, departmental rules and the company's articles of association.

Finance and Accounting

Under the 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.

Under the Company Law, 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 meeting of shareholders. A joint stock limited company issuing its shares in public must 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 fund 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 profits shall be used to make up for the losses before making allocations to the statutory reserve in accordance with the 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 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 firstly 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 Retirement of Accounting Firms

Pursuant to the 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.

According to the Guidelines for Articles of Association, the company shall guarantee to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the hired accounting firm, and shall not refuse, conceal or make false reports. The audit fee of an accounting firm shall be decided by the shareholders' meeting.

Distribution of Profits

According to the Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve is drawn.. At the same time, the Overseas Listing Trial Measures stipulate that domestic companies may raise funds and pay dividends in foreign currencies or RMB for overseas listings.

Amendments to Articles of Association

Any amendments to the company's articles of association must be made in accordance with the procedures set out in the company's articles of association. In the event of a company registration, the amendments to the articles of association shall be registered with the relevant registration authorities. Pursuant to the Company Law, the resolution of a shareholders' meeting regarding any amendment to a company's articles of association requires affirmative votes by more than two-thirds of the votes held by shareholders attending the meeting.

Pursuant to the Guidance for Articles of Association, the company shall amend its articles of association under any of the following circumstances: (i) where, after any amendment to the Company Law or any other applicable law or administrative regulation, the provisions of the articles of association conflict with the law and/or administrative regulations amended; (ii) where the company's circumstances change to such an extent that they are inconsistent with what is recorded in the articles of association; and (iii) where the shareholders' general meeting decides to amend the articles of association.

Dissolution and Liquidation

According to the 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; (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 company is ordered to close down or is 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.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situations through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with item (i) above, 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 items (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.

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 to conduct liquidation. The people's court shall accept such request and organize a liquidation group to carry out the liquidation in a timely manner.

The liquidation group shall exercise the following functions and powers during the liquidation period: (i) to liquidate the company's property and respectively prepare 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) to distribute the remaining property of the company after paying off debts; (vii) to participate in civil litigations on behalf of the company.

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 group, 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 group 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 cancellation 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 cause 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 Overseas Listing Trial Measures, the domestic enterprise shall report the application documents for issuance and listing to the CSRC for record-filing within three working days after submission of the application documents for issuance and listing overseas. 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 the 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 Article 16 of the Overseas Listing Trial Measures.

Pursuant to the Provisions on Strengthening Confidentiality and Archives Administration Concerning Overseas Securities Offerings and Listings by Domestic Companies (《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》), which was issued by the CSRC, MOF, the National Administration of State Secrets Protection and the National Archives Administration on February 24, 2023, and implemented since March 31, 2023, a domestic enterprise that provides or through its overseas-listed entity, publicly discloses or provides to relevant individuals or entities including securities companies, securities service providers and overseas regulators, any document and materials that contain state secrets or working secrets of government agencies, shall first obtain approval from competent authorities according to law, and files with the secrecy administrative department at the same level. A domestic enterprise that provides accounting archives or copies of accounting archives to any entities including securities companies, securities service providers and overseas regulators and individuals shall fulfill due procedures in compliance with applicable national regulations.

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. The Securities Law has also deleted provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Overseas Listing Trial Measures, in case of active or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

Merger and Demerger

A merger agreement shall be signed by merging companies and the involved companies shall prepare respective statements of financial position and inventory of assets. The companies shall within 10 days of the date of passing the resolution approving the merger notify their respective creditors and publicly announce the merger in newspapers or the National Enterprise Credit Information Publicity System within 30 days. A creditor may, within 30 days of receipt of the notification, or within 45 days of the date of the announcement if he has not received the notification, request the company to settle any outstanding debts or provide relevant guarantees. In case of a merger, the credits and debts of the merging parties shall be assumed by the surviving or the new company.

In case of a division, the company's assets shall be divided and a statement of financial position and an inventory of assets shall be prepared. When a resolution regarding the company's division is approved, the company should notify all its creditors within 10 days of the date of passing such resolution and publicly announce the division in newspapers or the National Enterprise Credit Information Publicity System within 30 days. Unless an agreement in writing is reached with creditors before the company's division in respect of the settlement of debts, the liabilities of the company which have accrued prior to the division shall be jointly borne by the divided companies.

Changes in the business registration of the companies as a result of the merger or division shall be registered with the relevant administration authority for industry and commerce.

In accordance with the laws, cancelation of a company shall be registered when a company is dissolved and incorporation of a company shall be registered when a new company is incorporated.

SECURITIES LAW AND REGULATIONS

The Securities Law of the People's Republic of China, which was promulgated by the SCNPC on December 29, 1998, and was latest amended on December 28, 2019 and took effect on March 1, 2020, comprehensively regulating activities in the PRC securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

According to the Securities Law of the PRC (2019 Revision) (《中華人民共和國證券法(2019修訂)》) and the Administrative Measures on Acquisition of Listed Companies (《上市公司收購管理辦法》),where the shares held by an investor (including an overseas investor) through securities transactions on a stock exchange or jointly with others through an agreement or other arrangements attain 5% of the issued voting rights shares (including A-shares and H-shares) of a listed company, the

investor shall submit a written report to the CSRC and SZSE within three days, notify the listed company and make an announcement. Whenever the investor's shares with voting rights in the said listed company are increased or reduced by 1%, the investor shall notify the listed company on the day following such occurrence, and make an announcement.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

Under the Arbitration Law of the PRC (《中華人民共和國仲裁法》), or the Arbitration Law, last amended by the SCNPC on September 1, 2017 and effective on January 1, 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the Civil Procedure Law. Where both parties have agreed to settle disputes by means of arbitration, the people's court will refuse to take legal action brought by a party in the people's court.

Under the Arbitration Law, an arbitral award is 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 according to the Civil Procedure Law. If there is evidence to prove that any of the following circumstances exists: the parties have not stipulated an arbitration clause in the contract or have not reached a written arbitration agreement afterwards; the respondent has not been notified of the appointment of the Court of Arbitration or the arbitration proceedings or failed to present views for other reasons for which the respondent is not responsible; the composition of the arbitral tribunal or the arbitration procedures are not in accordance with the arbitration rules; the matters awarded are outside the scope of the arbitration agreement, or the arbitration committee has no jurisdiction to arbitrate, the people's court may rule not to enforce such award. A party seeking to enforce an arbitral award of foreign arbitration commission against a party who or whose property is not within the mainland China shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the people's court 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 (《承認及執行外國仲裁裁決公約》) (the "**New York Convention**") adopted on June 10, 1958, pursuant to a resolution passed by the SCNPC 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 other parties thereto subject to their rights to refuse recognition and enforcement under certain circumstances, including where the recognition and enforcement of the arbitral award is against the public policy of that state. At the time of the PRC's accession to the Convention, the SCNPC declared that (i) the PRC would only apply the Convention to the recognition and enforcement of arbitral awards made in the territories of other parties based on the principle of reciprocity; and (ii) the New York Convention will only be applied to disputes deemed under PRC laws to be arising from contractual or 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 by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary 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補充安排》) promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by arbitral authorities in mainland China can be applied for enforcement in Hong Kong, and Hong Kong arbitration awards can also be applied for enforcement in the mainland China.

Judicial Judgment and its Enforcement

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the mainland China and of the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) promulgated by the Supreme People's Court on January 25, 2024 and implemented on January 29, 2024, in the case of effective judgment of a civil and commercial case or civil damages in a criminal case made by the court of China and the court of the Hong Kong Special Administrative Region, any party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region for recognition and enforcement based on this arrangement.

This Appendix contains the summary of the principal provisions of the Articles of Association. The Articles of Association of the Company shall take effect on the date of the H Shares being **[REDACTED]** on the Stock Exchange.

SHARES

Shares of the Company are represented by share certificates.

The Shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same class shall carry the same rights. Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. The same price shall be paid for each of the shares subscribed for by subscribers.

The par value shares issued by the Company are denominated in RMB.

The Company or its subsidiaries (including affiliates of the Company) shall not by way of gift, advance, guarantee or lending etc., provide financial aids for others to acquire shares of the Company or its parent company, except when the Company implements an employee shareholding platform.

For the benefits of the Company, the Company may, upon a resolution by the general meeting or by the Board under the Articles of Association or the authorization of the general meeting, provide financial aids for others to acquire shares of the Company or its parent company, provided that the total accumulative amount of the financial aids shall not exceed 10% of the total issued share capital. A resolution by the Board shall be adopted by more than two-thirds of all the directors.

Increase, Reduction and Repurchase of Shares

In light of the Company's operational and developmental needs, the Company may increase its capital in accordance with the laws and regulations and subject to a resolution of the general meeting, by any of the following methods:

(1) share issuance to unspecified parties;

(2) share issuance to specified parties;

(3) allotment of bonus shares to existing shareholders;

(4) conversion of reserve funds to share capital;

(5) other methods stipulated by laws, administrative regulations and the CSRC.

The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be subject to the procedures prescribed in the Company Law, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and other relevant provisions, as well as the procedures stipulated in the Articles of Association.

The Company shall not acquire the Company's shares except in any of the following circumstances:

(1) reduce the registered capital of the Company;

(2) merger with other companies which hold shares of the Company;

(3) use shares in employee shareholding plans or equity incentives;

(4) the shareholder requests the Company to purchase its shares due to objection to the resolution on the merger or division of the Company made by the general meeting;

(5) convert shares into corporate bonds issued by the Company that can be converted into share certificates;

(6) necessary for the Company to safeguard the Company's value and shareholders' interests.

Transfer of Shares

The Company shall not accept its shares as the subject of a pledge.

The shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date of listing of the Company's shares on the stock exchange.

Directors and senior management of the Company shall report to the Company the shares (including preferred shares) of the Company held by them and their changes. During their term of office as determined at the time of their appointment, the shares transferred each year shall not exceed 25% of the total number of shares of the same class they held in the Company. The shares of the Company shall not be transferred within one year from the date of listing. The above mentioned personnel shall not transfer the shares of the Company held by them within half a year after their resignation.

In the event that any shareholder holding 5% or more of the shares of the Company, director or senior management disposes of any shares or other equity securities held by him/her within six months from the date of acquiring, or acquires within six months from the date of disposing, the gains derived therefrom shall belong to the Company and be recovered by the Board of the Company. However, the securities company holds more than 5% of the shares as a result of the purchase of the remaining shares after the underwriting, and other circumstances stipulated by the CSRC shall be excluded.

General Provisions on Shareholders

The Company shall establish a register of shareholders on the basis of the certificates provided by the securities depository and clearing institution, and the register of shareholders shall be a sufficient evidence that shareholders hold the shares of the Company. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

When the Company convenes the general meeting, distributes dividends, conducts liquidation or engages in other acts requiring the identification of shareholders, the Board or the convener of the general meeting should determine the record date. The shareholders whose names appear on the register of shareholders after the trading hours on the record date shall be those entitled to the relevant rights and interests.

Shareholders of the Company have the following rights:

(1) have dividends and other forms of distribution of benefits based on the number of shares held by them;

(2) lawfully request, convene, preside over, attend or appoint a shareholder's proxy to attend the general meeting, and exercise the corresponding speaking and voting rights;

(3) supervise the operation of the Company and put forward suggestions or inquiries;

(4) transfer, gift or pledge the shares held by it in accordance with the laws, administrative regulations and the Articles of Association;

(5) inspect and make copies of the Articles of Association, the register of shareholders, minutes of general meetings, resolutions of the Board and financial and accounting reports;

(6) at the time of termination or liquidation, the Company shall participate in the distribution of the remaining assets of the Company according to the shares held by it;

(7) a shareholder who disagrees with the resolution on the merger or division of the Company made by the general meeting shall require the Company to purchase its shares;

(8) other rights stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.

Shareholders of the Company have the following obligations:

(1) comply with laws, administrative regulations and the Articles of Association;

(2) pay the share capital in accordance with the shares subscribed for and the manner of share purchase;

(3) shall not withdraw the shares except for the circumstances stipulated by laws and regulations;

(4) shall not abuse the rights of shareholders to damage the interests of the Company or other shareholders; not to abuse the independent status of the Company as a legal person and the limited liability of shareholders to damage the interests of the creditors of the Company;

(5) other obligations stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Any shareholder who abuses shareholders' rights and causes the Company or other shareholders to suffer a loss shall be liable for making compensation in accordance with law. Any shareholder who abuses the independent status of the Company as a legal person or the limited liability of shareholders to evade debts and causes severe harm to the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

General Provisions on General Meeting

The general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law:

(1) elect and replace directors, and decide on the remuneration of directors;

(2) consider and approve the report of the Board;

(3) consider and approve the Company's profit distribution plan and loss recovery plan;

(4) make resolutions on the increase or decrease of the registered capital of the Company;

(5) make resolutions on the issuance of corporate bonds by the Company;

(6) make resolutions on the merger, division, dissolution, liquidation of the Company or change of the Company's form;

(7) amend the Articles of Association;

(8) make resolutions on the appointment and dismissal of the accounting firm responsible for the auditing of the Company;

(9) consider and approve the guarantee matters stipulated in Article 47 of the Articles of Association;

(10) consider the purchase or sale of material assets by the Company in excess of 30% of the Company's latest audited total assets within one year;

(11) consider and approve the changes in the use of proceeds;

(12) consider share incentive plans and employee shareholding plans;

(13) consider other matters that shall be decided by the general meeting as provided in the laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.

The general meeting may authorize the Board to make resolutions on the issuance of corporate bonds.

The general meetings are classified into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months of the end of the previous accounting year.

Under any of the following circumstances, the Company shall convene an extraordinary general meeting within 2 months from the date of occurrence:

(1) the number of directors is less than the number prescribed in the Company Law or two-thirds of the number prescribed in the Articles of Association;

(2) the unrecovered loss of the Company reaches one-third of the total paid up share capital;

(3) at the request of shareholders who individually or collectively hold more than 10% of the shares of the Company;

(4) when the Board deems it necessary;

(5) when the Audit Committee proposes to convene;

(6) other circumstances stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Convening of General Meeting

The Board shall convene the general meeting on time within the specified period.

Subject to the consent of a majority of all the independent directors, the independent directors have the right to propose to the Board to convene an extraordinary general meeting. With regard to the proposal made by the independent directors for convening an extraordinary general meeting, the Board shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal. Where the Board agrees to convene the extraordinary general meeting, a notice of convening the general meeting shall be issued within 5 days after the resolution of the Board is made. Where the Board does not agree to convene the extraordinary general meeting, it shall provide reasons and make an announcement.

The Audit Committee shall propose to the Board to convene of an extraordinary general meeting in writing. The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

Where the Board agrees to convene the extraordinary general meeting, a notice of convening the general meeting shall be issued within 5 days after the resolution of the Board is made, and the changes to the original proposal in the notice shall be agreed with the Audit Committee.

Where the Board does not agree to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the proposal, the Board shall be deemed to be unable to perform or fail to perform its duties of convening the general meeting, and the Audit Committee may convene and preside over the meeting by itself.

Shareholders who individually or collectively hold more than 10% of the Company's shares have the right to request the Board to convene an extraordinary general meeting in writing. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the request.

Where the Board agrees to convene the extraordinary general meeting, a notice of convening the general meeting shall be issued within 5 days after the resolution of the Board is made, and the changes to the original request in the notice shall be agreed with relevant shareholders.

Where the Board does not agree to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders individually or collectively holding more than 10% of the Company's shares have the right to propose to the Audit Committee to convene an extraordinary general meeting in writing.

Where the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene the general meeting within 5 days of receiving the request, and the changes to the original request in the notice shall be agreed with relevant shareholders.

Where the Audit Committee fails to issue a notice of the general meeting within the prescribed period, the Audit Committee shall be deemed to not convene or preside over the general meeting, and the shareholders who individually or collectively hold more than 10% of the Company's shares (including preference shares with voting rights restored, etc.) for more than 90 consecutive days may convene and preside over the meeting on their own.

Where the Audit Committee or the shareholders decide to convene a general meeting on its/their own, the Audit Committee or such shareholders shall notify the Board in writing.

Before any resolution of the general meeting is made, the convening shareholders shall have a shareholding of no less than 10%.

For the general meetings convened by the Audit Committee or shareholders, the Board and the secretary to the Board shall work in a cooperative manner. The Board shall provide the register of shareholders of the record date. The register of shareholders provided to the convener shall not be used for purposes other than convening the general meeting.

Where the Audit Committee or shareholders decide to convene the general meeting on its/their own, the Company shall bear all necessary expenses in relation to the meeting.

Proposal and Notice for General Meeting

When the Company convenes a general meeting, the Board, the Audit Committee and shareholders individually or jointly holding more than 1% of the Company's shares have the right to propose proposals to the Company.

Shareholders who individually or collectively hold 1% or more of the Company's shares may make a provisional proposal and submit it in writing to the convener 10 days before the general meeting. The convener shall issue a supplementary notice of the general meeting within 2 days of receipt of the proposal, announcing the content of the provisional proposal, and the provisional proposal

shall be submitted to the general meeting for deliberation, unless the provisional proposal is in violation of any law, administrative regulation or the Articles of Association or fails to fall into the scope of functions of the general meeting.

Save for the circumstances specified in the preceding paragraph, the convener shall not modify the proposals listed in the notice of general meeting or add new proposals after issuing the notice of general meeting.

Proposals that are not listed in the notice of general meeting or do not comply with the provisions of the Articles of Association shall not be voted on and resolutions made by the general meeting.

Holding of General Meeting

The the Board of the Company and other conveners shall take necessary measures to ensure the normal order of the general meeting. The Company shall take measures to stop any behavior that interferes with the operation of the meeting, provokes troubles and infringes upon the legitimate rights and interests of shareholders, which shall also be reported to the relevant departments for investigation and punishment in a timely manner.

All shareholders, including shareholders registered on the date of record and shareholders holding special voting shares or their proxies of the Company are entitled to attend the general meeting, and shall exercise their voting rights in accordance with the relevant laws, regulations, Hong Kong Listing Rules and the Articles of Association. Neither the Company nor the convener may refuse such attendance for any reason.

Shareholders may attend the general meeting in person or entrust a proxy to attend and vote on their behalf.

If an individual shareholder attends the meeting in person, he/she shall produce his/her identity card or other valid documents or certificates that can identify him/ herself, if a shareholder authorizes a proxy to attends a meeting on his/her behalf, the proxy shall produce his/her own valid identity card and the power of attorney from the shareholder.

Legal person shareholders shall be represented by their legal representative or a proxy entrusted by the legal representative to attend the meeting. If a legal representative attends the meeting, he/she shall produce his/her identity card and a valid certificate proving his/her qualifications as a legal representative; if a proxy is entrusted to attend the meeting, the proxy shall produce his/her identity card and a written power of attorney issued by the legal representative of the legal person shareholder unit in accordance with the law.

Voting and Resolutions of General Meeting

Resolutions of general meetings are divided into ordinary resolutions and special resolutions.

Ordinary resolutions made on the general meeting shall be passed by a majority of the voting rights held by shareholders present at the general meeting.

Special resolutions made on a general meeting shall be passed by more than two-thirds of the voting rights held by shareholders present at the general meeting.

The following matters shall be passed by ordinary resolutions at the general meeting:

(1) work reports of the Board;

(2) the profit distribution plan and loss recovery plan drawn up by the Board;

(3) the appointment and removal of members of the Board and their remuneration and payment methods;

(4) other matters other than those required to be passed by special resolutions under laws, administrative regulations, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The following matters shall be passed by special resolutions at the general meeting:

(1) the Company increases or decreases its registered capital;

(2) the division, spin-off, merger, dissolution and liquidation of the Company;

(3) modification of the Articles of Association;

(4) the Company purchases or sells major assets or the amount of guarantee provided to others exceeds 30% of the Company's latest audited total assets within one year;

(5) equity incentive plan;

(6) other matters that are stipulated in laws, administrative regulations, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, as well as those that are determined by the general meeting to have a significant impact on the Company through ordinary resolutions and need to be passed through special resolutions.

General Provisions on Directors

Directors are elected or changed by the general meeting and may be removed from office by the general meeting before the expiration of their term. The term of directors is three years. Upon expiration of the term, directors may be re-elected.

The term of office of a director shall be calculated from the date of assuming office until the expiration of the term of the current Board. If a director's term of office expires and is not re-elected in time, until the re-elected director takes office, the original director shall still perform his or her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association.

Directors may be concurrently held by senior management staff, provided that the total number of directors who concurrently serve as senior management staff and those who are employee representatives shall not exceed half of the total number of directors of the Company.

Board of Directors

The Company shall set up a Board of Directors. The Board shall consist of no fewer than nine directors, at least one-third of whom shall be independent directors.

The Board shall have a chairman and may have a vice chairman. The chairman and vice chairman of the Board are elected by a majority of all of the directors.

The Board exercises the following functions and powers:

(1) convene general meetings and report work to the general meeting;

(2) implement the resolutions of the general meeting;

(3) determine the Company's business plan and investment plan;

(4) formulate the Company's profit distribution plan and loss recovery plan;

(5) formulate plans for the Company to increase or reduce its registered capital, issue bonds or other securities and for the listing;

(6) formulate plans for the Company's major acquisitions, the Company's acquisition of the Company's shares, or merger, division, dissolution and change of form of the Company;

(7) determine external investments, purchases and sales of assets, pledge of assets, external guarantees, entrusted asset management, connected transactions and external donations of the Company within the scope of the authority granted by general meeting;

(8) determine the establishment of the Company's internal management structure;

(9) determine the appointment or removal of the manager of the Company, the secretary to the Board and other senior management and to decide on their remunerations and rewards and penalties; to determine the appointment or removal of the deputy manager, chief financial officer and other senior management of the Company based on the nomination by the manager and to decide on matters about their remunerations and rewards and penalties;

(10) formulate the basic management system of the Company;

(11) formulate proposals for amendment to the Articles of Association;

(12) manage information disclosure of the Company;

(13) propose the appointment or removal of the accounting firm for the Company's audit to the general meeting;

(14) receive the work report and inspect the work of the manager of the Company;

(15) other functions and powers conferred by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Board meetings should be attended by a majority of the directors. Resolutions made by the Board should be approved by more than half of all directors.

Voting on resolutions of the Board is based on one person, one vote.

Independent Directors

The independent directors of the Company, as members of the board of directors, shall owe a duty of loyalty and diligence to the Company and all shareholders, and shall prudently fulfill the following duties:

(1) participating in the decision-making of the Board and express their definite opinions on the matters discussed;

(2) supervising matters relating to potential material conflicts of interest between the Company and its controlling shareholders, de facto controller, directors and senior management and protecting the legitimate rights and interests of small and medium-sized shareholders;

(3) providing professional and objective advice on the Company's operation and development, and promoting the improvement of the decision-making level of the Board;

(4) other duties as stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The independent directors shall exercise the following special powers and duties:

(1) independently engaging intermediary organizations to conduct audits, consultations or verifications on specific matters of the Company;

(2) proposing to the Board to convene an extraordinary general meeting;

(3) proposing the convening of a meeting of the Board;

(4) openly soliciting shareholders' rights from shareholders in accordance with the law;

(5) expressing independent opinions on matters that may jeopardize the interests of the Company or the small and medium-sized shareholders;

(6) other powers and duties as stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The exercise by an independent director of the powers and duties set out in preceding paragraphs (1) to (3) shall be approved by a majority of all independent directors.

Special Committees under the Board of Directors

The Board of the Company shall establish an audit committee to exercise the functions and powers of the supervisory committee as stipulated in the Company Law.

The audit committee shall consist of three or more members, all of whom shall be non-executive directors who do not hold senior management positions in the Company. Independent directors shall constitute the majority of the audit committee, and the convenor (i.e., the Chairman of the Committee) shall be an independent director with professional accounting qualifications.

An extraordinary meeting may be convened upon the proposal of two or more members of the audit committee, or when the convenor deems it necessary. Meetings of the audit committee may only be held if more than two-thirds of the members are present.

Resolutions of the audit committee shall be passed by more than half of the members of the audit committee.

When voting on a resolution of the audit committee, every member shall have one vote.

Resolutions of the audit committee shall be recorded in meeting minutes in accordance with relevant regulations, and the members of the audit committee attending the meeting shall sign the meeting minutes.

The working procedures of the audit committee shall be formulated by the Board.

The Board of the Company shall set up other special committees, such as the Nomination Committee and the Remuneration Committee, to perform their duties in accordance with these Articles and the authorization of the Board. Proposals of the special committees shall be submitted to the Board for consideration and decision. The Board shall be responsible for formulating the working procedures of the special committees.

Independent directors shall constitute the majority of the Nomination Committee and the Remuneration Committee, and the convenor shall be an independent director. However, where the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

The Board of Directors may also establish other committees or adjust existing committees as needed.

SENIOR MANAGEMENT

The Company has one manager and several deputy managers, who shall be appointed or dismissed by the Board.

The manager shall be responsible to the Board and exercises the following functions and powers:

(1) preside over the Company's production, operation and management work, organize the implementation of Board resolutions, and report work to the Board;

(2) organize and implement the Company's annual business plan and investment plan;

(3) formulate a plan for the establishment of the Company's internal management organization;

(4) formulate the Company's basic management system;

(5) formulate specific regulations of the Company;

(6) propose to the Board to appoint or dismiss the Company's deputy manager and financial director;

(7) decide on the appointment or dismissal of management personnel other than those who shall be appointed or dismissed by the Board;

(8) other functions and powers granted by these Articles or the Board.

The manager shall attend Board meetings.

Financial and Accounting System

The Company shall formulate its financial and accounting system in accordance with laws, administrative regulations, regulations of relevant national departments and securities regulatory rules of the place where the Company's shares are listed.

The Company shall prepare and submit financial and accounting reports, including annual reports, in accordance with the relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed.

When the Company distributes after-tax profits for the year, it shall appropriate 10% of the profits to the Company's statutory reserve fund. If the cumulative amount of the Company's statutory reserve fund exceeds 50% of the Company's registered capital, no further appropriations may be made.

If the Company's statutory reserve fund is insufficient to make up for losses in previous years, the current year's profits shall first be used to make up for the losses before making any appropriations to the statutory reserve fund in accordance with the provisions of the preceding paragraph.

After the Company has made appropriations to the statutory reserve fund from the after-tax profits, it may, upon passing a resolution at a general meeting, make further appropriations from its after-tax profits to the discretionary common reserve fund.

After the Company has made up its losses and made appropriations to its discretionary common reserve fund, the remaining after-tax profits shall be distributed in proportion to the number of shares held by the shareholders, except for those which are not distributed in a proportionate manner as provided by these Articles.

In case the shareholders' meeting approves to distribute any profit to any shareholder in violation of the Company Law, the shareholder shall return profits so distributed to the Company; if losses are caused thereby to the Company, the shareholders, as well as any Directors and senior management members responsible for the violation, shall be liable for compensation.

The Company's shares held by the Company shall not participate in the distribution of profits.

According to the dividend policy of the Company, the Board of Directors shall, in the annual profit distribution proposal submitted to the shareholders' meeting for approval, make recommendations on the profit distribution policy for that year and set out the corresponding reasons. The Company may distribute dividends in the form of cash, shares, or a combination of both, and shall give priority to cash distribution. Profit distribution shall not exceed the scope of accumulated distributable profits.

The Company's reserve fund is used to make up for the Company's losses, expand the Company's production and operations, or increase the Company's registered capital.

When the reserve fund is used to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund shall be utilized first; if such reserves are still insufficient to cover the losses, the capital reserve fund may be used in accordance with regulations.

When the statutory reserve fund is converted to increase the registered capital, the remaining reserve fund shall not be less than 25% of the Company's registered capital prior to the conversion.

Internal Audit

The Company implements an internal audit system, which specifies the leadership system, duties and responsibilities, staffing, financial guarantee, use of audit results and accountability for internal audit.

The internal audit system of the Company shall be implemented after approval by the Board and shall be disclosed to the public.

The internal audit institution is accountable to the Board.

Appointment of Accounting Firm

The Company shall engage an accounting firm that complies with the provisions of the Securities Law to provide accounting statement audits, net asset verification and other related consulting services. The appointment period is one year and can be renewed.

The Company's appointment and dismissal of an accounting firm shall be decided on the general meeting, and the Board may not appoint an accounting firm before a decision is made at the general meeting.

Liquidation, Merger, Division, Capital Increase and Capital Reduction

Company mergers may take the form of merger by absorption or merger by new establishment.

In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

If the Company is involved in 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 its creditors within ten days from the date of the resolution for the merger, and shall publish an announcement on the press or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within thirty days. A creditor may within thirty days from the date of receipt of the notice or, in case where he/she fails to receive such notice within forty-five days of the date of the announcement, to demand the Company to repay its debts or provide guarantees for such debts.

Where there is a division of the Company, its assets shall be divided accordingly. Where there is a division of the Company, a balance sheet and property list shall be prepared. The Company shall notify its creditors within ten days from the date of the resolution for the division, and shall publish an announcement on the press or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within thirty days.

If the Company reduces its registered capital, a balance sheet and property list shall be prepared.

The Company shall notify its creditors within ten days from the date of the resolution for capital reduction passed by the shareholders' meeting, and shall publish an announcement on the press or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within thirty days. A creditor may within thirty days from the date of receipt of the notice or, in case where he/she fails to receive such notice within forty-five days of the date of the announcement, to demand the Company to repay its debts or provide guarantees for such debts.

Where the Company increases or reduces its registered capital, an application for modification of registration shall be made to the company registration authority pursuant to the laws.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

(1) the expiration of business term specified in these Articles or the occurrence of other events of dissolution as stipulated in these Articles;

(2) the dissolution resolved at the general meeting;

(3) dissolution is necessary due to a merger or division of the Company;

(4) the Company's business license is canceled or revoked or it is ordered to close down according to the law;

(5) Where the Company runs deep into difficulties in operation and management, its continuous existence may cause material losses to Shareholders' interests, and such difficulties cannot be dealt with in other ways, the Shareholders holding more than 10% of the voting rights of the Company may file an application to the people's court to dissolve the Company.

Where the Company is dissolved in accordance with the provisions of items (1), (2), (4) and (5) above, a liquidation shall be carried out. The Directors shall be the Company's liquidation obligors, and a liquidation committee shall be formed within 15 days from the date of occurrence of the event of dissolution, to carry out the liquidation process.

The liquidation committee shall comprise the Directors, unless these Articles stipulate otherwise or the general meeting resolves to elect other person(s).

If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation.

After checking the properties of the Company, and preparing a balance sheet and property list, the liquidation committee shall formulate a liquidation plan for the confirmation by the general meeting or the people's court.

The Company's residual assets after the payment of liquidation expenses, staff wages, social insurance fees and statutory compensation, payment of outstanding taxes, and payment of the Company's debts shall be distributed to its Shareholders according to the proportion of their shareholdings.

During the liquidation period, the Company continues to exist but the Company shall not carry out any business activities irrelevant to the liquidation. The Company's assets shall not be distributed to its Shareholders prior to repaying debts in accordance with the preceding paragraph.

If the liquidation committee, after checking the Company's properties and preparing a balance sheet and property list, finds that the Company's properties are insufficient to pay off its debts, it shall file an application to the people's court for bankruptcy in accordance with the law.

After the people's court accepts the application for bankruptcy, the liquidation committee shall transfer all liquidation affairs to bankruptcy administrators appointed by the people's court.

Upon completion of liquidation of the Company, the liquidation committee shall prepare a liquidation report, submit the report to the general meeting or the people's court for confirmation, and submit the report to the company registration authority and apply for deregistration of the Company.

AMENDMENTS TO THE ARTICLES

The Company shall amend the Articles under any of the following circumstances:

(1) after the Company Law or relevant laws and administrative regulations are revised, the matters stipulated in the Articles contradict with the provisions of the revised laws and administrative regulation;

(2) the Company's situation changes and is inconsistent with the matters recorded in the Articles;

(3) the general meeting makes a resolution to amend the Articles.

Where the amendments to the Articles passed by the resolution of the general meeting require approval from the competent authority, such amendments shall be submitted to the relevant authorities for approval. Where the amendments involve Company registration matters, the involved amendments shall be registered in accordance with the laws.

The Board shall amend the Articles in accordance with the resolution of the general meeting on amendments to the Articles and the approval of the relevant competent authorities.

Any amendment to the Articles that is required to be disclosed in accordance with laws and regulations shall be announced in accordance with provisions thereof.

1. FURTHER INFORMATION ABOUT OUR GROUP

A. Establishment of our Company

Our Company was established as a limited liability company in the PRC on June 2, 2022 with an initial registered capital of RMB10 million. On February 12, 2026, our Company was converted into a joint stock company with limited liability under the PRC Company Law. Accordingly, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. The relevant PRC laws and regulatory provisions and a summary of our Articles of Association are set out in Appendices IV and V to this document, respectively.

Our principal place of business in Hong Kong is at 46/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. We were registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance on [•] 2026. Ms. HO Wing Nga (何詠雅) has been appointed as our authorized representative for the acceptance of service of process and notices in Hong Kong.

B. Changes in the Share Capital of our Company

Save as disclosed in "History, Development and Corporate Structure — Establishment and Shareholding Changes of Our Company", there had been no alterations of our share capital within the two years preceding the date of publication of this document.

C. Changes in the Share Capital of our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in Note 1 to the Accountants' Report as set out in Appendix I.

The following sets out the changes in the share or registered capital of the members of our Group within the two years immediately preceding the date of this document:

On February 8, 2025, the registered capital of Fujian Lingdong Automotive Technology Co., Ltd. increased from RMB10,000,000 to RMB20,000,000.

Save as disclosed above, there has been no change in the share capital of our subsidiaries within the two years immediately preceding the date of this document.

D. Resolutions of the Shareholders of the Company

Pursuant to the resolutions passed at duly convened general meeting of our Shareholders on May 28, 2026, it was resolved, among others, and the following was approved:

(a) the sub-division of the Shares with nominal value of RMB1.00 each on the basis of 1:10, effective immediately prior to the **[REDACTED]**, and taking into account the Share Subdivision, the issue of H Shares of nominal value of RMB0.1 each and such H Shares be **[REDACTED]** on the Stock Exchange;

(b) subject to the completion of the **[REDACTED]**, the Articles of Association have been approved and adopted, which shall become effective on the **[REDACTED]**, and the Board has been authorized to amend the Articles of Association in accordance with any comments from the Stock Exchange and the relevant PRC regulatory authorities;

(c) subject to the completion of filing with CSRC, upon completion of the **[REDACTED]**, **[REDACTED]** Unlisted Shares will be converted into H Shares on a one-for-one basis;

(d) a general unconditional mandate was given to our Directors to exercise all powers of our Company to allot, issue and deal with Shares or securities convertible into Shares and to make or grant offers, agreements or options which would or might require Shares to be allotted, issued or dealt with, otherwise than pursuant to the **[REDACTED]** or pursuant to a right issue or pursuant to the exercise of any subscription rights attaching to any warrants or any option scheme or similar arrangement which may be allotted and issued by our Company from time to time on a specific authority granted by the Shareholders in general meeting or, pursuant to the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles, Shares not exceed 20% of the aggregate number of issued Shares (excluding treasury shares) immediately following completion of the **[REDACTED]**, such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles or any applicable laws, or until revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever is the earliest. References to an allotment, issue, and dealing of Shares or securities herein shall include a sale or transfer of treasury shares;

(e) subject to the completion of the **[REDACTED]**, the granting of a general mandate to our Board to exercise all the powers of our Company to repurchase H Shares **[REDACTED]** on the Stock Exchange at any time within a period up to the date of the conclusion of the first annual general meeting of our Shareholders after the issuance and **[REDACTED]** of its H shares, the date on which the deadline for the Company to convene its next annual general meeting expires under its articles of association or any applicable law or the date on which our Shareholders pass a resolution to revoke or change such mandate, whichever is earlier, and to complete all necessary procedures, provided that, the number of H Shares to be repurchased shall not exceed 10% of the number of H Shares in issue as of the **[REDACTED]**; and

(f) authorizing our Board and its authorized person to handle all relevant matters relating to, among other things, the implementation of **[REDACTED]** of H Shares and the **[REDACTED]**.

E. Restrictions on Repurchase

For details, see Appendix V to this document.

F. Corporate Reorganization

We have not gone through any corporate reorganization for the purpose of the **[REDACTED]**. For details of the history and development of our Company, please refer to "History, Development and Corporate Structure" in this document.

2. FURTHER INFORMATION ABOUT THE BUSINESS OF THE COMPANY

A. Summary of Material Contracts

The following contract (not being contracts entered into in the ordinary course of business) has been entered into by our Group within the two years preceding the date of this document and is or may be material:

(1) the **[REDACTED]**.

B. Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of registration	Name of registered proprietor	Registration no.	Class	Expiration date
1	ZERON	PRC	The Company	65636176	12	March 6, 2033
2	ZERON	PRC	The Company	76442722	37	May 27, 3035

(b) Patents

As of the Latest Practicable Date, we had registered the following patents in the PRC which we consider to be or may be material to our business:

No.	Patent	Name of registered owner	Patent category	Patent number	Date of Application	Expiry date
1	A Coaxial Single-Motor Three-Speed Sequential Shift Electric Drive Axle System	The Company	Invention	2023110014796	August 9, 2023	August 8, 2043
2	A Dual-Motor Electric Drive Axle Assembly	The Company	Invention	2023116721235	December 7, 2023	December 6, 2043
3	An Immersed Battery Enclosure and Battery System	The Company	Invention	2024102865048	March 13, 2024	March 12, 2044
4	A Dual-Electric-Drive Axle Temperature Control System, Method, and Vehicle	The Company	Invention	2024117040885	November 26, 2024	November 25, 2044

No.	Patent	Name of registered owner	Patent category	Patent number	Date of Application	Expiry date
5	Methods, devices, electronic equipment, recordable media, and vehicles for improving AMT shift success rates	The Company	Invention	2024118239684	December 12, 2024	December 11, 2044
6	Frameless modular battery boxes, battery modules, and vehicles	The Company	Utility Model	2024211687276	May 27, 2024	May 26, 2034
7	An Electric Drive Axle Assembly and Vehicle	The Company	Utility Model	2024220180097	August 20, 2024	August 19, 2034
8	Simulation and Testing System for New Energy Vehicles	The Company	Utility Model	2024221168872	August 29, 2024	August 28, 2034

(c) Software Copyrights

As of the Latest Practicable Date, we had registered the following software copyrights in the PRC which we consider to be or may be material to our business:

No.	Name of Software	Name of registered proprietor	Registration number	Issue date
1	Remote Car Locking Interaction Control Software	The Company	2024SR1642770	October 30, 2024
2	Smart Weight Estimation Software for Electric Forklifts	The Company	2026SR0440991	March 16, 2026
3	Shift Control Software for Electric Vehicle Transmissions	The Company	2026SR0443287	March 17, 2026

(d) Domain Name

As of the Latest Practicable Date, we had registered the following domain name in the PRC which we consider to be or may be material to our business:

No.	Domain Name	Registrant	Registration Date	Expiry Date
1	zerontruck.com	The Company	April 18, 2022	April 18, 2027

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights which were material in relation to our business.

3. FURTHER INFORMATION ABOUT DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

A. Disclosure of Interests

(a) Interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of our Company and our associated corporations

The following table sets out the interests and short positions of our Directors and chief executive of our Company immediately following completion of the Share Subdivision, the **[REDACTED]** and the Conversion of Unlisted Shares into H Shares in our Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are 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 entered in the register referred to therein, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, once our Shares are **[REDACTED]**:

Name of shareholder	Position	Nature of interest	Description of Shares	Number of Share interested in as of the date of this document	Approximate percentage of shareholding in the total share capital of our Company as of the date of this document	Immediately following the completion of the [REDACTED], the Share Subdivision and the Conversion of Unlisted Shares into H Shares	
						Number of Shares[(1)]	% of shareholding in the total issued share capital[(2)]
Mr. Huang[(3)]	Chairperson of the Board, executive Director and chief executive officer	Beneficial interest	Unlisted Shares	5,921,868	13.76%	[REDACTED]	[REDACTED]
			H Shares	—	—	[REDACTED]	[REDACTED]
		Interest in controlled corporation	Unlisted Shares	7,011,475	16.29%	[REDACTED]	[REDACTED]
			H Shares	—	—	[REDACTED]	[REDACTED]
Mr. Zhang[(4)]	Co-founder, executive Director and the president	Interest in controlled corporation	Unlisted Shares	1,500,000	3.49%	[REDACTED]	[REDACTED]
			H Shares	—	—	[REDACTED]	[REDACTED]

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares.

(2) The calculation is based on **[REDACTED]** Shares (comprising **[REDACTED]** H Shares to be issued under the **[REDACTED]**, **[REDACTED]** Unlisted Shares and **[REDACTED]** H Shares to be converted from Unlisted Shares) in issue immediately upon completion of the Share Subdivision, the **[REDACTED]** and the Conversion of Unlisted Shares into H Shares (assuming the **[REDACTED]** is not exercised).

(3) Mr. Huang is deemed to be interested in **[REDACTED]** Shares following the completion of the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]**, consisting of (i) **[REDACTED]** Shares directly held by himself; (ii) **[REDACTED]** Shares, **[REDACTED]** Shares, **[REDACTED]** Shares and **[REDACTED]** Shares held by Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao and Yangzhou Shengyao, respectively. Each of Yangzhou Bannarui, Yangzhou Erjinzhi, Yangzhou Dongyao and Yangzhou Shengyao is a limited partnership for which Shanghai Dongyao is the general partner. Shanghai Dongyao is owned as to 99% by Mr. Huang.

(4) As of the Latest Practicable Date, Mr. Zhang held approximately 99.99% of the partnership interest in Yangzhou Erjinzhi. As such, Mr. Zhang is deemed to be interested in **[REDACTED]** Shares held by Yangzhou Erjinzhi following the completion of the Share Subdivision, the Conversion of Unlisted Shares into H Shares and the **[REDACTED]**.

(b) Interests of the substantial shareholders in the Shares

Save as disclosed in the section headed "Substantial Shareholders" in this document, immediately following the completion of the Share Subdivision, the **[REDACTED]** and the Conversion of Unlisted Shares into H Shares and without taking into account any Shares which may be issued pursuant to the exercise of the **[REDACTED]**, our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under 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 issued voting shares of our Company.

B. Particulars of Directors' Service Contracts

We [have entered] into a contract with each of our Directors in respect of, among other things, compliance with relevant laws and regulations, and observance of the Articles of Association.

Save as disclosed in this document, none of our Directors has or is proposed to have entered into any service contract with any member of our Group (excluding agreements expiring or determinable by any member of our Group within one year without payment of compensation other than statutory compensation).

C. Emoluments of Directors

Save as disclosed in "Directors and Senior Management" and Note 8 to the Accountants' Report set out in Appendix I to this document, for the three financial years ended December 31, 2023, 2024 and 2025, none of our Directors received other remunerations of benefits in kind from us.

D. Disclaimers

Save as disclosed in this document:

(a) none of our Directors or our chief executive has any interest or short position in the Shares, underlying Shares or debentures of us or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to us and the Stock Exchange pursuant to Model Code for Securities Transactions by Directors of Listed Issuers once the H Shares are **[REDACTED]** on the Stock Exchange;

(b) none of our Directors is aware of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the **[REDACTED]** (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the **[REDACTED]**), have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO or who is interested, directly or indirectly, in 10% or more of the issued voting shares of any member of our Group;

(c) so far as is known to our Directors, none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders who own more than 5% of the number of issued shares of our Company have any interests in the five largest customers or the five largest suppliers of our Group; and

(d) none of our Directors or any of the parties listed in "Qualifications of Experts" of this Appendix is:

(i) interested in our promotion, or in any assets which have been, within two years immediately preceding the date of this document, acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(ii) materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our business.

4. EMPLOYEE INCENTIVE SCHEME

We have approved and adopted the Employee Incentive Scheme for the purpose of motivating, retaining and rewarding talents for their contribution to the development of our Group and linking the interests of the participants under the Employee Incentive Scheme with those of our Company and our Shareholders.

Given that no new shares or options over shares in our Company or subsidiaries will be granted pursuant to the terms of the Employee Incentive Scheme after the **[REDACTED]**, there will not be any dilution effect to the issued Shares after **[REDACTED]** and the Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules.

Yangzhou Bannarui, Suzhou Bannarui, Suzhou Dongyi, Suzhou Lingdong I, Suzhou Lingdong II and Suzhou Jushi were established as the Employee Incentive Platforms of our Employee Incentive Scheme, collectively holding 5,314,287 underlying Shares of the Company (equivalent to 53,142,870 underlying Shares of the Company upon completion of the Share Subdivision).

The general partner of each of the Employee Incentive Platforms is Shanghai Dongyao. The above arrangement of the Employee Incentive Scheme could offer incentives to the participants through granting them indirect interest in our Shares while allowing our core management team to retain control on the voting rights of the incentive shareholding platforms in respect of our Shares.

The general principal terms of the Employee Incentive Scheme are summarized below.

(a) Purpose

The Employee Incentive Scheme was established for the purpose of motivating, retaining and rewarding talents for their contribution to the development of our Group and linking the interests of the participants under the Employee Incentive Scheme with those of our Company and our Shareholders.

(b) Participants

Participants include employees of the Group and its subsidiaries, and other persons as authorized by the Board of our Company.

(c) Administration

The Board of Directors of the Company or its authorized founder Shareholders are responsible for the execution and administration of the Employee Incentive Scheme.

(d) Grant of Awards

The participants (the "**Grantees**") may be granted limited partnership interests (the "**Awards**") in the Employee Shareholding Platforms at a consideration specified under the grant letters, and each becomes a limited partner of the Employee Incentive Platforms upon grant of the Awards and registration of their interests. The Grantees may be required to pay a nominal capital contribution for the acceptance of the Awards and for registering them as a limited partner of the Employee Incentive Platforms, and the Grantees are entitled to receive the economic interest based on the equivalent units of Shares as stipulated in their respective grant letters, rather than their respective registered limited partnership interest in the Employee Incentive Platforms. The capital contribution made by the Grantees to the Employee Incentive Platforms shall be sourced from their own funds.

As of the date of this document, all Awards under the Employee Incentive Scheme had been granted.

(e) Vesting period of Awards

If no other agreement is made in the grant letters, the Awards shall be subject to a four-year vesting schedule, with 25% of the vesting on each anniversary of the vesting commencement date (the "**Vesting Commencement Date**") as set forth in the grant letters. In addition, the Board of Directors of the Company or its authorized founder Shareholders have the right to adjust and determine, as needed from time to time, the vesting dates of the Awards, the number of Awards that vest on each vesting date, and the number of Awards that become exercisable.

(f) Lock-up period

The Awards held by the Grantees pursuant to the Employee Incentive Scheme are subject to a lock up period (the "**Lock up Period**") from the Vesting Commencement Date to the later of (i) four-year contractual lock-up period, with 25% of the Awards granted becoming released from the lock up on each such anniversary of the Vesting Commencement Date; and (ii) statutory 12-month lock-up period from the **[REDACTED]** pursuant to the PRC Company Law.

During the Lock up Period, the Grantees shall not transfer the Awards or create any pledge or encumbrance over the Awards.

(g) Details of Awards

Details of the Awards granted to Directors, senior management or connected persons under the Employee Incentive Scheme are set out below:

			Awards held by the Grantees corresponding to		
Name	Position	Relevant Employee Shareholding Platforms	Approximate partnership interests in the Employee Incentive Platform	Approximate Number of Shares Corresponding to the Awards held by the Grantee upon completion of the Share Subdivision and the [REDACTED]	Approximate Shareholding Percentage Corresponding to the Awards held by the Grantee in the Total Number of Shares in Issue immediately following the Share Subdivision and the [REDACTED]
Directors and Senior management					
Mr. Huang	Chairperson of the Board, executive Director and chief executive officer	Yangzhou Bannarui	60.81%	**[REDACTED]**	**[REDACTED]**
Mr. Zhang Wei	Executive Director and chief operating officer	Yangzhou Bannarui	6.49%	**[REDACTED]**	**[REDACTED]**
Mr. He Xiongsong	Executive Director, chief financial officer and Board secretary	Yangzhou Bannarui	4.49%	**[REDACTED]**	**[REDACTED]**
Mr. Zhang	Co-founder, executive Director and the president	Yangzhou Bannarui	4.43%	**[REDACTED]**	**[REDACTED]**
Ms. Yang Dan	Director of finance	Yangzhou Bannarui	2.43%	**[REDACTED]**	**[REDACTED]**
Mr. Li Kanghua	Director of technology	Suzhou Dongyi	5.62%	**[REDACTED]**	**[REDACTED]**
Connected person					
Mr. Wang Panqu[(1)]	Former Director	Yangzhou Bannarui	4.56%	**[REDACTED]**	**[REDACTED]**
Subtotal	—	—	**—**	**[REDACTED]**	**[REDACTED]**
Other 163 Grantees	Employees	Suzhou Bannarui	99.91%	**[REDACTED]**	**[REDACTED]**
		Suzhou Dongyi	76.38%	**[REDACTED]**	**[REDACTED]**
		Suzhou Lingdong I	94.58%	**[REDACTED]**	**[REDACTED]**
		Suzhou Lingdong II	99.82%	**[REDACTED]**	**[REDACTED]**
		Suzhou Jushi	99.90%	**[REDACTED]**	**[REDACTED]**
Other two Grantees	Former Employees	Suzhou Dongyi	17.99%	**[REDACTED]**	**[REDACTED]**
		Suzhou Lingdong I	5.26%	**[REDACTED]**	**[REDACTED]**

Note:

(1) Mr. Wang Panqu resigned as a Director on May 20, 2026.

5. OTHER INFORMATION

A. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries under the laws of the PRC.

B. Litigation

Except as disclosed in this document, as of the Latest Practicable Date, we were not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against any member of our Group, that would have a material adverse effect on our Group's results of operations or financial condition, taken as a whole.

C. Preliminary expenses

As of the Latest Practicable Date, our Company has not incurred any material preliminary expenses for the purpose of the Listing Rules.

D. Promoters

The promoters of our Company are all of the 21 then Shareholders of our Company as of February 12, 2026 immediately before our conversion into a joint stock limited liability company:

No.	Name of promoters
1	Mr. Huang
2	Yangzhou Bannarui
3	Jiaxing Shinuo Venture Capital Partnership (Limited Partnership)
4	Lenovo Small and Medium-sized Enterprise Development Venture Capital Fund (Tianjin) Partnership (Limited Partnership)
5	Wuhan Tianshan Zhixing Venture Capital Partnership (Limited Partnership)
6	Yangzhou Erjinzhi
7	Shanghang Xingchen Venture Capital Partnership (Limited Partnership)
8	Momenta (Shanghai) Automotive Technology Co., Ltd.
9	Anhui Deying Venture Capital Partnership (Limited Partnership)
10	Taicang Zero One No. 1 Investment Partnership (Limited Partnership)
11	Changzhou Kailong No. 1 Management Consulting Partnership (Limited Partnership)
12	Shanghang Xinghang Xingyao Venture Capital Partnership (Limited Partnership)
13	Taicang Loudong Industrial Development Fund Partnership (Limited Partnership)
14	Longyan Xinjing Fuying Venture Capital Partnership (Limited Partnership)
15	Lishui Liandu District Caitong Huiying Tongfu Venture Capital Partnership (Limited Partnership)
16	Jiaxing Xinyi Changxi Venture Capital Partnership (Limited Partnership)
17	Yangzhou Huoshui Yongchao No. 1 Venture Capital Partnership (Limited Partnership)
18	Ningbo Huitong Venture Capital Partnership (Limited Partnership)
19	Yangzhou Huoshui Yongchao No. 2 Venture Capital Partnership (Limited Partnership)
20	Yangzhou Dongyao
21	Yangzhou Shengyao

Save as disclosed in this document, within the two years preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to any promoter named above in connection with the **[REDACTED]** and the related transactions described in this document.

E. No Material Adverse Change

Our Directors confirmed that, up to the date of this document, there has been no material adverse change in the financial, trading position or prospect of our Group since December 31, 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

F. Qualifications of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) who have given their opinion and/or advice in this document are as follows:

Name	Qualification
Goldman Sachs (Asia) L.L.C.	A licenced corporation under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
Haitong International Capital Limited	A corporation licensed to carry on Type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
KPMG	Certified Public Accountants and Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Commerce & Finance Law Offices	Legal advisor to our Company as to PRC law
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant

As of the Latest Practicable Date, none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

G. Consents

Each of the experts named in paragraph headed "— F. Qualifications of Experts" in this section has given and has not withdrawn their respective written consents to the issue of this document with the inclusion of their reports and/or letters and/or the references to their names included herein in the form and context in which they are respectively included.

H. Joint Sponsors

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letter entered into between our Company and the Joint Sponsors, the Joint Sponsors will receive a total fee of US$1,000,000 for acting as the sponsors for the **[REDACTED]**.

I. Taxation of holder of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the **[REDACTED]** of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is a 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further information in relation to taxation, see "Appendix III — Taxation and Foreign Exchange" to this document.

J. Binding Effect

This document shall have the effect, if an application is made in pursuance of it, of rendering all persons concerned bound by all of 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.

K. Bilingual Document

The English and Chinese language versions of this document are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

L. Miscellaneous

Save as otherwise disclosed in this document:

(a) within the two years preceding the date of this document, our Company has 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;

(b) no share or loan capital of our Company, if any, is under option or is agreed conditionally or unconditionally to be put under option;

(c) our Company has not issued nor agreed to issue any founder shares, management shares or deferred shares;

(d) no commission has been paid or is payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions of any share in our Company or any of our subsidiaries;

(e) our Company has no outstanding convertible debt securities or debentures;

(f) within the two years immediately preceding the date of this document, no commission, discount, brokerage or other special term has been granted in connection with the issue or sale of any capital of our Company or any member of our Group;

(g) there is no arrangement under which future dividends are waived or agreed to be waived;

(h) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;

(i) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;

(j) there has been no interruption in our business which may have or have had a significant effect on the financial position in the last 12 months; and

(k) no part of the equity or debt securities of our Company or any member of our Group, 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 Stock Exchange is currently being or agreed to be sought.

1. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to a copy of this document and delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of the material contract referred to in "Statutory and General Information — 2. Further Information about the Business of the Company — A. Summary of Material Contracts" in Appendix VI to this document; and

(b) the written consents referred to in "Statutory and General Information — 5. Other Information — G. Consents" in Appendix VI to this document.

2. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of our Company at **https://www.zerontruck.com** and on the website of the Stock Exchange at **www.hkexnews.hk** up to and including the date which is 14 days from the date of this document:

(a) the Articles of Association;

(b) the Accountants' Report from KPMG for the three years ended December 31, 2023, 2024, and 2025, the text of which is set forth in Appendix I to this document;

(c) the report on the unaudited **[REDACTED]** financial information of our Group from KPMG, the text of which is set forth in Appendix II to this document;

(d) the audited consolidated financial statements of our Group for each of the years ended December 31, 2023, 2024 and 2025;

(e) the legal opinions issued by Commerce & Finance Law Offices, the legal advisor of our Company as to the PRC laws, in respect of, among other things, certain general corporate matters and the property interests of our Group;

(f) the F&S Report;

(g) the material contract referred to in "Statutory and General Information — 2. Further Information about the Business of the Company — A. Summary of Material Contracts" in Appendix VI to this document;

(h) the written consents referred to in "Statutory and General Information — 5. Other Information — G. Consents" in Appendix VI to this document;

(i) service contracts and letters of appointment referred to in "Statutory and General Information — 3. Further Information about Directors and Substantial Shareholders — B. Particulars of Directors' Service Contracts" in Appendix VI to this document; and

(j) the following PRC laws and regulations, together with unofficial English translation thereof:

a. the PRC Company Law;

b. the PRC Securities Law; and

c. the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies.