OVERVIEW

Who We Are

We are a leading provider of intelligent logistics EV management solutions in China. We leverage our data-driven digital infrastructure and nationwide service network to provide one-stop solutions throughout the EV lifecycle including EV management services, EV leasing and EV sales. According to Frost & Sullivan, we ranked first in the logistics EV management industry in China in terms of managed fleet size and network coverage as of December 31, 2025, and in terms of revenue for the year ended December 31, 2025. As of December 31, 2025, we managed 224,546 logistics EVs, accounting for approximately 15.6% of all logistics EVs in China.

Since our founding in 2015, we have been building an integrated service model of "Fleet Management as a Service (FMaaS)", which encompasses EV management services (including digital fleet management, safety and risk management, battery charging and swapping, maintenance and repair and residual value management), EV leasing and EV sales. These offerings are designed to empower our customers to operate their fleets more efficiently, reduce costs and focus on their core businesses. Under the FMaaS model, we not only provide full-lifecycle management services for EVs we own but also extend these services to EVs owned by third parties.

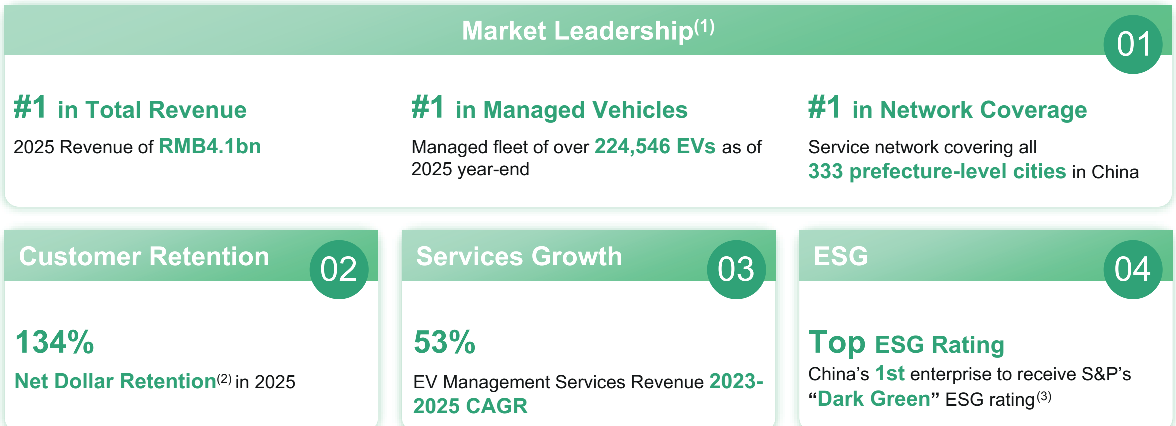
Our FMaaS offerings are underpinned by our digital infrastructure, which consists of our IoT network, proprietary software systems and operational decision-making models. Through over 10 years of operations across diverse logistics scenarios, we have amassed with our digital infrastructure a rich pool of data across energy usage, battery health, powertrain system performance, mileage statistics maintenance, driving behaviors, insurance claims, vehicles deployment and other areas. The insights derived from this data form the foundation of our operational expertise which we utilize to continuously improve our digital infrastructure.

We have established a nationwide service network integrating our digital capabilities. As of December 31, 2025, our service network covered all 333 prefecture-level cities across China, comprising 419 fulfillment centers, 2,827 maintenance and repair centers and over 2.8 million battery charging and swapping facilities.

Our customer base is diversified and spans the core segments of urban life, including logistics companies and companies in food and beverage, consumer electronics, apparel, healthcare, local services and other industries. We served over 7,500 enterprise customers during the Track Record Period.

The number of logistics EVs under our management increased from 106,024 EVs as of December 31, 2023 to 224,546 EVs as of December 31, 2025, representing a CAGR of 45.5%. Our revenue increased from RMB2,349.5 million in 2023 to RMB4,138.6 million in 2025, representing a CAGR of 32.7%. From 2023 to 2025, the proportion of revenue from EV management services increased from 34.6% to 46.0%. We recorded positive operating cash flows of RMB654.8 million, RMB743.6 million and RMB1,461.6 million in 2023, 2024 and 2025, respectively. We incurred losses of RMB841.7 million, RMB770.6 million and RMB655.6 million in 2023, 2024 and 2025, respectively, corresponding to net loss margins of 35.8%, 24.0% and 15.8% in the respective years. Eliminating the impact of finance costs associated with shares with preferential rights, **[REDACTED]** expenses, and equity-settled share award schemes expenses, we recorded adjusted loss for the year (*non-IFRS measure*) of RMB494.5 million, RMB328.0 million and RMB201.7 million in 2023, 2024 and 2025, respectively, corresponding to the adjusted loss margin (*non-IFRS measure*) of 21.0%, 10.2% and 4.9% in the respective years. Our adjusted EBITDA (*non-IFRS measure*) increased from RMB651.1 million in 2023 to RMB1,829.6 million in 2025, representing a CAGR of 67.6%.

Some of our achievements are highlighted in the diagram below:



(1) In the logistics EV management industry in China.

(2) Net Dollar Retention means in respect of a financial year, the ratio of (i) the EV management services and EV leasing revenue generated during such financial year from customers who were existing customers in the immediately preceding financial year to (ii) the total EV management services and EV leasing revenue generated from such existing customers during the immediately preceding financial year, expressed as a percentage.

(3) According to Frost & Sullivan, this rating is based on the assessment that every revenue-generating activity our Company undertakes is considered consistent with a "low-carbon, climate-resilient" future.

Market Opportunities

Vast Addressable Market with Secular Trend

According to Frost & Sullivan, China's road freight industry is substantial and continues to expand. It is a key area for carbon reduction in the transport sector, contributing over 50% of the total carbon emissions. Each logistics EV can reduce carbon emissions by approximately 8–10 tons per year compared with a fuel-powered counterpart, making electrification a pathway to achieving lower carbon emissions. By 2030, a cumulative total of more than 5 million fuel-powered logistics vehicles are expected to be replaced by EVs as part of the electrification trend. This large-scale structural transition to EVs is primarily driven by the following factors:

- ***Cost Saving in Adopting Logistics EVs***: According to Frost & Sullivan, energy expenditure represents the largest cost component for road freight companies, while the energy cost of EVs is approximately 60% lower than fuel-powered vehicles.

- ***Increasing Need for Digitalization***: According to Frost & Sullivan, the operation of logistics EVs involves complex scenarios requiring simultaneous management of route planning, load allocation, and energy consumption and replenishment, and digitalization of operations is increasingly valued by operators to streamline these processes. Compared to fuel-powered vehicles, EVs are better suited for digitalization.

- ***Supportive Policies and Infrastructure***: China has a supportive policy environment for the development of logistics EVs. See "Industry Overview — Overview of the Global Road Freight Industry — Policy Analysis of Green Transformation in Road Freight Industry" of this document for details. Meanwhile, ongoing developments in battery technology and charging and swapping infrastructure continue to expand the scenarios of logistics EV usage.

Driven by this transition, the size of China's logistics EV management industry is projected to grow from RMB140.0 billion in 2025 to RMB662.3 billion in 2030, representing a CAGR of 36.5%, according to Frost & Sullivan.

Autonomous Vehicles Adoption

According to Frost & Sullivan, the adoption of autonomous vehicles in China's logistics EV industry is poised for rapid expansion, supported by continuous advancements in autonomous driving technologies and cost reduction. From 2025 to 2030, the total sales revenue from autonomous logistics EVs in China is projected to grow at a CAGR of 72.5%, while the total leasing revenue and management services revenue from autonomous logistics EVs are expected to expand at CAGRs of 190.1% and 108.0%, respectively. Our existing operational expertise, customer relationships, digital infrastructure and nationwide service network position us well in capturing the management needs from the increasing number of autonomous vehicles.

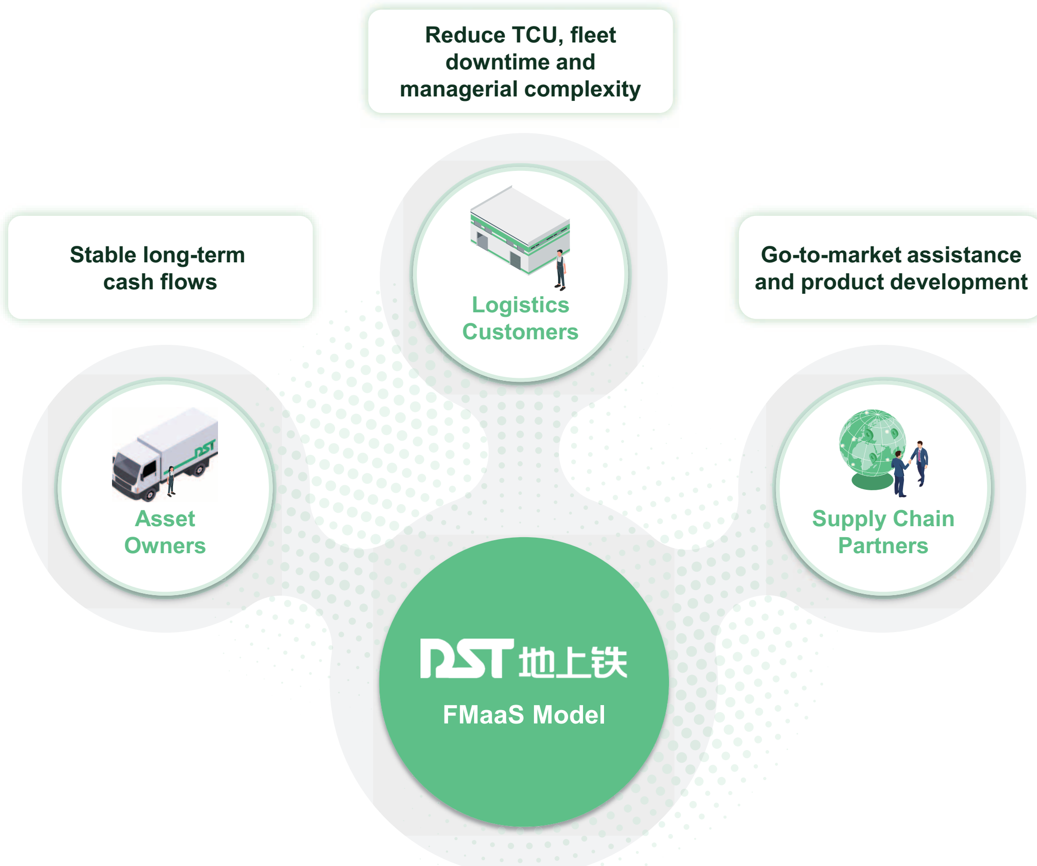
Value Propositions

We deliver value to various partners across the logistics value chain:

- ***Fleet Operation for Logistics Customers:*** We leverage our data-driven digital infrastructure and nationwide service network to offer logistics customers EV management services (including digital fleet management, safety and risk management, battery charging and swapping, maintenance and repair and residual value management), EV leasing and EV sales. These offerings help customers reduce Total Cost of Usage (TCU), fleet downtime and managerial complexity.

- ***Asset Management for Asset Owners:*** For asset owners such as financial institutions and infrastructure investors, we help improve returns on assets by providing stable long-term cash flows. Leveraging our nationwide fulfillment capabilities and customer relationships, we are able to navigate demand fluctuations and reduce vehicle downtime by deploying them in different regions and to different customers. Our vehicle standardization and co-development efforts, combined with our full-lifecycle approach to EV management, help generate a longer stable term of cash flow for the asset owners.

- ***Market Access and Collaborative Innovation for Supply Chain Partners:*** For OEMs, powertrain suppliers and insurance companies, we help them with their product innovation and customer acquisition by introducing their products or services to the extent that they are suited to our customers' needs. In addition, based on insights drawn from end-user behavior and demand, we assist our partners in product development and pricing, to better cater to market demand for their new products.



OUR COMPETITIVE STRENGTHS

Leading Market Position and Economies of Scale

According to Frost & Sullivan, we ranked first in the logistics EV management industry in China in terms of managed fleet size and network coverage as of December 31, 2025, and in terms of revenue for the year ended December 31, 2025. The logistics EVs under our management accounted for 15.6% of all logistics EVs in China as of December 31, 2025. Our managed fleet size as of December 31, 2025 and revenue for the year ended December 31, 2025 exceeded the combined share of the second- through fifth-ranked companies, according to Frost & Sullivan. Our substantial business scale has allowed us to benefit from economies of scale and network effect in the following aspects:

- ***Broad Customer Reach***: The scale of our nationwide service network has enabled us to reach a wide group of customers across the country and serve customers with a cross-regional presence.

- ***Bargaining Power in Procurement***: Our leading market position and business scale have enabled us to negotiate for advantageous terms when dealing with OEMs, component suppliers and insurance companies. We have also been able to partner with OEMs and component suppliers to co-develop customized vehicle configurations to better cater to our customers' business needs.

- ***Low Per-Vehicle Operating Costs***: The scale of our managed fleet has also allowed us to spread fixed costs associated with our digital platforms, service centers and support functions across a large asset base, resulting in a continuous decline in per-vehicle operating costs as our managed fleet grows. The total cost of sales (excluding cost of EV sales) per vehicle decreased by approximately 8% from 2024 to 2025. The number of vehicles managed per service personnel increased from 134 as of December 31, 2023 to 320 as of December 31, 2025.

- ***Formulation of Industry Standards***: With our leading market position and over 10 years of operational experience in the industry, we have led or participated in the formulation of 19 key industry standards relating to logistics EV management, covering vehicle specifications, battery charging and swapping infrastructure, vehicle-to-grid interaction, digital fleet management, and testing of autonomous vehicles.

Data-driven Digital Infrastructure and Nationwide Service Network

Our intelligent EV management solutions are underpinned by our digital infrastructure, which consists of our IoT network, proprietary software systems and operational decision-making models.

- **IoT Network**: Our IoT network includes vehicle IoT devices (such as telematics boxes, sensors and tire monitoring systems), smart service center IoT equipment, and battery charging and swapping facilities, enabling real-time connectivity between various physical assets and software systems.

- **Proprietary Software Systems**: Our proprietary software systems are digital tools designed for fleet management. Examples include (i) FleetMaster (車上雲), our internal integrated digital system designed for the management of vehicle assets, operations and service network, (ii) FleetHub (車管家), a digital system provided to our logistics customers, offering a suite of digital tools to facilitate vehicle and driver management, (iii) AssetLink (資管鏈), an online portal for asset owners to monitor the real-time operational status of their vehicle assets, including leasing, financial returns, maintenance and repair and compliance information, (iv) Xiaochao MRO (小超修車), a digital system for our maintenance and repair partners that supports online work-order booking, progress tracking, and AI-powered fault prediction and assurance of service quality and customer satisfaction, and (v) the DST APP and Wechat Mini Program, a mobile interface for drivers of our managed vehicles which enables them to locate battery charging and swapping facilities, access customer service, place service orders, and complete online training.

- **Operational Decision-making Models**: Our data-based operational experience has enabled us to develop a series of decision-making models, designed to support diverse operational scenarios including deployment planning, vehicle health management and risk control.

Through over 10 years of operations across diverse logistics scenarios, we have amassed with our digital infrastructure a rich pool of data across energy usage, battery health, powertrain system performance, mileage statistics maintenance, driving behaviors, insurance claims, vehicles deployment and other areas. The insights derived from this data form the foundation of our operational expertise which we utilize to continuously improve our digital infrastructure.

We have established a nationwide service network integrating our digital capabilities. As of December 31, 2025, our service network covered all 333 prefecture-level cities across China, ranking us first in the logistics EV management industry in China, according to Frost & Sullivan. The network comprised 419 fulfillment centers, 2,827 maintenance and repair centers and over 2.8 million battery charging and swapping facilities as of December 31, 2025. Our service network's broad geographic coverage and volume of service locations in our service network provide high service accessibility for vehicles. It also connects a variety of ecosystem partners and offers a wide selection of services. We implement a unified set of quality standards to ensure consistent service delivery across our service network. These attributes of our service network help to increase customer stickiness. For the year ended December 31, 2025, the average number of services was approximately 49 per vehicle.

Diversified and High-Retention Customer Base

Our customers are diversified and span the core segments of urban life, including logistics companies and companies in food and beverage, consumer electronics, apparel, healthcare, local services and other industries. We served over 7,500 enterprise customers during the Track Record Period. Our customer base also reflects a mix that supports both stability and growth. Some of our clients are leading large enterprises, whose business volumes provide a foundation for our core business and contribute to the generation of stable and recurring cash flows. Another part of our clientele comprises faster-expanding mid-tier customers, who drive incremental revenue and broaden our market reach. The remaining clients are small and medium-sized companies and individual drivers, which contributes to the expansion of our gross margin. This mix allows us to capture opportunities across diverse segments of the logistics market, and helps to sustain business momentum in varying market environments.

As of December 31, 2025, customers with whom we had served consecutively for more than three years accounted for approximately 92% of our managed vehicles as of the same date. Our Net Dollar Retention reached 132.8% in 2024 and 134.2% in 2025, evidencing the durability of our customer relationships. Our high customer retention is driven primarily by several key factors. First, we provide one-stop offerings to our customers which cover the entire vehicle lifecycle. This is complemented by our nationwide service network which ensures accessible, responsive and standardized order fulfillment, delivering a consistent and reliable customer experience. Finally, the operational and systemic integration of our services into our customers' workflows creates switching costs which further increase customer stickiness. Our high customer retention rates underscore the strength and resilience of our business model.

Product Standardization and Co-development

We have established an approval process to enforce product standards and quality control over vehicle admission. We first draw on historical operational data, OEM prototype specifications and core component failure rates to preliminarily shortlist eligible vehicle models. Shortlisted models then undergo technical performance assessment and on-road testing exceeding 2 million kilometers before final admission. Finally, for every unit of an admitted model, we perform factory-level individual inspections prior to acceptance. This standardized admission process enables us to maintain fleet consistency, streamline service delivery and improve overall operational efficiency.

Leveraging our data-based insights gained from operating logistics EVs across a variety of real-world usage scenarios, we have been able to collaborate with OEMs in their development of new logistics EV models, with a focus on configuring key metrics including driving range, energy efficiency, maximum power and data collection capability. We had collaborated with 19 OEMs, covering 89 models across 26 brands as of December 31, 2025. Examples of the co-developed models include DST S60 (light truck), DST K63 (light truck), DST 630 (medium van), and DST TC50 (autonomous EV). The co-developed vehicles accounted for more than 75.3% of our managed EV fleet as of December 31, 2025.

Our customized vehicle design, standardized component selection, and full-lifecycle operational management have enabled these co-developed models to have a long average service life, which can typically last up to 12 years in the intercity delivery, and reduced maintenance and repair costs.

Experienced Management Team and Reputable Investors

Our Company is guided by an experienced leadership team, anchored by our founder, Ms. Haiying Zhang. With more than a decade of hands-on experience spanning the entire battery and EV value chains, Ms. Zhang brings valuable industry knowledge and a track record of strategic and operational excellence. The broader management team is composed of seasoned professionals, averaging over 15 years of management experience across a diverse set of areas, including technology, operations, finance and marketing. This cross-functional expertise enables informed decision-making and helps to effectively address complex challenges and drive sustainable growth in a dynamic market environment. See "Directors and Senior Management" in this document for details.

In addition, we benefit from the support of strategic and financial investors including affiliated entities of the State Power Investment Corporation (國家電力投資集團), GIC and Ingka Group. Their investments and support provide not only capital resources but also industry expertise, insights and relationships.

Environmental, Social and Governance (ESG)

Environmental Impact

Since our inception in 2015, we have exclusively operated with a 100% EV fleet. In 2025, we helped the logistics industry reduce carbon emissions by 551,706 tons. According to an evaluation by S&P Global regarding the sustainability of our business operations and their assessment that every revenue-generating activity our Company undertakes is considered consistent with a "low-carbon, climate-resilient" future, we achieved an ESG rating of "Dark Green", becoming the first company in China to receive this recognition. In addition, we have received other awards and honors, being recognized as one of the National Exemplary Cases for Green Freight Development (全國綠色貨運發展典型實踐案例), China Green Urban Logistics Exemplary Enterprises (中國綠色城市物流示範企業) and Green Logistics Exemplary Cases by China Transportation News (中國交通報綠色物流示範案例), among others. See "Business — Awards and Recognitions" of this document for details.

Social Impact

Our one-stop offering of intelligent EV management solutions reduces management complexity and enhances operational efficiency for our customers. In particular, we offer digital tools which help individual drivers lower the logistics-related costs of starting and operating small businesses.

Corporate Governance

We recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Company. We advocate a culture of diversity, equality and inclusion, with women representing 40% of our senior management team.

OUR STRATEGIES

To achieve long-term growth, we will execute the following strategic roadmap:

Expanding Market Share through Increasing Fleet Size and Network Coverage

We will continue to focus on expanding our market share and solidify our industry position, primarily by growing the size of the fleet we manage to drive revenue growth. A larger managed fleet can enhance our network effects, improve economies of scale across our operations, and reinforce our data-driven fleet management capabilities. The main component of our fleet expansion strategy will be increasing the number of entrusted and served EVs supplemented by the strategic purchase of new EVs.

We plan to achieve this primarily through further enhancing our relationship with existing customers and onboarding additional vehicles in their fleets. Furthermore, we will acquire new customers through recommendations from the existing customers. In addition, we plan to expand our business coverage to new and under-penetrated industry verticals to onboard new pools of vehicles while diversifying our customer base.

In parallel with our fleet expansion, we also plan to continue to broaden our network coverage to expand our market share. Building on our existing nationwide service network, which covers all 333 prefecture-level cities in China as of December 31, 2025, we will focus on further expanding our business footprint in under-served regions domestically with identified growth potential and selectively exploring opportunities in overseas markets. By increasing our geographic presence, we will be able to serve a wider range of customers and increase the number of third-party vehicles managed on our platform.

Continuing to Shift Towards Asset-Light Business Structure and Increase Service Revenues

We will continue to shift towards a more asset-light business structure by steadily increasing the proportion of served and entrusted EVs in our managed fleet. The capital expenditures for these vehicles are borne by asset owners, which helps us achieve a faster business expansion.

We plan to increase the proportion of EV management services revenue in our overall revenue. We intend to achieve this through two complementary initiatives. First, we will increase the number and types of our existing service offerings purchased by each customer, by cross-selling additional categories of services to our existing customer base, increasing our share of wallet and enabling customers to adopt a broader selection of services across the EV lifecycle. Second, we will expand the range of service offerings available on our platform by introducing new value-added service categories tailored to evolving customer needs. To support both initiatives, we will implement standardized service processes to ensure operational excellence and consistency, while making local adaptations to meet the specific requirements of different customers and markets.

Advancing Technological Capabilities Through AI-Powered Enhancements

Building on our digital infrastructure and operational dataset, we plan to further advance our technological capabilities and leverage AI to drive improvements across three key areas:

- ***Customer Experience***: We will continue to utilize AI to enhance our customer service capabilities by providing more personalized and responsive support. This includes analyzing a customer's specific operational patterns to offer tailored recommendations and proactively alerting them to potential issues, such as upcoming maintenance needs.

- ***Service Innovation***: We will further develop and provide customers with AI-driven tools and functionalities in our service offerings to help them better optimize their operations. For example, these include AI-powered intelligent charging and safety features.

- ***Asset Management***: We will continue to enhance our asset management capabilities with AI, focusing on vehicle fault prediction and preventive maintenance. Specifically, we aim to leverage AI to analyze vehicles' usage data to predict when component failures may occur and schedule maintenance proactively, thereby increasing their reliability, uptime, and longevity.

Through these AI initiatives, we aim to increase customer satisfaction, foster continuous product innovation and support revenue and margin growth.

Integrating and Scaling Autonomous Vehicles Fleet Operations

We plan to integrate autonomous logistics vehicles into our managed fleet, enhancing our customers' operational efficiency by reducing their labor costs and improving their operational continuity through round-the-clock vehicle operation. Specifically, we will continue to collaborate with OEMs and autonomous driving technology companies in the development autonomous vehicle models tailored to logistics scenarios, followed by deploying these vehicles in phased pilot programs within select customer operations before scaling the deployment in our wider managed fleet.

We will leverage our existing strengths to support the development of our autonomous vehicle operation. Our existing operational expertise can be harnessed to inform the co-development of autonomous vehicles tailored for specific logistics scenarios. We will also utilize our established customer relationships to create a path for commercialization and introduce these autonomous solutions into real-world operations. We will then draw on our digital infrastructure and nationwide service network for the fulfillment and delivery of services for autonomous vehicles at scale.

OUR ONE-STOP LOGISTICS EV SOLUTIONS

We are a leading provider of intelligent logistics EV management solutions in China. We provide one-stop solutions throughout the EV lifecycle including EV management services, EV leasing and EV sales. According to Frost & Sullivan, we ranked first in the logistics EV management industry in China in terms of managed fleet size and network coverage as of December 31, 2025, and in terms of revenue for the year ended December 31, 2025. As of December 31, 2025, we managed 224,546 logistics EVs, accounting for approximately 15.6% of all logistics EVs in China.

Under the FMaaS model, our intelligent EV management solutions encompass EV management services, leasing and sales. Our offerings are designed to be modular and configurable to meet our customers' specific operational needs.

- **EV Management Services:** We provide services including digital fleet management, safety and risk management, battery charging and swapping, maintenance and repair and residual value management.

- **EV Leasing:** We lease our self-owned and entrusted EVs to our customers. Our leasing business is characterized by scenario-based deployment, multi-cycle leasing and flexible lease terms.

- **EV Sales:** We sell logistics EVs and service parts to customers. Customers who purchase logistics EVs from us are typically offered management services. A majority of the EVs we sell are models we co-developed with OEMs.

During the Track Record Period, our revenue structure has steadily improved with an increasing proportion of revenue from management services. The table below sets out the breakdown of our revenue by businesses during the Track Record Period.

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)					
EV management services	814,009	34.6	1,290,027	40.1	1,904,292	46.0
EV leasing	1,170,080	49.8	1,554,060	48.3	1,894,300	45.8
EV sales	365,458	15.6	371,992	11.6	340,041	8.2
Total	**2,349,547**	**100.0**	**3,216,079**	**100.0**	**4,138,633**	**100.0**

EV Management Services

Full EV Lifecycle Coverage

Our EV management services span the full lifecycle of EVs and include digital fleet management, safety and risk management, battery charging and swapping, maintenance and repair, and residual value management.

Service type	Customer pain points	Key services & benefits
Digital Fleet Management	• The operational costs associated with conventional offline fleet management tend to increase in proportion to a growing fleet size, primarily due to the need to hire additional management personnel. According to Frost & Sullivan, for every 50 vehicles added to a fleet, 1-2 additional fleet managers may be required. • The absence of a centralized dashboard for fleet management prevents managers from having a consolidated view of key metrics such as vehicle uptime, attendance, and energy consumption. • Logistics operators often lack real-time visibility into the status of their fleet, which impedes their ability to arrange the efficient deployment of vehicles for various routes and tasks. • The allocation of vehicle-related expenses, such as repair costs, to the correct customers or projects is often difficult to perform accurately and efficiently using manual methods.	• We provide "FleetHub (車管家)", a digital system provided to our logistics customers, offering a suite of digital tools to facilitate vehicle and driver management. Its functionalities include vehicle tracking, geo-fencing, mileage and energy consumption management, alerts for events such as low battery levels or abnormal parking, operational dashboards, driver behavior analytics, and administrative support. • The platform is accessible through web and mobile applications, as well as in-vehicle displays. It is designed to reduce management costs, improve operational efficiency, and reduce downtime and fines. • We also provide administrative services, which comprise annual inspections, license applications, vehicle replacement, remote vehicle locking, vehicle disposal, and de-registration.

Service type	Customer pain points	Key services & benefits
Safety & Risk Management	• High accident rates for logistics vehicles contribute to increased insurance premiums and present challenges for policy renewals. According to Frost & Sullivan, insurance premiums for logistics EVs are 15-25% higher than those for comparable fuel-powered vehicles. • The settlement process for insurance claims is often lengthy, which results in extended vehicle downtime. • The absence of real-time monitoring and intervention permits high-risk driving behaviors that increase accident frequency. A severe accident can render a vehicle out of service for an extended period and may result in penalties from government authorities.	• We provide "FleetGuard (安行達)", a system for managing vehicle-related risks. The system uses in-vehicle IoT devices and a cloud-based platform to provide insurance management services (including plan design, ordering, renewal, and claims processing), real-time tracking of high-risk driving behavior, and risk assessment of vehicles in transit to support pre-incident intervention. • FleetGuard operates round-the-clock to reduce accident rates, claims disputes, and vehicle downtime. During the Track Record Period and up to the Latest Practicable Date, the system intervened over 7.8 million instances of high-risk and medium-risk driving behaviors.
Maintenance & Repair . . .	• The loss of revenue resulting from vehicle downtime can exceed the direct cost of repair. The time required for maintenance and repair directly affects vehicle availability for deployment. • Repair shops that are not part of an OEM's authorized network may use parts of inconsistent quality, which can affect vehicle safety. • OEM service networks have limitations in their geographic coverage. For example, roadside assistance response times for inter-city or remote locations are often slow. According to Frost & Sullivan, the average response time for inter-city rescue is 6-8 hours.	• Our maintenance and repair network consists of 20 self-operated centers and 2,807 partner centers, and we have maintenance and repair arrangements with 27 OEMs. We provide transparent pricing, unified service standards, OEM-sourced parts supply, and centralized billing. • We provide "Xiaochao MRO (小超修車)", a digital system for our maintenance and repair partners that supports online work-order booking, progress tracking, AI-powered fault prediction and assurance of service quality and customer satisfaction.
Battery Charging and Swapping	• Variances in electricity prices between peak and off-peak periods can lead to unnecessary costs if charging is not scheduled effectively. • The use of multiple, non-interoperable charging platforms creates administrative inefficiencies and requires drivers to manage separate accounts and payment methods. • According to Frost & Sullivan, inadequate charging planning has caused operational delays for more than 30% of drivers.	• We provide "FleetCharge (精準充)", a digital platform that provides access to over 2.8 million charging terminals in all 333 prefecture-level cities in China. The platform develops charging schedules based on vehicle routes, battery levels, and real-time electricity prices. It also provides customers with a single account for payment and settlement across different charging facilities. • Our battery charging and swapping services provide a charging plan designed to reduce energy costs and simplify the reconciliation of expenses across different time periods and projects.

Service type	Customer pain points	Key services & benefits
Residual Value Management	• There is no industry-wide standard for assessing the residual value of logistics EVs. The effects of battery degradation and price volatility for new vehicles make residual values difficult to assess.	• We leverage real-time battery data, vehicle operating history, and used-vehicle market data to provide recommendations for the end-of-life disposal of vehicles, including suggested pricing and timing.
	• A lack of sufficient vehicle health data can adversely affect vehicle deployment and disposal decisions.	• These services provide a data-driven basis for establishing residual value expectations and facilitate more structured and efficient vehicle disposal processes.

Flexible Pricing Models

We offer our EV management services primarily under two pricing models:

- ***Package-based Model:*** Customers purchase a standardized package of core service offerings (such as specified maintenance allowances and software usage rights) for a fixed fee. The terms of these services typically range from one month to five years, with the majority being for at least one year. This model helps to provide stable long-term revenues.

- ***Usage-based Model:*** As a supplement to the subscription model, we charge customers in respect of certain services based on actual usage (such as maintenance, repair and battery charging and swapping). This model also encompasses project-based offerings, including logistics fleet electrification advisory and customized product co-development. This pricing structure provides us with revenue upside that corresponds to the incremental growth in our customers' business volume and demand.

EV Leasing

Our EV leasing business provides customers with the right to use vehicles. The business is designed to generate stable cash flow returns and facilitate the sale of our EV management services for the leased vehicles. Our leasing customers typically also purchase our management service packages.

Our EV leasing business features the following characteristics:

- ***Scenario-based Deployment:*** We deploy vehicles to customers based on the compatibility between the customer's usage scenario and the vehicle's performance metrics, such as driving range and charging speed. For example, new vehicles with a higher driving range are typically matched to intercity transport scenarios, while mid-range used vehicles tend to be matched to intra-city short-haul delivery. This practice is designed to reduce asset downtime and improve asset returns.

- ***Multi-cycle leasing:*** Leveraging our capabilities in vehicle and battery maintenance, we are able to extend the economic life of our EVs beyond a single lease term. Upon expiration of the initial lease, instead of disposing of the vehicle, we refurbish and re-deploy it for subsequent lease cycles, often matching the vehicle to a less demanding usage scenario based on its condition and mileage. This approach helps to achieve higher lifetime asset returns and offer competitively priced leases with well-maintained vehicles from earlier cycles.

- ***Flexible Lease Terms:*** We offer lease terms ranging from one month to five years, with most of our leases having a term of at least one year. We also use undeployed vehicles in our fleet to fulfill short-term lease contracts, which increases asset returns.

We lease vehicles primarily directly to end-customers. Some of our EVs are leased to channel partners who then sub-lease them to end-customers together with related service.

EV Sales

We sell logistics EVs and service parts to enterprise customers and individual drivers in the logistics industry. Our vehicle catalog comprises models across a variety of categories and brands and is curated to meet the operational needs of logistics customers. A majority of the EVs we sell are models we co-developed with OEMs.

We use our EV sales business as a channel to increase the adoption of our management services. Customers who purchase logistics EVs from us are typically offered a bundled service package. During the Track Record Period, the service attachment rate for our sold logistics EVs was 52%, contributing to the growth of our management service business.

We engage a small number of distributors for the EV sales. See "— Distributorship" of this document for details.

NATIONWIDE SERVICE NETWORK

We have established a nationwide intelligent service network with offline fulfillment and service capabilities. As of December 31, 2025, our service network covered all 333 prefecture-level cities in China, ranking us first in the logistics EV management industry in China, according to Frost & Sullivan. The network comprised 419 fulfillment centers, 2,827 maintenance and repair centers and over 2.8 million battery charging and swapping facilities as of December 31, 2025. Specifically:

- **Fulfillment Network:** Our fulfillment network includes regional and local fulfillment centers managed by our central fulfillment team. We currently have 70 self-operated fulfillment and 349 partner fulfillment centers, providing fulfillment services including vehicle pick-up and return, annual inspections, license applications, replacement of vehicles, vehicle disposal and de-registration and roadside assistance. The geographic coverage of our fulfillment network helps to provide prompt service access to customers nationwide, while its centralized management through our proprietary FleetMaster (車上雲) system serves to ensure the consistent application of service standards across locations.

- **Maintenance and Repair Network:** Our maintenance and repair network comprises 20 self-operated maintenance and repair centers and 2,807 partner maintenance and repair centers. Our self-operated maintenance and repair centers collaborated with 27 OEMs as of December 31, 2025. We monitor and manage maintenance and repair work-orders through our Xiaochao MRO (小超修車) system. Our unified service standards and relationships with OEMs and component suppliers help facilitate the provision of high-quality and cost-competitive services.

- **Battery Charging and Swapping Network:** Our energy replenishment network aggregates over 2.8 million third-party battery charging and swapping facilities compatible with our logistics EVs. Through the integration of data from vehicles and facilities, we help our customers locate battery charging and swapping facilities, view energy pricing and settle fees with ease.

We implement a unified set of quality standards to ensure a consistent customer service experience across different locations. For our partner fulfillment centers and maintenance and repair centers, which serve as our suppliers, we require them to adhere to the same standards for quality control and timeliness of service delivery.

Our fulfillment, maintenance and repair, and battery charging and swapping networks are connected to our digital infrastructure, enabling the real-time coordination of service touchpoints, streamlining of service processes, and monitoring of service quality across our network.

OUR LOGISTICS EV FLEET

Composition of Vehicles Under Management

As of December 31, 2025, we managed 224,546 logistics EVs, accounting for approximately 15.6% of all logistics EVs in China, ranking us first in the logistics EV management industry in China.

Our managed fleet consists of self-owned EVs, entrusted EVs and served EVs. The following table illustrates the breakdown of the EVs under our management during the Track Record Period. The total number of vehicles more than doubled from 2023 to 2025, with the proportion of served EVs reaching over 30% as of December 31, 2025.

	December 31, 2023		December 31, 2024		December 31, 2025	
	Number	%	Number	%	Number	%
Self-owned EVs[1]	66,754	63.0	88,053	58.7	114,475	51.0
Entrusted EVs[2]	7,873	7.4	20,439	13.6	32,218	14.4
Served EVs[3]	31,397	29.6	41,488	27.7	77,853	34.7
All EVs under management	**106,024**	**100.0**	**149,980**	**100.0**	**224,546**	**100.0**

(1) Self-owned EVs are owned and controlled by us.

(2) Entrusted EVs are owned by third parties but controlled by us through lease arrangements.

(3) Served EVs are owned by third parties and not controlled by us, and received management services from us since the beginning of the Track Record Period.

Our EV management services revenue per vehicle increased from RMB7,678 in 2023 to RMB8,601 in 2024 mainly because we expanded our service scope, which then slightly decreased to RMB8,481 in 2025 resulting from an increase in our served EVs with relatively lower service prices. Our EV leasing revenue per vehicle decreased from RMB15,679 in 2023 to RMB14,324 in 2024, which further decreased to RMB12,913 in 2025. Such continuous decreases were mainly due to our competitive pricing strategy for order acquisition.

Vehicle Types

Our managed fleet consists predominantly of human-driven logistics EVs, which form the foundation of our revenue generation. These vehicles range from micro and light trucks to small, medium, large and extra-large vans. Their cargo compartment volume ranges from 4.6 to 20.3 cubic meters, with driving ranges from 210 to 825 kilometers, catering to a variety of urban and short-haul logistics scenarios, including express delivery, less-than-truckload services, cold-chain logistics and on-demand delivery.

In addition to human-driven EVs, we are also developing capabilities in autonomous logistics. We have established strategic partnerships with OEMs and autonomous driving technology companies, and introduced the DST TC50, an autonomous vehicle purpose-built for logistics. As of the Latest Practicable Date, we had deployed 474 L4 autonomous vehicles in proof-of-concept pilot programs across various real-world logistics scenarios.

Vehicle Standardization & Co-Development

We have established an approval process to enforce product standards and quality control over vehicle admission. We first draw on historical operational data, OEM prototype specifications, and core component failure rates to preliminarily shortlist eligible vehicle models. Shortlisted models then undergo a technical performance assessment and on-road testing exceeding 2 million kilometers before final admission. Finally, for every unit of an admitted model, we perform factory-level individual inspections prior to acceptance. This standardized admission process enables us to maintain fleet consistency, streamline service delivery, and improve overall operational efficiency.

Leveraging our data-based insights gained from operating logistics EVs across a variety of real-world usage scenarios, we have been able to collaborate with OEMs in their development of new logistics EV models, with a focus on configuring key metrics including driving range, energy efficiency, maximum power and data collection capability. We had collaborated with 19 OEMs, covering 89 models across 26 brands as of December 31, 2025. Examples of the co-developed models include DST S60 (light truck), DST K63 (light truck), DST 630 (medium van), and DST TC50 (autonomous EV). The co-developed vehicles accounted for more than 75.3% of our managed EV fleet as of December 31, 2025. Our collaboration with OEMs in product development is generally based on the following principles:

- ***Standardized Configurations:*** To streamline the full-lifecycle management of EVs and reduce costs such as those arising from maintenance and repair, we have established a standardized specification and testing framework for approved components, including powertrain systems, key mechanical components, and other electronic and electrical systems.

- ***Longevity and Energy Efficiency Optimization:*** Our co-development approach is oriented toward increasing the energy efficiency and extending the longevity of vehicles. To increase energy efficiency, our co-development efforts focus on the optimization of component selection, aerodynamic profiles, electrical and electronic architecture, scenario-based electrical control. To extend vehicle service life, we enforce standardized component configurations, prioritizing durability and serviceability. These co-development efforts, in conjunction with advancements in battery and other technologies, extended vehicle warranties, and our full-lifecycle management approach, have enabled us to co-develop EV models with a service life of 12 years or longer, which exceeds the industry average, according to Frost & Sullivan. These factors have also contributed to a decrease in our vehicle depreciation rate of 13.0%, 12.6% and 12.4% for the years ended December 31, 2023, 2024 and 2025, respectively.

- ***Proprietary IoT Deployment:*** We require our partner OEMs to pre-install our proprietary IoT devices during the production stage of co-developed models. This ensures these vehicles are IoT-connected upon leaving the factory, which allows us to capture operational data directly from the source. As of December 31, 2025, 199,026 vehicles had completed this IoT device deployment, covering 120 models across 28 OEMs.

As a result, vehicles we co-developed with OEMs have been able to achieve a per-kilometer energy reduction of approximately 10% compared to the industry average in 2025, according to Frost & Sullivan. Our expertise in product standardization and co-development is also reflected in our participation in the formulation of 19 industry standards, including, among others, the Technical Requirements for Vehicle Selection of Urban Logistics Distribution Vehicles (GB/T 29912-2024), the Swapping Battery Pack Rack of EV (GB/T 33341-2025) and the Technical Specifications for Road Testing and Demonstration Application of Autonomous Driving Equipment.

OUR TECHNOLOGICAL CAPABILITIES

As a leader in providing intelligent management solutions for logistics EVs, we have built a technology architecture anchoring on data, operational expertise and AI.

Data Assets

Over ten years of operation, we have built an end-to-end data repository which is continuously enriched by real-time data streams from our managed vehicles.

Our data assets are primarily classified into three categories:

1. ***Vehicle Data***: Vehicle-level data captured via our vehicle IoT devices (such as telematics boxes, sensors and tire monitoring systems), smart service center IoT equipment, and battery charging and swapping facilities. This includes real-time information on location, energy consumption, battery health, and powertrain system performance. We had achieved IoT protocol integration with 28 OEMs as of December 31, 2025;

2. ***Road and Driving Behavior Data***: Environmental data including information relating to road conditions, weather patterns, combined with driving behavior data including acceleration patterns, braking habits and mileage statistics; and

3. ***Business Scenario Data***: Business operation data including information relating to vehicle leasing, maintenance, insurance claims, and deployment.

    - ***Customer Service***: We leverage AI to analyze customer-specific operational patterns to provide tailored recommendations and proactive alerts for potential issues, such as upcoming maintenance needs.

    - ***Service Innovation***: Our service offerings include AI-driven tools and functionalities designed to help customers optimize their operations, such as intelligent charging management and safety features.

    - ***Asset Management***: We use AI to help analyze vehicle usage data to predict when component failures may occur, and to schedule maintenance proactively, which helps to increase vehicle reliability and uptime.

OUR CUSTOMERS

Our customers span the core segments of urban life and include logistics companies and companies in food and beverage, consumer electronics, apparel, healthcare, local services and other industries. We served over 7,500 enterprise customers during the Track Record Period.

As of December 31, 2025, customers with whom we had served consecutively for more than three years accounted for approximately 92% of our managed vehicles as of the same date. Our Net Dollar Retention reached 132.8% in 2024 and 134.2% in 2025, evidencing the durability of our customer relationships.

For the years ended December 31, 2023, 2024 and 2025, our top five customers accounted for 40.8%, 32.9%, and 32.0% of our total revenue, respectively. The duration of our relationship with each of the top five customers ranges from 2 to 10 years. The table below sets out information relating to our five largest customers during the Track Record Period.

For the Year Ended December 31, 2025

Ranking	Customer	Revenue	Percentage of total revenue	Products/ services purchased from us	Year of commencing business relationship with us	Credit terms
		(RMB'000)				
1.	Customer A	372,701	9.0%	EV management services and EV leasing	2016	135 days–180 days
2.	Customer B	347,639	8.4%	EV management services and EV leasing	2015	60 days–75 days
3.	Customer C	290,522	7.0%	EV management services, EV leasing and EV sales	2018	60 days–75 days
4.	Customer D	215,956	5.2%	EV management services, EV leasing and EV sales	2017	75 days–90 days
5.	Customer E	95,794	2.3%	EV management services and EV sales	2024	EV sales: 0 day–7 days EV management services: 0 day–30 days

For the Year Ended December 31, 2024

Ranking	Customer	Revenue	Percentage of total revenue	Products/ services purchased from us	Year of commencing business relationship with us	Credit terms
		(RMB'000)				
1.	Customer B	284,296	8.8%	EV management services and EV leasing	2015	60 days–75 days
2.	Customer A	258,138	8.0%	EV management services, EV leasing and EV sales	2016	135 days–180 days
3.	Customer D	231,376	7.2%	EV management services, EV leasing and EV sales	2017	75 days–90 days
4.	Customer C	204,339	6.4%	EV management services, EV leasing and EV sales	2018	60 days–75 days
5.	Customer F	80,482	2.5%	EV management services, EV leasing and EV sales	2015	75 days–90 days

For the Year Ended December 31, 2023

Ranking	Customer	Revenue	Percentage of total revenue	Products/ services purchased from us	Year of commencing business relationship with us	Credit terms
		(RMB'000)				
1.	Customer C	287,355	12.2%	EV management services, EV leasing and EV sales	2018	60 days–75 days
2.	Customer B	281,242	12.0%	EV management services and EV leasing	2015	60 days–75 days
3.	Customer D	179,469	7.6%	EV management services and EV leasing	2017	75 days–90 days
4.	Customer A	119,719	5.1%	EV management services and EV leasing	2016	135 days–180 days
5.	Customer G	89,940	3.8%	EV management services and EV sales	2022	EV sales: advance; EV management services: as agreed in the contract

Notes:

(1) Customer A is a company with its principal business in express logistics.

(2) Customer B is a listed company with its principal business in express logistics.

(3) Customer C is a company with its principal business in on-demand delivery.

(4) Customer D is a listed company with its principal business in operating e-commerce platforms.

(5) Customer E is a company with its principal business in sales of vehicles.

(6) Customer F is a company with its principal business in express logistics.

(7) Customer G is a company with its principal business in providing EV management service.

We hold 40% of interest in Customer G. Saved as this customer, none of our Directors, their close associates or any Shareholders which, to the knowledge of our Directors, owns more than 5% of our share capital as of the Latest Practicable Date, has any interest in any of our five largest customers.

In general, we sign a framework agreement with customers which include EV leasing and management service offerings, We also have standalone service agreement with certain customers.

Below is a summary of terms with our customers in EV leasing and EV management services business.

- *Product/Services*: We provide EVs to the lessee for use together with an integrated service package.

- *Pricing*: The price consists of rent for the vehicle and the fee charged for the service package.

- *Deposit*: We typically charge a deposit from the customer. The deposit is to help ensure the lessee fulfills contractual obligations and allows us to deduct unpaid amounts from it when the lessee defaults.

- *Payment*: Billing cycle is calendar-month while the payment cycle is as specified in the order.

- *Vehicle Delivery and Return*: The lessee must pay the deposit and complete our training course in order to pick up the vehicle. The lessee assumes all risks for non-quality-related issues post-delivery.

- *Maintenance and Repair*: Standard maintenance within the specified mileage limits and vehicle repair for quality-related issues are included in our basic service package during the leasing period.

- *Safety and Risk Management*: We provide basic safety coverage for leased vehicles, including compulsory traffic insurance, third-party liability insurance. We also assist with claims handling. Customers may request additional commercial insurance at their own cost.

- *Training*: The lessee or its authorized representative must complete our pre-delivery training via our app, and must ensure its drivers complete required safety training, re-training and assessments and comply with the safety driving manual.

- *Consent to Data Collection*: The lessee and its drivers authorize our collection of driving data (including trip records, vehicle condition and driving behaviors), with data stored for 60 days before deletion.

- *Duration and Termination*: Contract term runs from the stated start date to end date, and can be renewed with one-month notice.

The key terms and conditions of our EV sales business are as follows.

- *Product/Services*: The details of the EVs, including the model, specification and quantity, along with the details of the subscribed service package, are provided in the contract.

- *Payment*: For full payment, the buyer pays a deposit on signing and the balance before delivery. For installments, the first payment is due on signing, with subsequent annual or per-use payments due within a specified period upon billing. Payment shall be made via bank transfer.

- *Delivery*: We provide invoices, certificates, manuals, and tools upon delivery. The buyer must inspect and accept the vehicle on-site. Once accepted, all risks transfer to the buyer.

- *Product Warranty*: The OEMs generally provide product warranty.

- *Governing Law and Dispute Resolution*: The agreements are typically governed by PRC laws, and disputes shall be resolved at the People's Court of the place where we are domiciled.

DISTRIBUTORSHIP

With regards to EV sales, during the Track Record Period, we have engaged distributors to a limited extent for resale of our EVs. They possess market expertise, knowledge and established local sales networks for sales and engagement with small customers in under-served cities in China, which does not fall within our primary target market segment. Therefore, the adoption of distributorship in this regard can help with effective market penetration in these under-served markets while enabling us to save administrative and sales costs. In 2023, 2024 and 2025, revenue generated from our distributors was RMB8.8 million, RMB62.6 million, and RMB167.4 million, respectively, representing 0.4%, 1.9% and 4.0%, respectively, of our total revenue in the corresponding periods.

As of December 31, 2023, 2024 and 2025, we had 2, 14 and 31 active distributors. The following table sets forth the total number of our active distributors as at the dates indicated and the movements during the Track Record Period. Active distributors refer to those who have entered into effective distribution agreement(s) with us during the relevant period.

	Year ended December 31,		
	2023	2024	2025
Number of active distributors at the beginning of the period	0	2	14
Number of new active distributors	2	12	18
Number of terminated active distributors	0	0	1
Net increase/(decrease) in number of active distributors	2	12	17
Number of active distributors at the end of the period	2	14	31

The number of our active distributors at the beginning of the period increased in 2025 compared to 2024, due to the expansion of our EV sales network. There was one distributor whose distribution agreement with us expired in 2025 and was not renewed.

Relationship with Distributors

We have a seller-buyer relationship with our distributors. Our distributors purchase EVs from us and then resell such EVs to their end-customers. Revenue is recognized upon the transfer of control of the EVs, which occurs when they are delivered to and accepted by our distributors. All risks are transferred to our distributors upon delivery and acceptance, and we retain no ownership control over the EVs sold to our distributors.

During the Track Record Period, the beneficial owners of certain distributors were our former employees. In particular, in 2023, 2024 and 2025, a total of 0, 1 and 2 distributors were controlled by our former employees, respectively. They became our distributor primarily due to their familiarity with our business and collaboration with them is mutually beneficial due to their comprehensive understanding of our business standards. During the Track Record Period, our arrangements with such distributor was comparable to those we offered to other distributors who are Independent Third Parties. Save for the above, to our best knowledge, all our distributors were Independent Third Parties during the Track Record Period.

To the best of our knowledge, we did not have any sub-distributors during the Track Record Period.

We typically enter into standard distribution agreements with our distribution partners across different geographic regions. Salient terms of our standard distribution agreements generally include:

- *Term:* The term of the agreement is typically one to two years, subject to renewal by mutual agreement.

- *Designated Distribution Area:* Distributors are authorized to distribute our EVs in designated regions as specified in the corresponding agreements.

- *Sales Target:* We generally determine non-compulsory sales target for distributors based on their corresponding regions and historical performance. No penalties will be exerted if distributors fail to meet the annual sales target.

- *Inventory Level:* We generally do not require our distributors to maintain a minimum inventory level.

- *Price Management:* We generally do not control the prices at which our distributors resell our products to their customers.

- *Payments:* We typically require distributors to make payment in accordance with the applicable orders or transaction arrangements.

- *Termination:* We may terminate the agreements on various grounds, including the distributor's failure to remedy material breaches within a specified notice period, financial or commercial fraud, bankruptcy or loss of licenses, transfer of granted rights to third parties, breach of confidentiality and misuse of our trademark or logo.

Management of Our Distributors

We regularly review distributors' performance based on their sales volume and operational compliance and assess contract renewals accordingly. In order to manage the risk of cannibalization of sales among our distributors, we specify the designated geographic area for which our distributors are responsible in our distribution agreements with them. 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 within the same geographical area. We do not have any material channel stuffing issues considering that (i) our sales targets are non-compulsory and do not result in penalties for failure to achieve them, (ii) our distributors are typically not allowed to return any unsold EVs to us save for defective EVs as permitted under the corresponding agreements, (iii) to the best of our knowledge, our distributors typically place orders for EVs when there is demonstrable demand from their customers, and (iv) we did not identify any material channel stuffing risks during the Track Record Period.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material unresolved disputes or lawsuits with our distributors.

OUR SUPPLIERS

We rely on third-party suppliers for our EVs, EV parts and insurances. Our primary suppliers are EV OEMs or OEMs' distributors. We select OEMs or OEMs' distributors based on a number of factors, including their track record, production capacity, R&D capabilities and the ability to meet our technical standards. We typically enter into framework agreements with OEM suppliers. We review and negotiate terms of our framework agreements with suppliers based on the suppliers' production capacity, product quality, customers' review and pricing.

The tables below set forth information about our top five suppliers during the Track Record Period.

For the Year Ended December 31, 2025

Ranking	Supplier	Purchase amount	Percentage of total purchase	Products/ services purchased	Year of commencing business relationship with us	Credit terms
		(RMB'000)				
1.	Supplier A. . . .	745,972	9.5%	Vehicles procurement	2023	90 days
2.	Supplier B . . .	724,439	9.2%	Vehicles procurement	2025	90 days
3.	Supplier C . . .	431,763	5.5%	Insurance	2017	N/A
4.	Supplier D . . .	367,584	4.7%	Vehicles procurement	2024	90 days
5.	Supplier E . . .	361,076	4.6%	Vehicles procurement	2023	90 days

For the Year Ended December 31, 2024

Ranking	Supplier	Purchase amount	Percentage of total purchase	Products/ services purchased	Year of commencing business relationship with us	Credit terms
		(RMB'000)				
1.	Supplier A. . . .	704,229	11.7%	Vehicles procurement	2023	90 days
2.	Supplier F. . . .	530,487	8.9%	Vehicles procurement	2022	90 days
3.	Supplier E. . . .	516,808	8.6%	Vehicles procurement	2023	90 days
4.	Supplier G . . .	426,298	7.1%	Vehicles procurement	2023	90 days
5.	Supplier C. . . .	345,343	5.8%	Insurance	2017	N/A

For the Year Ended December 31, 2023

Ranking	Supplier	Purchase amount	Percentage of total purchase	Products/ services purchased	Year of commencing business relationship with us	Credit terms
		(RMB'000)				
1.	Supplier H. . . .	411,862	11.3%	Vehicles procurement	2016	90 days
2.	Supplier E. . . .	272,083	7.5%	Vehicles procurement	2023	90 days
3.	Supplier I	244,977	6.7%	Vehicles procurement	2021	60 days
4.	Supplier C. . . .	240,975	6.6%	Insurance	2017	N/A
5.	Supplier F. . . .	202,608	5.6%	Vehicles procurement	2022	90 days

Notes:

(1) Supplier A is a company with its principal business in vehicles sales.

(2) Supplier B is a company with its principal business in vehicles sales.

(3) Supplier C is a company with its principal business in insurance.

(4) Supplier D is a company with its principal business in vehicles sales.

(5) Supplier E is a company with its principal business in vehicles sales.

(6) Supplier F is a company with its principal business in vehicles sales.

(7) Supplier G is a company with its principal business in vehicles sales.

(8) Supplier H is a company with its principal business in vehicles sales.

(9) Supplier I is a company with its principal business in vehicles sales.

The following sets forth key terms of a typical framework agreement with OEM or OEM's distributors.

- *Purchase Target*: Quantities specified in the framework are indicative only. Actual purchases are governed by individual purchase orders, and any shortfall against indicative volumes does not give rise to default liability for either party.

- *Discount*: Supplier guarantees "best price" on equivalent terms during the term, must promptly notify us of any lower price offered to other customers and apply such lower price from our next purchase, failing which it shall compensate us the price differential or offset it against future payments.

- *Termination*: Neither party may unilaterally terminate on the other party's material breach not cured within 10 days of notice. In addition, we may unilaterally terminate and claim 1% of the cumulative transaction value over the last three years if non-conforming, defective or batch-failure vehicles exceed 10% of cumulative purchases over the same period.

For the years ended December 31, 2023, 2024 and 2025, our purchases from our five largest suppliers accounted for 37.8%, 42.1%, and 33.5% of our total purchases, respectively, while our purchase from the largest supplier accounted for 11.3%, 11.7% and 9.5% of our total purchases, respectively, for the same periods. Our suppliers generally grant us a credit term of 60 to 90 days.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant fluctuation in prices set by our suppliers, material breach of contract on the part of our suppliers, or delay in delivery of our orders from our suppliers.

To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who, to the knowledge of our Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest suppliers in each year/period as of the Latest Practicable Date.

Overlapping Customer and Supplier

During the Track Record Period, Supplier A and Supplier H were also our customer. We provided management services to these two suppliers. Conversely, Supplier A and Supplier H supplied us with EVs. During the Track Record Period, revenue generated from Supplier A represented 0.0%, 1.1% and 0.3% of our total revenue, respectively, and the amount of procurement we incurred represented 0.8%, 11.7% and 9.5% of our procurement, respectively, revenue generated from Supplier H represented 0.1%, 0.2% and 0.1% of our total revenue, respectively, and the amount of procurement we incurred represented 11.3%, 0.0% and 0.0% of our procurement, respectively. We entered into separate agreements with Supplier A and Supplier H on an arm's-length basis in the ordinary course of business, and we negotiated terms with Supplier A and Supplier H using independent business teams. To the best of our Directors' knowledge, these transactions were neither dependent nor conditioned upon each other.

During the Track Record Period, Customers C was also our supplier. Customers C provided us with marketing services. During the Track Record Period, revenue generated from Customer C represented 12.2%, 6.4% and 7.0% of our total revenue, respectively, and the amount of procurement we incurred represented 0.3%, 0.6% and 0.2% of our procurement in relation to Customer C. We entered into separate agreements with such company and its affiliated company on an arm's-length basis in the ordinary course of business, and we negotiated terms with such company and its affiliated company using independent business teams. To the best of our Directors' knowledge, these transactions were neither dependent nor conditioned upon each other.

As of the Latest Practicable Date, to the best of our Directors' knowledge, none of our Directors, their associates or any Shareholders who owned more than 5% of the issued share capital of our Company, had any interest in these overlapping customers and suppliers in the Track Record Period. To the best of our Directors' knowledge, there were no other overlaps between our major customers/suppliers and our major suppliers/customers.

SALES AND MARKETING

We position our brand as a provider of management solutions for logistics EVs, with a mission on the electrification of urban logistics and sustainable development. Our brand positioning is supported by our marketing activities, which include advertising on social media platforms like WeChat and Douyin, as well as hosting industry events such as the "EV Ecosystem Summit (創連大會)," which has connected over 300 enterprises across diverse fields in the logistics ecosystem.

We have a dedicated sales team and advisory team, which are responsible for formulating solutions to drive customer acquisition and retention. The teams acquire new customers through both direct engagement and word-of-mouth referrals from existing customers. They also focus on managing existing customer relationships to maintain retention.

RESEARCH AND DEVELOPMENT

Our research and development efforts primarily focus on improving our proprietary software systems and developing technologies for vehicle co-development. For the years ended December 31, 2023, 2024 and 2025, our research and development expenses amounted to RMB60.9 million, RMB55.6 million and RMB50.9 million, respectively.

We have established R&D centers in Shenzhen, primarily focused on initiatives relating to our IoT application platform, digitalization system, digital services, smart hardware, vehicles development and AI application. As of the Latest Practicable Date, we employed 136 R&D staff, 117 of which had a bachelor's degree or higher degree.

INTELLECTUAL PROPERTY

We have developed a number of proprietary algorithms, systems and technologies. Our success depends in part on our ability to protect our core technology and intellectual property.

We rely on a combination of patents, patent applications, copyright and trademark laws, trade secret protection, as well as noncompetition and confidentiality and license agreements with our employees, suppliers and other business partners, to protect our proprietary rights. We actively monitor and pursue claims against unauthorized use of our intellectual property.

As of the Latest Practicable Date, we had 62 issued patents and 22 pending patent applications in the PRC. As of the Latest Practicable Date, we had registered 246 trademarks in the PRC and Hong Kong. We were also in the process of registering 36 other trademarks in the PRC. As of the Latest Practicable Date, we also had 13 registered domain names, including http://www.dstcar.com. Our website and mobile application enable our customers to access our offerings across EV management services, leasing and sales.

As of the Latest Practicable Date, we had not been subject to any material disputes or claims for infringement upon third parties' intellectual property rights. For more details of our intellectual property rights, please see "Statutory and General Information — B. Further Information about Our Business — 2. Intellectual Property Rights" set out in Appendix IV to this document.

DATA PRIVACY AND SECURITY

We are committed to protecting personal information. We have implemented company-wide policies that set data protection and security standards to regulate the collection, classification, storage and transferring of data pertaining to our users, suppliers, business partners and employees. We have an internal team dedicated to formulating data protection policy and monitoring data security practices. We are certified to GB/T 22080-2025/ISO/IEC 27001:2022 (Information security management systems), ISO/IEC 27701:2019 (Privacy information management), and our FleetMaster has obtained the Level 3 certification under the Multi-Level Protection Scheme for Cybersecurity (網絡安全等級保護制度).

In order to provide services to our users, we collect and store data relating to the use of our proprietary digitalized systems and platforms, as well as data collected through our sales and services network. Such data mainly includes, among others, name, address, phone number, device information and other data necessary for our business operations. In addition, we also collect data of our EVs, including but not limited to driving records, driving status and vehicle condition. We collect information with prior consent from our users in accordance with applicable laws and regulations. We enter into Privacy Policy with our users when they register on our official website, DST APP or WeChat mini programs, according to which users authorize us to collect, process and use their personal information.

We implement access control and account authority control for data. We strictly limit and monitor employee access to users data. Our internal systems are only accessible by designated personnel with proper authorization. We provide data privacy training to employees and require them to follow internal policies on data security. We have in place comprehensive data security measures. We have established internal policies on data security to comply with laws and regulations. We have implemented technical measures, including anonymization, desensitization and encryption. We back up our customer data and operating data on a regular basis in separate back-up systems to minimize the risk of data loss and to help ensure undisrupted operation. We regularly upgrade our system and mitigate any potential problems that may undermine the security of our system. We have also implemented a series of anti-hacking measures to monitor and issue real-time alerts. We have a dedicated privacy and security team and a data privacy officer responsible for data privacy and security compliance. In addition, we rely on third-party service providers to conduct regular tests on our systems to ensure system security.

We believe our policies and practice with respect to privacy protection and data security are in compliance with applicable laws and prevalent industry practice. We are not aware of any material data leakage or security breach incidents that would materially and adversely impact our results of operations and financial condition during the Track Record Period. Based on the above, our PRC Legal Adviser is of the view that our business operations have complied with applicable laws and regulations relating to data security and privacy in all material respects during the Track Record Period and up to the Latest Practicable Date.

COMPETITION

The logistics EV management industry in China is competitive and fragmented. According to Frost & Sullivan, participants in this industry can be broadly categorized into four types: integrated service network operators, OEM-affiliated players, traditional leasing players in transition, and regional small-scale operators. Players compete on a number of factors including scale, breadth of solutions across the EV lifecycle, supply chain collaboration, customer relationships, data analytics capabilities and standardization of products and services.

We face competition from OEM-affiliated EV leasing and other players. In addition, as a number of large logistics companies started to develop their own EV fleets and enter this market, the competition may further intensify due to their brand recognition, financial resources and service capabilities.

We have taken a technology-oriented approach to developing our FMaaS model to provide full-lifecycle EV management solutions. With our leading business scale, data-driven digital infrastructure and nationwide service network, we believe that we are strategically positioned in the logistics EV management industry in China to capture growth opportunities.

SEASONALITY

Our sales are subject to seasonal fluctuations mainly due to the seasonal patterns of China's e-commerce, logistics, and supply chain industries. We typically experience surges in demand for EVs and related services in the second and fourth quarters each year, when major online retailers and e-commerce platforms launch special promotions (such as the annual June 18th and November 11th online shopping festivals). According to Frost & Sullivan, this is in line with industry norms.

The seasonal trends we have experienced in the past may not be indicative of our future operating results. See "Risk Factors — Risks Related to Our Business and Industry — Our business may be subject to seasonal effects, and a disruption in our operation during our busy seasons could adversely affect our results of operations."

EMPLOYEES

As of December 31, 2025, we had 1,164 full-time employees. The following table sets forth the number of our employees by function as of December 31, 2025:

Function	Number of employees
Administration and Management	99
Sales	228
R&D	135
Service Operation	702
Total	1,164

As of December 31, 2025, all of our employees were based in the PRC. Our ability to attract, retain and motivate employees is critical to our success. We primarily recruit our employees through recruitment agencies, on-campus job fairs, referrals, and online channels including our website and social networking platforms. We believe that we offer our employees competitive compensation so that we are able to attract and retain qualified personnel and maintain a stable core management team.

As required by laws and regulations in China, we participate in a number of employee social security plans including, among others, pensions, medical insurance, unemployment insurance, maternity insurance, work-related injury insurance and housing fund plans through a PRC government-mandated benefit-contribution plan. During the Track Record Period, we and certain of our PRC subsidiaries did not make adequate contribution to social insurance and housing provident funds for employees as required by relevant PRC laws and regulations. We do not expect the non-compliance with respect to contributions to the social insurance and housing provident funds to have any material adverse impact on our business operation and financial performance, considering that: (i) we had not been subject to any administrative penalties during the Track Record Period and up to the Latest Practicable Date, (ii) we were neither aware of any employee complaints filed against us nor involved in any labor disputes with our employees with respect to social insurance and housing provident funds as of the Latest Practicable Date, (iii) as of the Latest Practicable Date, we had not received any notification from the relevant PRC authorities requiring us to pay for the shortfalls or any overdue charges with respect to social insurance and housing provident funds, (iv) in the future, in the event that we are requested by the relevant authorities to make rectification and pay shortfall of the social insurance (including late payment fees) or housing provident fund within the prescribed time limit, we will immediately make rectification and pay such shortfall within such time limit; and (v) as advised by our PRC Legal Adviser, considering relevant regulatory policies, the interviews with the competent government authorities and the facts stated above, in the absence of employees' complaints, the likelihood that we are subject to collection of historical arrears and any material penalties due to our failure to provide full social insurance and housing provident funds contributions for our employees is remote.

We enter into standard labor, confidentiality and non-compete agreements with our employees. The non-compete restricted period typically expires two years after the termination of the employment relationship, and we agree to compensate the employee with a certain percentage of his or her pre-departure salary during the restricted period.

We believe that we maintain a good working relationship with our employees, and we have not experienced any major labor disputes during the Track Record Period.

PROPERTIES

We are headquartered in Shenzhen. As of the Latest Practicable Date, we did not own any real properties.

As of the Latest Practicable Date, we leased 78 properties for business operation in the PRC. These properties were used primarily as premises of offices and storages, and service facilities. Our lease agreements in respect of the abovementioned leased properties have lease terms ranging from 1 month to 10 years.

Pursuant to PRC laws and regulations, property lease agreements must be registered with the local branch of the Ministry of Housing and Urban-Rural Development of the PRC. As of the Latest Practicable Date, 75 of our lease agreements were not registered with the relevant authorities. According to our PRC Legal Adviser, the failure to complete such registration process does not affect the validity of the relevant property lease agreements, and a maximum penalty of RMB10,000 may be imposed for the non-registration of each lease agreement.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material penalties arising from the non-registration of our lease agreements, and had not experienced any material dispute arising out of, or in relation to, our leased properties.

INSURANCE

Vehicle risk management is fundamental to our operational continuity, customer trust, and financial soundness. The primary objective of our vehicle risk management strategy is to reduce accident probability across our managed fleet. This is achieved through a proactive risk prevention framework that uses data analytics and AI to identify and mitigate operational risks. In addition to this preventative approach, we maintain insurance coverage for operational damages, consistent with general market practice.

As an owner and operator of EVs within the PRC, we are required by applicable PRC laws to purchase compulsory insurance for liability for traffic accidents of the EVs which compensates third parties for their personal injuries and death as well as property losses arising from traffic accidents within the scope of limit of liability. We satisfy this statutory requirement by maintaining insurance policies for our vehicles in operation at amounts stipulated by law. In addition, we purchase commercial insurance coverage as requested by customers to supplement the mandatory insurance against liabilities to third parties as well as other risks and liabilities arising from our operations.

We also purchase other insurance products as part of our overall corporate risk control, to protect employee rights and interests, maintain customer trust, and support operational stability. These include employee benefit insurance, extended vehicle warranties, driver accident insurance, battery degradation loss insurance, cargo insurance, autonomous vehicle insurance, and insurance for charging scenarios. These products not only transfer diverse business risks but also enhance employee engagement and customer satisfaction.

Given the scale of our managed fleet, we have built a digital insurance management platform enabling, system-level integration and connectivity with multiple insurance partners. This enables centralized and visualized insurance management across our managed fleet. Our insurance management system enables us to monitor the policy status of every vehicle in real time (e.g., active, pending renewal, expired) and triggers alerts for policies nearing expiration, enabling operations personnel to handle renewals in bulk.

We believe that the amount and nature of our insurance coverage are adequate in light of the risks involved. We consider our insurance coverage to be in line with the customary practice in China's EV management industry. Our insurance costs under the cost of sales amounted to RMB487.1 million, RMB689.2 million and RMB985.8 million, respectively, for the years ended December 31, 2023, 2024 and 2025. During the Track Record Period and up to the Latest Practicable Date, we had not made, nor been the subject of, any material insurance claim. As our business expands, we will regularly review and assess our risk portfolio and adjust our insurance practice based on our needs and industry practice.

LICENSES AND PERMITS

The principal licenses, permits and filings required to conduct our business in China primarily include Road Transport Operation License (道路運輸經營許可證), filing for motor vehicle maintenance and repair operation (機動車維修經營備案), and filing for automobile supplies and dealers on National Information Management System for Automobile Circulation (全國汽車流通信息管理系統). We have a large number of subsidiaries and branches for which we have obtained the requisite licenses and permits. Some of our material permits and licenses have a fixed term and are subject to periodic renewal, such as the road transport operation license. Our legal compliance personnel are responsible for monitoring the validity status of our permits and licenses, and preparing timely applications for renewal of the relevant permits and licenses.

Our Directors, as advised by our PRC Legal Adviser, confirm that, as of the Latest Practicable Date, we have obtained all requisite licenses, approvals and permits from relevant PRC authorities for our operations in China that are material to our business, except as disclosed elsewhere in this document.

We currently do not expect any material impediment in timely renewing our material permits and licenses as they expire, if applicable. For more information about the laws and regulations that we are subject to in the PRC, please see "Regulatory Overview."

AWARDS AND RECOGNITIONS

During the Track Record Period, we received numerous recognitions for our technologies as well as our products and services. Some of the significant awards and recognition we received are set forth below.

Award year	Award/Recognition	Awarding institution/authority
2023	2023 Annual United Nations Framework Convention on Climate Change 28th Conference of the Parties – China Carbon Pathfinders Enterprise (2023年度《聯合國氣候變化框架公約》第二十八次締約方大會 — 中國碳路者企業)	International Green Economy Association
2023	China Green Urban Logistics Exemplary Enterprise (中國綠色城市物流示範企業)	Logistics Technology and Equipment Professional Committee of the China Communications and Transportation Association
2023	Inaugural Green Logistics Exemplary Cases by China Transportation News (中國交通報第一屆綠色物流示範案例)	Ministry of Transportation, China Transport News
2024	S&P Global Ratings Dark Green Company (標普全球評級深綠認證企業)	S&P Global Ratings Hong Kong Limited
2024	2024 China Top 500 Invisible Unicorn Enterprise (2024中國隱形獨角獸企業500強)	The China Top 500 Invisible Unicorn Evaluation Community
2024	2024 Future City Awards — Low-Carbon Sustainable Award 2024 (未來城市大獎"低碳可持續應用獎")	36KR
2025	2025 Global Unicorn Enterprise (2025全球獨角獸企業)	Global Unicorn 500 Enterprise Evaluation Committee
2025	IGEA30: Case Studies on Exemplary Practices of Chinese Corporate Carbon Neutrality (中國企業碳中和行動示範實踐 — IGEA30案例)	International Green Economy Association (IGEA)

Award year	Award/Recognition	Awarding institution/authority
2025	The Brand Influence — Top 10 Leading Brands in the Logistics EV Industry (2025品牌影響力新能源物流車行業十大領軍品牌)	Brand Influence Development Conference and Achievement Release Event
2025	2025 First Batch of National Exemplary Cases for Green Freight Development (2025首批全國綠色貨運發展典型實踐案例)	China Communications and Transportation Association

RISK MANAGEMENT AND INTERNAL CONTROL

Our senior management are responsible for formulating and overseeing the implementation of our internal control measures and the effectiveness of our risk management system, which is designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance.

We have adopted and implemented comprehensive risk management policies in various aspects of our business operations such as human resources, information technology, internal control and financial reporting.

Human Resources Risk Management

We have established internal control policies covering various aspects of human resource management such as recruiting, training, work ethic and legal compliance.

We have in place an employee handbook and a code of conduct issued by our human resources department and distributed to all employees, which contain internal rules and guidelines regarding various aspects such as compliance and integrity. We organize regular training sessions conducted by senior management and outside consultants to keep employees aware of these rules and guidelines.

We have in place anti-bribery and anti-corruption policies to safeguard against any bribery and corruption in the course of our regular business. We also make our internal reporting channel open and available for our employees to report any bribery and corruption acts. Our human resources department will take prompt and appropriate measures to investigate any reported wrongdoings.

Information Technology Risk Management

Please see "— Data Privacy and Security" for information about our information security procedures and policies.

Internal Control Risk Management

We have designed and adopted strict internal procedures to ensure the compliance of our business operations with the relevant rules and regulations. Our internal control personnel work closely with our legal, finance and business departments to enhance our internal oversight mechanism, strengthen our internal control management and improve our operational efficiency.

We have an Audit Committee, the primary duties of which are to assist our Board by providing an independent view of the effectiveness of our financial reporting process, internal control and risk management systems, overseeing the audit process and performing other duties and responsibilities as assigned by our Board. Please see "Directors and Senior Management — Board Committees — Audit Committee" for details of qualification and experiences of the committee members.

In preparation for the **[REDACTED]**, we engaged an independent internal control consultant to perform an assessment on the effectiveness of our internal controls, which did not involve an assurance of engagement, to identify deficiencies in our internal control system and to make recommendations on enhanced internal control measures to prevent future violations and ensure ongoing compliance with applicable laws and regulations.

Financial Reporting Risk Management

We have adopted comprehensive accounting policies in connection with our financial reporting risk management. We have established strict internal reimbursement and financial activities reporting policies. Our finance team has extensive experience in finance and financing reporting and oversees procedures on invoices, bills and other financial instruments. We provide ongoing training to our finance staff to ensure that our financial reporting and risk management policies are observed and effectively implemented.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are a leading provider of intelligent logistics EV management solutions in China. We continuously drive industry-wide standardization and intelligent transformation, accelerating the transition toward low-carbon, high-efficiency logistics and transportation. According to an evaluation by S&P Global regarding the sustainability of our business operations and their assessment that every revenue-generating activity our Company undertakes is considered consistent with a "low-carbon, climate-resilient" future, we achieved an ESG rating of "Dark Green", making us the first company in China to receive this recognition according to Frost & Sullivan.

ESG Governance

We continuously enhance our ESG governance framework. We have formulated and implemented the ESG Management System. Our ESG Committee is responsible for identifying and assessing ESG-related risks and opportunities, establishing ESG targets, strategies, policies and action plans, and regularly reviewing the progress and effectiveness of our ESG initiatives. We remain committed to fully integrating ESG considerations into our daily operations and management practices. To ensure the consistent and systematic advancement of our ESG initiatives, DST has established a three-tier ESG governance structure responsible for centralized decision-making, oversight, and implementation. This structure comprises the Board of Directors, the ESG Committee, and relevant functional and business departments.

The Board of Directors serves as the highest decision-making body overseeing ESG matters. It holds ultimate responsibility for setting ESG goals and strategies, and provides comprehensive oversight of the company's ESG management processes to create shared value for the Company and its stakeholders. The ESG Committee functions as the supervisory and managerial body for ESG matters, assisting the Board by providing recommendations and advice on ESG-related decisions. It is responsible for coordinating routine ESG activities among various functional and business units, and overseeing ESG management practices and performance across the Company. Functional and business units act as the implementation level within the Company's ESG governance framework, responsible for implementing and executing initiatives and measures of ESG material issues, and regularly reporting their progress and performance to the ESG Committee.

Environment Management

We have established internal policies and procedures to continuously enhance our environmental management system. We have gained an ISO 14001 certification and committed to minimizing the impact of our operations on the environment and natural resources. As of December 31, 2025, we had experienced no significant environmental pollution incidents. We have established the following environmental targets, aligned with our business development and current environmental management practices, to support the Company's transition towards green and low-carbon development.

- *Carbon Reduction Target:* Achieve a 20% reduction in greenhouse gas emissions (GHG) across our entire value chain (Scope 1, 2 and 3 GHG emissions) by 2030, comparing with 2023 as the baseline year, and reach net-zero emissions by 2050.

Resource Management

As a leading provider of logistics EV management solutions, we leverage our core business capabilities to improve energy efficiency. We collaborate with suppliers to optimize logistics EVs, enhancing their driving range without increasing power consumption, thus reducing energy usage. At some service centers, we have deployed intelligent energy management systems integrating photovoltaic-storage-charging capabilities with vehicle-to-grid (V2G) functionality, enabling balanced energy utilization, electricity cost savings and digitalized energy management across our service network. We have also introduced vehicle-to-vehicle (V2V) energy sharing protocols to facilitate efficient power redistribution across our managed fleet and further enhance operational efficiency.

Emissions Management

We have established internal policies, such as the Exhaust Emissions Management Regulations and the Daily Management Standards for Organic Exhaust Treatment Facilities to reinforce emission management processes. Our primary exhaust emissions originate from paint spraying processes in repair facilities, with emissions treated through a dual filtration system containing filter nets and activated carbon. We ensure compliance with relevant emission standards and undergoes periodic inspections by local environmental authorities to validate the proper functioning of our emission control systems.

Climate Change Adaptation

We actively respond to climate change and continue to enhance the climate governance framework. We have established the DST Climate Management System to systematically identify, assess, and address climate-related risks and opportunities. To ensure effective oversight, we have established a comprehensive climate governance framework that integrates the Board of Directors, the ESG Committee, and business units into a top-down structure of responsibility. We have conducted annual greenhouse gas inventories. The following table summarizes our greenhouse gas emissions during the reporting period.

Indicator	Unit	2023	2024	2025
Scope 1 GHG Emissions . . .	t CO_2e	6.92	3.80	56.48
Scope 2 GHG Emissions . . .	t CO_2e	1,436.17	1,868.52	1,718.90
Scope 3 GHG Emissions . . .	t CO_2e	301,716.41	549,662.82	816,417.72
Total	t CO_2e	303,159.50	551,535.13	818,193.10

Social Responsibility

Employee

We safeguard employees' lawful rights and maintain harmonious labor relations. We have established internal policies, such as the Employee Handbook, Recruitment Management Policy, Performance Management Policy, and Position and Rank Management Policy, to ensure fair, transparent, and standardized human resources practices. We embrace individual differences, support underrepresented groups, and are committed to fostering a workplace that is diverse, equitable, and inclusive. As of December 31, 2025, our Board comprised 13 directors, including 3 female directors.

We respect and protect the rights and welfare of female employees, upholding the principle of equal pay for equal work. In addition to statutory leave entitlements, we organize various female employee wellness activities including yoga and personal care workshops. We also offer leave policies such as only-child care leave and parental leave to support work-life balance. Dedicated mother-and-baby rooms have been established to provide a private and comfortable space for nursing employees. We strictly prohibit forced labor and the employment of child labor. Enhanced controls are implemented across recruitment and onboarding processes. As of December 31, 2025, there were no identified risks or incidents of forced labor or child labor within the Company.

Employee Health and Safety

We place high importance on employee health and safety, and have established a series of health and safety management policies, including the Work Safety Standardization Evaluation Standards, Fire Safety Management System, and Hazard Identification and Risk Control Management Regulations. A dedicated Production Safety Department has been established under the President's Office to oversee safety strategies and company-wide coordination. We have obtained ISO 45001 Occupational Health and Safety Management System certification, and our headquarters has been awarded Level 1 certification under the national work safety standardization program. As of December 31, 2025, we recorded no work-related fatalities.

Sustainable Supply Chain

We implement a robust supplier management system to support the development of a sustainable supply chain. We have established and enforced a series of internal policies to enhance supplier oversight, including the General Procurement Policy, Vehicle Supplier Management Measures, Parts Procurement Management Measures, and Supplier Performance Management Measures. All suppliers are required to sign the Integrity Agreement. We have adopted the Sustainable Supply Chain Management System: We integrate sustainability principles into the selection and onboarding of new suppliers to ensure alignment with the Company's sustainability objectives. All approved suppliers are required to comply with the DST Supplier Code of Conduct and are subject to regular sustainability assessments to ensure continued adherence to our ESG standards. We conduct periodic ESG evaluations of suppliers. In cases of material non-compliance or violations of ESG-related requirements, appropriate measures will be taken, including removal from the approved supplier list when necessary.

Business Ethics

We conduct our business in strict compliance with applicable laws and regulations relating to business ethics. We maintain a zero-tolerance policy toward corruption, extortion, bribery, and any other unethical practices. We are committed to fair competition and require all employees to act with integrity under all circumstances. We have implemented an Anti-Bribery Manual, and all employees are required to sign The Integrity and Self-discipline Commitment to reinforce accountability and ethical conduct. We have established dedicated whistleblowing channels, including designated email and hotline, and continue to improve our reporting procedures. Employees and business partners are encouraged to report any suspected misconduct, fraud, bribery, or other unethical behavior observed in connection with the Company's operations.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time become a party to various legal or administrative proceedings arising in the ordinary course of our business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention.

During the Track Record Period and up to the Latest Practicable Date, there had been no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on business, financial condition and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on business, financial condition and results of operations.