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Application Proof of

DST Sustainable Technology (Shenzhen) Co., Ltd.

地上鐵綠色科技(深圳)股份有限公司

(the “**Company**”)

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

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DST Sustainable Technology (Shenzhen) Co., Ltd.

地上鐵綠色科技(深圳)股份有限公司

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

[REDACTED]

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

*Joint Sponsors, [REDACTED], [REDACTED],
[REDACTED] and [REDACTED]*



(in alphabetical order)

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The [REDACTED] (for themselves and on behalf of the [REDACTED]) may, with our consent, reduce the number of [REDACTED] being [REDACTED] under the [REDACTED] and/or the indicative [REDACTED] range below that stated in this document at any time on or prior to the morning of the last day for lodging [REDACTED] under the [REDACTED]. In such a case, a notice of the reduction in the number of [REDACTED] and/or the [REDACTED] will be published on the website of the Stock Exchange at www.hkexnews.hk and our website at www.dstcar.com not later than the morning of the last day for lodging [REDACTED] under the [REDACTED]. See “Structure of the [REDACTED]” and “How to Apply for [REDACTED]” for further details.

The obligations of the [REDACTED] under the [REDACTED] are subject to termination by the [REDACTED] (for themselves and on behalf of the [REDACTED]) if certain grounds arise prior to [REDACTED]. See “[REDACTED]” for further details.

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

The [REDACTED] have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may only be [REDACTED], sold or delivered (i) within the United States to QIBs in reliance on Rule 144A or other exemption(s) from, or in a transaction not subject to, registration under the U.S. Securities Act, or (ii) outside the United States in an offshore transaction in reliance on Regulation S. No public [REDACTED] of the [REDACTED] will be made in the United States.

[REDACTED]

[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

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SUMMARY

OVERVIEW

We are a leading provider of intelligent logistics electric vehicle (“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.

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.

OUR COMPETITIVE STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors:

- leading market position and economies of scale;
- data-driven digital infrastructure and nationwide service network;

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- diversified and high-retention customer base;
- product standardization and co-development; and
- experienced management team and reputable investors.

OUR STRATEGIES

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

- expanding market share through increasing fleet size and network coverage;
- continuing to shift towards asset-light business structure and increase service revenues;
- advancing technological capabilities through AI-powered enhancements; and
- integrating and scaling autonomous vehicles fleet operations.

OUR ONE-STOP LOGISTICS EV SOLUTIONS

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 original equipment manufacturers (“OEMs”).

During the Track Record Period, our revenue structure has steadily improved with an increasing proportion of revenue from management services.

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

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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.

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.

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.

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.

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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 and temperature variations, 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.

Proprietary Software Systems

Our proprietary software systems are digital tools designed for fleet management. Examples include:

1. FleetMaster (車上雲), our internal integrated digital system designed for the management of vehicle assets, operations and service network;
2. FleetHub (車管家), a digital system provided to our logistics customers, offering a suite of digital tools to facilitate vehicle and driver management;
3. 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;
4. 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
5. 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.

AI Integration

Our technology architecture integrates AI capabilities to enhance our ability to navigate the complexities of logistics EV management, improve operational efficiency and deliver better customer outcomes.

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.

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.

SUMMARY

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.

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.

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.

RISK FACTORS

Our operations and the [REDACTED] involve certain risks and uncertainties, including (i) risks related to our business and industry, (ii) risks related to doing business in the jurisdictions where we operate, and (iii) risks related to the [REDACTED], which are set out in the section headed “Risk Factors” in this document. You should read that section in its entirety carefully before you decide to invest in the [REDACTED]. Some of the major risks we face include, but are not limited to:

- We may suffer from adverse developments in the EV service industry and other sectors directly related to our services;
- We operate in a competitive industry and any impediment in our business development caused by failure to compete successfully against existing and new competitors may result in losses of our customers or failure to attract new customers and reduction of our market share, and our business, financial condition, operating results and prospects could be materially and adversely affected;
- Our limited operating history in an emerging and rapidly evolving market may not provide an adequate basis on which to judge our results of operations and future prospects;
- We have a history of net losses and we may not be able to achieve and sustain profitability;

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- Our net current liabilities and net liabilities may expose us to certain liquidity risks;
- If we are unable to maintain our recent growth rates or successfully manage our future growth or execute our strategies effectively, our business and prospects may be materially and adversely affected;
- If our technology databases that store information about our customers are breached or otherwise become subject to unauthorized access or fraudulent transactions, we may be exposed to liabilities and suffer a loss of customers and damage to our business reputation;
- Our failure to raise sufficient capital to fund and expand our operations at a reasonable cost could reduce our ability to compete successfully;
- We may not be able to successfully expand our business geographically given the uncertainties in the competitive conditions, user preferences, local policies and legal environment that we may face in new markets; and
- We depend on a limited number of significant customers for a portion of our revenue. The loss of any significant customer, a reduction in revenue generated from any such customer, or failure to attract new customers to replace any such customer could have a material adverse effect on our business, financial condition, operating results and prospects.

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.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data during the Track Record Period, extracted from the Accountants’ Report as set out in Appendix I to this document. The summary financial data set forth below should be read together with, and is qualified in its entirety by reference to, our financial statements in this document, including the related notes. Our consolidated financial information was prepared in accordance with the IFRS.

SUMMARY

Summary of Consolidated Statements of Profit or Loss

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

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Revenue	2,349,547	100.0	3,216,079	100.0	4,138,633	100.0
Cost of sales	(1,947,815)	(82.9)	(2,563,670)	(79.7)	(3,268,056)	(79.0)
Gross profit	401,732	17.1	652,409	20.3	870,577	21.0
Other income and gains	65,824	2.8	125,550	3.9	40,085	1.0
Selling and distribution expenses	(174,112)	(7.4)	(204,652)	(6.4)	(178,614)	(4.3)
Administrative expenses	(288,417)	(12.3)	(309,173)	(9.6)	(310,588)	(7.5)
Research and development expenses	(60,864)	(2.6)	(55,558)	(1.7)	(50,939)	(1.2)
Impairment losses of financial assets, net.	(30,962)	(1.3)	(29,959)	(0.9)	(11,076)	(0.3)
Other expenses	(114,837)	(4.9)	(109,702)	(3.4)	(49,634)	(1.2)
Finance costs associated with shares with preferential rights	(336,706)	(14.3)	(442,475)	(13.8)	(437,941)	(10.6)
Finance costs	(263,777)	(11.2)	(360,357)	(11.2)	(524,237)	(12.7)
Share of profits and losses of associates and joint ventures	(14,560)	(0.6)	1,189	0.0*	903	0.0*
Loss before tax	(816,679)	(34.8)	(732,728)	(22.8)	(651,464)	(15.7)
Income tax expenses	(25,004)	(1.1)	(37,830)	(1.2)	(4,132)	(0.1)
Loss for the year	(841,683)	(35.8)	(770,558)	(24.0)	(655,596)	(15.8)

Note:

* Less than 0.1%.

For a detailed discussion of the major components of our consolidated statements of profit or loss during the Track Record Period, see “Financial Information — Description of Major Components of Our Results of Operations.”

Non-IFRS Financial Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted loss (*non-IFRS measure*) and adjusted EBITDA (*non-IFRS measure*) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of certain items.

We believe these measures provide useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measures as we presented may not be directly comparable to similar measures presented by other companies. The use of these non-IFRS measures should not be considered as substitute for analysis of our results of operations or financial condition as reported under IFRS.

SUMMARY

We define adjusted loss (*non-IFRS measure*) as loss for the year adjusted by finance costs associated with shares with preferential rights, [REDACTED] expenses, and equity-settled share award schemes expenses. We define adjusted EBITDA (*non-IFRS measure*) as loss for the year adjusted by (i) income tax expense, (ii) finance costs, (iii) finance costs associated with shares with preferential rights, (iv) depreciation of property, plant and equipment, (v) depreciation of right-of-use assets, and (vi) amortization of intangible assets, which is EBITDA (*non-IFRS measure*), further adjusted by (i) [REDACTED] expenses, and (ii) equity-settled share award schemes expenses.

The following table reconciles our adjusted loss (*non-IFRS measure*) and adjusted EBITDA (*non-IFRS measure*) presented to the most directly comparable financial measures calculated and presented in accordance with IFRS.

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Loss for the year	(841,683)	(770,558)	(655,596)
Adjusted for:			
— Finance costs associated with shares with preferential rights	336,706	442,475	437,941
— [REDACTED] expenses	3,694	122	13,213
— Equity-settled share award schemes expenses	6,757	—	2,738
Adjusted loss for the year (<i>non-IFRS measure</i>)	(494,526)	(327,961)	(201,704)

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Loss for the year	(841,683)	(770,558)	(655,596)
Adjusted for:			
— Income tax expense	25,004	37,830	4,132
— Finance costs	263,777	360,357	524,237
— Finance costs associated with shares with preferential rights	336,706	442,475	437,941
— Depreciation of property, plant and equipment	820,817	1,159,831	1,459,358
— Depreciation of right-of-use assets	30,898	34,844	35,599
— Amortization of intangible assets	5,112	6,460	7,984
EBITDA (<i>non-IFRS measure</i>)	640,631	1,271,239	1,813,655
Adjusted for:			
— [REDACTED] expenses	3,694	122	13,213
— Equity-settled share award schemes expenses	6,757	—	2,738
Adjusted EBITDA (<i>non-IFRS measure</i>)	651,082	1,271,361	1,829,606

SUMMARY

Revenue

During the Track Record Period, our revenue was primarily derived from (i) EV management services, including digital fleet management, safety and risk management, battery charging and swapping, maintenance and repair and residual value management; (ii) EV leasing, featuring scenario-based deployment, multi-cycle leasing and flexible lease terms; and (iii) EV sales, representing the sale of logistics EVs and service parts.

The following table sets forth our revenue breakdown by type of products and services in absolute amounts and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
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

Revenue by Geographic Markets

We generated substantially all our revenue from Chinese mainland during the Track Record Period. The following table sets out a breakdown of our revenue by geographical location, in absolute amounts and as a percentage of our total revenue, for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Chinese mainland	2,259,607	96.2	3,211,264	99.9	4,138,546	100.0
Others ⁽¹⁾	89,940	3.8	4,815	0.1	87	0.0*
Total	2,349,547	100.0	3,216,079	100.0	4,138,633	100.0

Note:

* Less than 0.1%.

(1) Others mainly included Singapore and South Korea. Our revenue from other regions significantly decreased from RMB89.9 million in 2023 to RMB4.8 million in 2024 and RMB87 thousand in 2025 mainly due to a decrease in EV sales in overseas markets as we had strategically focused on the domestic market during this period.

Cost of Sales

Our cost of sales primarily consists of depreciation costs, insurance costs, cost of EV sales, maintenance and repair costs, and employee compensation. In 2023, 2024 and 2025, we recorded cost of sales of RMB1,947.8 million, RMB2,563.7 million and RMB3,268.1 million, respectively, accounting for 82.9%, 79.7% and 79.0%, respectively, of our total revenue in the corresponding periods.

SUMMARY

The following table sets forth our cost of sales breakdown by nature in absolute amounts and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Depreciation costs	830,757	42.7	1,173,189	45.8	1,475,782	45.2
Insurance costs	487,104	25.0	689,204	26.9	985,751	30.2
Cost of EV sales	367,070	18.8	373,672	14.6	315,786	9.7
Maintenance and repair costs . .	106,454	5.5	165,785	6.5	297,431	9.1
Employee compensation	41,090	2.1	44,916	1.8	40,168	1.2
Others ⁽¹⁾	115,340	5.9	116,904	4.6	153,138	4.7
Total	1,947,815	100.0	2,563,670	100.0	3,268,056	100.0

Note:

(1) Others mainly included service center costs, transportation costs, electricity costs and other miscellaneous costs.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less cost of sales, and our gross profit margin represents gross profit divided by our revenue, expressed as a percentage. In 2023, 2024 and 2025, we had gross profit of RMB401.7 million, RMB652.4 million and RMB870.6 million, respectively, and gross profit margin of 17.1%, 20.3% and 21.0%, respectively.

The following table sets forth our gross profit and gross profit margin breakdown by service and product types for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
<i>(RMB in thousands, except for percentages)</i>						
EV management services	141,565	17.4	363,347	28.2	538,346	28.3
EV leasing	261,779	22.4	290,742	18.7	307,976	16.3
EV sales	(1,612)	(0.4)	(1,680)	(0.5)	24,255	7.1
Total	401,732	17.1	652,409	20.3	870,577	21.0

Loss for the Year

Our loss for the year continuously decreased from RMB841.7 million in 2023 to RMB770.6 million in 2024 and RMB655.6 million in 2025.

SUMMARY

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Total current assets	2,873,597	3,535,552	4,202,590
Total non-current assets	6,276,258	9,033,489	12,602,463
Total assets	9,149,855	12,569,041	16,805,053
Total current liabilities	9,635,814	12,241,942	14,449,489
Total non-current liabilities	2,510,312	4,083,056	6,759,698
Total liabilities	12,146,126	16,324,998	21,209,187
Net liabilities	(2,996,271)	(3,755,957)	(4,404,134)
Paid-in capital/Share capital	282,595	286,906	286,906
Reserves	(3,281,076)	(4,042,152)	(4,694,227)
Deficit	(2,998,481)	(3,755,246)	(4,407,321)
Non-controlling interests	2,210	(711)	3,187
Total deficit	(2,996,271)	(3,755,957)	(4,404,134)
Total liabilities and total deficit	9,149,855	12,569,041	16,805,053

For a detailed discussion of our current assets and current liabilities during the Track Record Period, see “Financial Information — Discussion on Key Items of Consolidated Statements of Financial Position.”

Interest-bearing Bank and Other Borrowings

Our interest-bearing bank and other borrowings (including current and non-current portions) primarily consisted of secured and unsecured bank loans, as well as other secured and unsecured loans. Our interest-bearing bank and other borrowings, current portion, increased from RMB2,354.6 million as of December 31, 2023 to RMB3,826.4 million as of December 31, 2024, RMB5,231.0 million as of December 31, 2025 and RMB5,400.9 million as of March 31, 2026. Moreover, our interest-bearing bank and other borrowings, non-current portion, increased from RMB2,363.3 million as of December 31, 2023 to RMB3,912.3 million as of December 31, 2024, RMB6,610.1 million as of December 31, 2025 and RMB6,700.5 million as of March 31, 2026. We recorded such increases primarily because we incurred more borrowings to fund our business growth, particularly the expansion of our fleet size, which was funded mostly by external borrowings. We will manage the borrowing pace to slow down the increase in borrowings as we continue to shift towards a more asset-light business structure by steadily increasing the proportion of entrusted and served EVs within our managed fleet. We will also strive to achieve lower interest rates leveraging our enhanced bargaining power based on our expanded business size. As of December 31, 2025 and March 31, 2026, we had unutilized banking facilities of RMB5.9 billion and RMB6.0 billion, respectively. See “Financial Information — Indebtedness” in this document for further details.

SUMMARY

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flow for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Net cash flows from operating activities	654,805	743,597	1,461,599
Net cash flows used in investing activities . . .	(2,560,082)	(3,500,537)	(4,902,520)
Net cash flows from financing activities	2,051,905	2,644,918	3,324,933
Net increase/(decrease) in cash and cash equivalents	146,628	(112,022)	(115,988)
Cash and cash equivalents at the beginning of the year	281,433	428,061	316,039
Cash and cash equivalents at the end of year	428,061	316,039	200,051

Key Financial Ratios

The following table sets forth our key financial ratios as of the dates or for the periods indicated:

	As of/For the year ended December 31,		
	2023	2024	2025
Revenue growth rate	N/A	36.9%	28.7%
Gross profit margin ⁽¹⁾	17.1%	20.3%	21.0%
Net loss margin ⁽²⁾	(35.8)%	(24.0)%	(15.8)%
Adjusted loss margin (<i>non-IFRS measure</i>) ⁽³⁾ . .	(21.0)%	(10.2)%	(4.9)%
Adjusted EBITDA margin (<i>non-IFRS measure</i>) ⁽⁴⁾	27.7%	39.5%	44.2%
Debt ratio ⁽⁵⁾	51.6%	61.6%	70.5%

Notes:

- (1) Calculated by dividing gross profit by revenue for the year multiplied by 100%.
- (2) Calculated by dividing loss by revenue for the year multiplied by 100%.
- (3) Calculated by dividing adjusted loss (*non-IFRS measure*) by revenue for the year multiplied by 100%. For details of the adjusted loss (*non-IFRS measure*), see “Financial Information — Non-IFRS Financial Measures.”
- (4) Calculated by dividing adjusted EBITDA (*non-IFRS measure*) by revenue for the year multiplied by 100%. For details of the adjusted EBITDA (*non-IFRS measure*), see “Financial Information — Non-IFRS Financial Measures.”
- (5) Calculated by dividing total debts by total assets as of the end of the year multiplied by 100%. Total debts represent the sum of the current and non-current interest-bearing bank and other borrowings as of the end of the year.

We incurred debt ratio of 51.6%, 61.6% and 70.5% in 2023, 2024 and 2025, respectively. According to Frost & Sullivan, it is normal to incur high debt ratios for companies adopting the FMaaS model.

SUMMARY

PATH TO PROFITABILITY

Despite the net losses during the Track Record Period, we have achieved positive and strong growth trajectory of EBITDA (*non-IFRS measure*) in the same periods and expect to turn profitable in the future, although the path to profitability may take time, which is seen as a common pattern in our industry. According to Frost & Sullivan, fleet management companies in the U.S. and China generally take over ten years to turn profitable, despite different operating environment and phases of industry development.

We have experienced sustained business growth during the Track Record Period. Our revenue increased from RMB2,349.5 million in 2023 to RMB3,216.1 million in 2024, and further increased to RMB4,138.6 million in 2025, representing a CAGR of 32.7%. Our gross profit increased from RMB401.7 million in 2023 to RMB652.4 million in 2024, and further increased to RMB870.6 million in 2025, representing a CAGR of 47.2%. We have also improved the profitability of our business with our gross profit margin increasing from 17.1% in 2023 to 20.3% in 2024, and further to 21.0% in 2025. For a detailed analysis regarding such growth, see “Financial Information — Period-to-Period Comparison of Results of Operations” in this document. Despite the robust growth, our revenue and gross profit had not been able to fully cover the various costs and expenses incurred during the Track Record Period, and as a result, we incurred loss for the year of RMB841.7 million, RMB770.6 million and RMB655.6 million in 2023, 2024 and 2025, respectively, corresponding to the net loss margin 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. See “Financial Information — Non-IFRS Financial Measures” and “Financial Information — Key Financial Ratios” in this document for details. The loss and net loss margin, as well as the adjusted loss (*non-IFRS measure*) and adjusted loss margin (*non-IFRS measure*), all continuously decreased throughout the Track Record Period, mainly because of an increase in our gross profit of RMB250.7 million from 2023 to 2024 and RMB218.2 million from 2024 to 2025, partially offset by an increase in our finance costs of RMB96.6 million from 2023 to 2024 and RMB163.9 million from 2024 to 2025. For a detailed analysis regarding such increases in our gross profit and finance costs, see “Financial Information — Period-to-Period Comparison of Results of Operations” in this document.

Our recurring loss and adjusted loss (*non-IFRS measure*) during the Track Record Period were primarily due to (i) high finance costs, which primarily comprised the interest on interest-bearing bank and other borrowings, as we incurred such borrowings to fund our business growth, particularly the purchase of additional vehicles to expand our fleet size; (ii) high administrative expenses as we made strategic upfront investment in administrative talent, which is indispensable in light of our continuous business expansion; (iii) high selling and distribution expenses mainly due to the employee compensation related to our sales team, as we conceived maintaining a sizable and well-compensated sales team as essential for us to establish and develop a robust sales network and achieve effective customer acquisition particularly in cities where we had not fully penetrated; and (iv) for the purpose of the recurring loss, high finance costs associated with shares with preferential rights.

Despite the net losses, we have recorded robust net cash inflows from operating activities of RMB654.8 million, RMB743.6 million and RMB1,461.6 million in 2023, 2024 and 2025, respectively, and maintained cash and cash equivalents of RMB428.1 million, RMB316.0 million and RMB200.1 million as of December 31, 2023, 2024 and 2025, respectively.

SUMMARY

To achieve profitability, we aim to (i) continue driving our revenue growth; (ii) improve our gross profit margin by strategically prioritizing high-margin businesses; and (iii) achieve effective control of costs and expenses, in particular our finance costs, administrative expenses, and selling and distribution expenses.

- ***Driving Revenue Growth.*** We aim to further drive revenue growth across all businesses comprising (i) EV management services; (ii) EV leasing; and (iii) EV sales. To support our revenue growth, we will continue to expand our fleet size so that we are well positioned on the supply side to capture the opportunity to satisfy the robust customer demand for our EV management services and EV leasing. See “Financial Information — Path to Profitability — Pathway to Profitability — Driving Revenue Growth” in this document for further details regarding our measures to drive revenue growth.
- ***Improving Gross Profit Margin.*** We plan to further improve our business profitability by optimizing our service and product mix through further increasing the revenue contribution of EV management services, which was our most profitable business with gross profit margins of 17.4%, 28.2% and 28.3% in 2023, 2024 and 2025, respectively. We aim to further improve the gross profit margin of our EV management services by scaling such business and controlling relevant costs. See “Financial Information — Path to Profitability — Pathway to Profitability — Improving Gross Profit Margin” in this document for further details regarding our measures to improve gross profit margin.
- ***Effective Control of Finance Costs and Operational Expenses.*** Effective control of finance costs and operational expenses has been an important driver of net margin improvement. During the Track Record Period, our finance costs, administrative expenses, and selling and distribution expenses remained high as we scaled business. To improve profitability, we are focusing not only on growing revenue and improving gross margins, but also on effectively controlling such costs and expenses. See “Financial Information — Path to Profitability — Pathway to Profitability — Effective Control of Finance Costs and Operational Expenses” in this document for further details regarding our measures to control finance costs and operational expenses.

Further, our shares with preferential rights did not affect our profitability of regular business operations, working capital sufficiency and operating cash flow during the Track Record Period. All existing special rights will be terminated upon [REDACTED] with the redemption rights terminated immediately before the first filing of the [REDACTED]. Furthermore, our shares with preferential rights will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares and our net current liabilities would significantly decrease upon [REDACTED].

See “Financial Information — Path to Profitability” in this document for further details.

MS. ZHANG ENTITIES

Pursuant to the Shareholders’ Agreement, Xinchuang Green Energy, which is wholly owned by Ms. Zhang, has control of the Board during the Track Record Period and up to [REDACTED]. Ms. Zhang and her controlled entities are collectively the “Ms. Zhang Entities”.

Pursuant to Rules 1.01 and 19A.14 of the Listing Rules, the Ms. Zhang Entities constitute a group of controlling shareholders prior to [REDACTED]. Upon [REDACTED], Xinchuang Green Energy will no longer be entitled to appoint any members of the Board, taking into account the termination of the special rights under the Shareholders’ Agreement. See “History, Development and Corporate Structure — Pre-[REDACTED] Investments” for further details.

SUMMARY

Taking into account the Voting Proxy Agreement, (i) as of the Latest Practicable Date, the Ms. Zhang Entities were entitled to voting rights in respect of approximately 19.28% of the issued share capital of the Company and constituted the single largest group of shareholders as of the Latest Practicable Date, and (ii) immediately following the [REDACTED] (assuming the [REDACTED] is not exercised), the Ms. Zhang Entities will, in aggregate, be entitled to voting rights in respect of approximately [REDACTED]% of the issued share capital of the Company, and will continue to constitute the single largest group of shareholders upon [REDACTED].

Upon the termination right of special rights under the Shareholders’ Agreement and taking into account the voting rights entitled by the Ms. Zhang Entities, none of the Ms. Zhang Entities will be regarded as a controlling shareholder (as defined under the Listing Rules) of the Company upon [REDACTED]. See “Relationship with the Ms. Zhang Entities” for further details.

OUR PRE-[REDACTED] INVESTORS

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

[REDACTED]

SUMMARY

FUTURE PLANS AND USE OF [REDACTED]

We estimate that, after deducting [REDACTED] and other estimated [REDACTED] payable by us in connection with the [REDACTED], we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED], and assuming that neither the [REDACTED] nor the [REDACTED] is exercised), or approximately HK\$[REDACTED] (if the [REDACTED] and the [REDACTED] are exercised in full).

We intend to use the net [REDACTED] from the [REDACTED] for the following purposes:

- **Research and Development for Upgrading Digital Infrastructure:** Approximately [REDACTED] (or approximately HK\$[REDACTED]) will be used for the ongoing R&D and investment in our digital infrastructure including IoT network, proprietary software system and decision-making models.
- **Expansion of EV and Autonomous Vehicle Portfolio:** Approximately [REDACTED] (or approximately HK\$[REDACTED]) will be used to expand our EVs asset portfolio to meet the growing demand in diverse usage scenarios in urban logistics.
- **Deepening and Expanding the Nationwide Service Network:** Approximately [REDACTED] (or approximately HK\$[REDACTED]) will be used to enhance the coverage density and breadth of our service network to provide customers with more accessible end-to-end services.
- **Repayment of Existing Debts:** Approximately [REDACTED] (or approximately HK\$[REDACTED]) will be used for partial repayment of the principals and interests of certain of our bank borrowings.
- **Working Capital and General Corporate Purposes:** Approximately [REDACTED] (or approximately HK\$[REDACTED]) will be used to supplement our working capital and for other general corporate purposes to support our continuous business growth.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] expenses will be approximately RMB[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range) and no exercise of the [REDACTED]), representing [REDACTED] of the [REDACTED] (based on the mid-point of our indicative price range for the [REDACTED] and assuming that the [REDACTED] is not exercised) of the [REDACTED]. During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED], of which RMB[REDACTED] was charged to the consolidated statements of profit or loss as administrative expenses and approximately RMB[REDACTED] was capitalized as deferred expenses in the consolidated statements of financial position to be charged against equity upon [REDACTED]. We expect to incur additional [REDACTED] expenses of RMB[REDACTED], of which RMB[REDACTED] is expected to be recognized in the consolidated statements of profit or loss as administrative expenses and RMB[REDACTED] is expected to be recognized as a deduction in equity directly upon [REDACTED]. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our [REDACTED] expenses are composed of (i) [REDACTED] of RMB[REDACTED], and (ii) [REDACTED] related expenses of RMB[REDACTED], which consist of fees and expenses of legal advisers and reporting accountant of RMB[REDACTED] and other fees and expenses of RMB[REDACTED].

SUMMARY

DIVIDENDS

Dividend distribution to our Shareholders is recognized as a liability in the period in which the dividends are approved by our Shareholders. During the Track Record Period, we had not declared or paid any dividend.

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any dividend policy or fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As confirmed by our PRC Legal Adviser, according to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

APPLICATION FOR [REDACTED] ON THE HONG KONG STOCK EXCHANGE

We are applying for the [REDACTED] under Rule 8.05(3) of the Listing Rules and satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue for the year ended December 31, 2025, being approximately RMB4,138.6 million, which is over HK\$500 million required by Rule 8.05(3) of the Listing Rules; and (ii) our expected market capitalization at the time of [REDACTED], which, based on the minimum [REDACTED] of HK\$[REDACTED], exceeds HK\$4 billion.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the Latest Practicable Date, there had been no material adverse change in our business, financial conditions and results of operations since December 31, 2025, which is the end date of the periods reported on in the Accountants’ Report as set out in Appendix I to this document, and there is no event since December 31, 2025 which would materially affect the information in the Accountants’ Report as set out in Appendix I to this document.

DEFINITIONS

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

“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	Accounting and Financial Reporting Council of Hong Kong
“Articles” or “Articles of Association”	the articles of association of our Company conditionally adopted on May 16, 2026 with effect from the [REDACTED], a summary of which is set out in Appendix III to this document
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Board Committee(s)”	the board committees of the Company
“business day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“CAC”	Cyberspace Administration of China (中華人民共和國國家互聯網信息辦公室)

[REDACTED]

DEFINITIONS

[REDACTED]

“China” or “PRC”	the People’s Republic of China, and for the purposes of this document only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan Region of the People’s Republic of China
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, “the Company”, “we”, “our” or “us”	DST Sustainable Technology (Shenzhen) Co., Ltd. (地上鐵綠色科技(深圳)股份有限公司), a joint stock company with limited liability established under the laws of the PRC on April 24, 2015 and converted into a joint stock company with limited liability on September 5, 2025
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Conversion”	the conversion of the Company into a joint stock company, details of which are set out in the section headed “History, Development and Corporate Structure — Corporate Development and Major Shareholding Changes — 3. Conversion into a Joint Stock Company with Limited Liability” in this document
“Conversion of [REDACTED] Shares into H Shares”	the conversion of [REDACTED] Shares into H Shares, details of which are set out in the section headed “Share Capital — Conversion of [REDACTED] Shares into H Shares” in this document
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“CSDCC”	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of our Company

DEFINITIONS

“DST Sustainable Limited”	DST Sustainable Technology (Shenzhen) Limited Liability Company (地上鐵綠色科技(深圳)有限責任公司), a limited liability company established in the PRC on October 29, 2019, a wholly owned subsidiary of our Company
“EIT”	enterprise income taxation
“EIT Law”	Enterprise Income Tax Law of the PRC (中華人民共和國 企業所得稅法) adopted by the Tenth National People’s Congress on March 16, 2007, and effective on January 1, 2008
“ESG”	environmental, social and governance
“Exchange Participant”	a person (a) who, in accordance with the Listing Rules of the Hong Kong Stock Exchange, may trade on or through the Hong Kong Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Hong Kong Stock Exchange as a person who may trade on or through the Hong Kong Stock Exchange
“Extreme Conditions”	extreme conditions caused by a super typhoon as announced by the government of Hong Kong

[REDACTED]

“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an industry consultant
“Frost & Sullivan Report”	the report prepared by Frost & Sullivan
“FVTPL”	fair value through profit or loss

[REDACTED]

“Governmental Authority”	any governmental, regulatory, or administrative commission, board, body, authority, or agency, or any stock exchange, self-regulatory organization, or other non-governmental regulatory authority, or any court, judicial body, tribunal, or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign, or supranational
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	our Company and our subsidiaries

DEFINITIONS

“Guide for New Listing Applicants” or “Guide” the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time

“H Share(s)” Ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are to be converted from Unlisted Shares or subscribed for and traded in HK dollars and to be [REDACTED] on the Hong Kong Stock Exchange

[REDACTED]

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

[REDACTED]

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

[REDACTED]

DEFINITIONS

**“Hong Kong Takeovers Code” or
“Takeovers Code”**

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

[REDACTED]

“IFRS”

International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board

“Independent Third Party(ies)”

any entity or person who is not a connected person of our Company or an associate of such person within the meaning ascribed to it under the Listing Rules

[REDACTED]

DEFINITIONS

“Joint Sponsors”	the joint sponsors as named in “Directors and Parties Involved in the [REDACTED]”
“Latest Practicable Date”	May 20, 2026, being the latest practicable date for ascertaining certain information in this document before its publication
“Laws”	all laws, statutes, legislation, ordinances, rules, regulations, guidelines, opinions, notices, circulars, directives, requests, orders, judgments, decrees, or rulings of any Governmental Authority (including the Stock Exchange and the SFC) of all relevant jurisdictions
	[REDACTED]
“[REDACTED] Committee”	the [REDACTED] Committee of the Stock Exchange
	[REDACTED]
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
“Major Subsidiaries”	our subsidiaries as identified in “History, Development and Corporate Structure — Our Major Subsidiaries”
“MIIT”	Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)
“Ms. Zhang”	Ms. Haiying Zhang (張海瑩), chairlady of the Board, executive Director and chief executive officer of our Company
“Ms. Zhang Entities”	refers to Ms. Zhang, Xinchuang Green Energy, Shenzhen Guanzhi, Smart Green, Shenzhen Guanyue, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai
“MOF”	the Ministry of Finance of China (中華人民共和國財政部)
“MOFCOM”	the Ministry of Commerce of China (中華人民共和國商務部)
“MOT”	the Ministry of Transport of the PRC (中華人民共和國交通運輸部)
“Nomination Committee”	the nomination committee of the Board
“NDRC”	National Development and Reform Commission of China (中華人民共和國國家發展和改革委員會)

DEFINITIONS

[REDACTED]

“Overseas Listing Trial Measures”	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines (《境內企業境外發行證券和上市管理試行辦法》及五項配套指引)
“PBOC”	People’s Bank of China (中國人民銀行)
“PRC Company Law”	the Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
“PRC GAAP”	PRC generally accepted accounting principle
“PRC Legal Adviser”	Global Law Office, our legal adviser as to PRC laws
“PRC Securities Law”	the Securities Law of the PRC (中華人民共和國證券法)
“Pre-[REDACTED] Investment(s)”	the investments in our Company undertaken by the Pre-[REDACTED] Investors, the details of which are set out in “History, Development and Corporate Structure — Pre-[REDACTED] Investments”
“Pre-[REDACTED] Investor(s)”	the investors set out in “History, Development and Corporate Structure — Information of the Pre-[REDACTED] Investors”

[REDACTED]

DEFINITIONS

[REDACTED]

“QIB”	a qualified institutional buyer within the meaning of Rule 144A
“R&D”	research and development
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration Committee”	the remuneration committee of the Board
“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SAFE”	the State Administration of Foreign Exchange of China (中華人民共和國國家外匯管理局)
“SAIC”	the State Administration for Industry and Commerce of China (中華人民共和國國家工商行政管理總局), which has now been merged into the SAMR (國家市場監督管理總局)
“SAMR”	the State Administration for Market Regulation of China (中華人民共和國國家市場監督管理總局)
“SAT”	the Taxation Administration of China (中華人民共和國國家稅務總局)
“SCNPC”	the Standing Committee of the National People’s Congress of China (中華人民共和國全國人民代表大會常務委員會)
“SFC”	Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shanghai-Hong Kong Stock Connect”	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, [REDACTED] and CSDCC for the establishment of mutual market access between Hong Kong and Shanghai, including Southbound Trading and Northbound Trading
“Share(s)” or “Ordinary Share(s)”	ordinary shares in the share capital of the Company with par value of RMB1.00 each, referring to Unlisted Shares before the [REDACTED] and H Shares following the [REDACTED]
“Shareholder(s)”	holder(s) of our Share(s)

DEFINITIONS

“Shareholders’ Agreement”	the shareholders’ agreement between our Company and the Shareholders, the latest of which was entered into on August 7, 2025
“Shenzhen Guanchen”	Shenzhen Guanchen Investment Partnership (L.P.) (深圳觀辰投資合夥企業(有限合夥)), a limited liability partnership established in the PRC on October 21, 2025, our employee incentive platform, of which Shenzhen Guanzhi is the general partner
“Shenzhen Guanhai”	Shenzhen Guanhai Venture Capital Centre (L.P.) (深圳觀海創業投資中心(有限合夥)), a limited liability partnership established in the PRC on May 28, 2025, our employee incentive platform, of which Shenzhen Guanzhi is the general partner
“Shenzhen Guanxing”	Shenzhen Guanxing Investment Partnership (L.P.) (深圳觀星投資合夥企業(有限合夥)), a limited liability partnership established in the PRC on November 6, 2025, our employee incentive platform, of which Shenzhen Guanzhi is the general partner
“Shenzhen Guanyue”	Shenzhen Guanyue Venture Capital Centre (L.P.) (深圳觀岳創業投資中心(有限合夥)), a limited liability partnership established in the PRC on February 16, 2017, our employee incentive platform, of which Ms. Zhang is the general partner
“Shenzhen Guanzhi”	Shenzhen Guanzhi Green Energy Technology Co., Ltd. (深圳市觀智綠能科技有限責任公司), a limited liability company established in the PRC on September 30, 2025, which is wholly owned by Ms. Zhang
“Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing links program to be developed by the Hong Kong Stock Exchange, Shenzhen Stock Exchange, [REDACTED] and CSDCC for the establishment of mutual market access between Hong Kong and Shenzhen
“Smart Green”	Shenzhen Smart Green Venture Capital Centre (L.P.) (深圳智綠創業投資中心(有限合夥)), a limited liability partnership established in the PRC on November 23, 2016, of which Ms. Zhang is the general partner

[REDACTED]

“State Council”	the State Council of China (中華人民共和國國務院)
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy Committee”	the strategy committee of the Board
“subsidiary” or “subsidiaries”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules

DEFINITIONS

“Track Record Period”	the three years ended December 31, 2023, 2024 and 2025
“U.S. dollars”, “US dollars”, “USD” or “US\$”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder

[REDACTED]

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

[REDACTED]

“VAT”	value-added tax
“Xinchuang Green Energy”	Shenzhen Xinchuang Green Energy Investment Co., Ltd. (深圳市新創綠能投資有限公司), a limited liability company established in the PRC on August 19, 2016, which is wholly owned by Ms. Zhang
“%”	per cent

Unless otherwise expressly stated or the context otherwise requires, all data in this document is as of the date of this document.

The English names of PRC entities, PRC laws or regulations, and PRC governmental authorities referred to in this document are translations from their Chinese names and are for identification purposes. If there is any inconsistency, the Chinese names shall prevail.

Certain amounts and percentage figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this document in connection with us and our business. These may not correspond to standard industry definitions, and may not be comparable to similar terms adopted by other companies.

“5G”	the fifth generation of mobile network technology, offering significantly faster data speeds, lower latency and greater capacity than previous generations, enabling real-time data transmission for applications such as connected vehicles and intelligent transportation systems
“AEB” or “automatic emergency braking”	a safety system that uses sensors to detect an imminent collision and automatically applies the brakes to prevent or mitigate the impact when the driver fails to respond in time
“AI” or “artificial intelligence”	the capability of computer systems or algorithms to simulate human intelligence, including learning, reasoning, problem-solving and decision-making, to perform tasks that typically require human cognitive functions
“API”	application programming interface, a set of defined protocols and tools that allow different software applications to communicate and exchange data with each other
“autonomous vehicle”	a vehicle or an equipment that enable it to move without human input, using a combination of sensors, artificial intelligence and control systems to perceive its surroundings and make driving decisions
“battery swapping”	a method of replenishing the energy of an electric vehicle by mechanically exchanging a depleted battery pack for a charged one at a designated station, as an alternative to conventional plug-in charging
“big data”	extremely large and complex datasets that require advanced computational methods to collect, store, process and analyze, and from which patterns, trends and insights can be extracted to support decision-making
“CAGR”	compound annual growth rate, a measure of the mean annual growth rate over a specified period of time longer than one year
“cold chain logistics”	a temperature-controlled supply chain management process that maintains products within a specified low-temperature range during storage, transportation and distribution, commonly used for perishable goods such as fresh food, pharmaceuticals and other temperature-sensitive items
“digital twin”	a virtual representation of a physical asset, process or system that uses real-time data to simulate, monitor and optimize performance, enabling predictive analysis and decision-making without physical experimentation

GLOSSARY OF TECHNICAL TERMS

“dual carbon” or “dual carbon strategy”	China’s strategic goals of achieving carbon dioxide emissions peak by 2030 and carbon neutrality by 2060, which drive national policies on energy transition, emission reduction and green development
“entrusted EVs”	EVs owned by third parties but controlled by us through lease arrangements
“EV” or “electric vehicle”	a vehicle that uses one or more electric motors for propulsion, powered by a rechargeable battery pack, as distinguished from vehicles powered by internal combustion engines
“EV management services revenue per vehicle”	a metric calculated by dividing the revenue from EV management services in a given period by the total number of EVs under our management as of the end of such period
“EV leasing revenue per vehicle”	a metric calculated by dividing the revenue from EV leasing in a given period by the total number of self-owned EVs and entrusted EVs (both categories of EVs are controlled by us and can be used for our EV leasing business) as of the end of such period
“FMaaS”	Fleet Management as a Service, an integrated service model that combines EV leasing, EV sales and EV management services to provide customers with one-stop solutions throughout the full EV lifecycle, including fleet management, vehicle maintenance and repair, energy planning, digital fleet monitoring and residual value management
“geo-fencing”	a location-based technology that uses GPS, radio frequency identification (RFID) or other positioning systems to create a virtual geographic boundary, enabling software to trigger a response when a vehicle or device enters or exits a predefined area
“GPS”	Global Positioning System, a satellite-based navigation system that provides location, velocity and time information to a receiver anywhere on the Earth’s surface
“IoT”	Internet of Things, a network of physical devices, vehicles, appliances and other objects embedded with sensors, software and network connectivity that enable these objects to collect and exchange data
“L4” or “Level 4”	level four of driving automation, or high driving automation level, as classified by SAE. Under L4, vehicles can automatically drive without human intervention under limited conditions such as certain locations, road types and weather
“last-mile delivery”	the final step of the delivery process, involving the transportation of goods from a distribution center or hub to the end customer’s doorstep, typically within urban areas and characterized by short distances and high delivery frequency

GLOSSARY OF TECHNICAL TERMS

“less-than-truckload” or “LTL”	a shipping method for freight that does not require a full trailer load, where shipments from multiple shippers are consolidated onto a single truck to optimize capacity utilization and reduce costs
“new energy vehicle” or “NEV”	a vehicle that uses non-conventional fuel as its power source or employs a new type of vehicle powertrain, primarily including battery electric vehicles, plug-in hybrid electric vehicles and fuel cell vehicles, as defined under PRC regulations
“new energy logistics vehicle”	a logistics vehicle powered by new energy sources (primarily battery electric power) used for goods transportation in urban distribution, intercity logistics and related freight scenarios
“Net Dollar Retention”	in respect of a financial year, the ratio of (i) the recurring EV management service 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 service and EV leasing revenue generated from such existing customers during the immediately preceding financial year, expressed as a percentage
“OEM”	original equipment manufacturer, a company that designs and manufactures vehicles or components that are sold under its own brand name, often referring to automakers in the automotive industry
“operating lease”	a lease arrangement under which the lessee obtains the right to use an asset for a period of time without transferring ownership, with the lessor retaining substantially all the risks and rewards incidental to ownership of the asset
“proof-of-concept”	a demonstration or pilot project that verifies the feasibility and practical potential of a technology, product or business model in real-world conditions before full-scale commercial deployment
“powertrain”	the complete system that generates power in a vehicle and delivers it to the road surface, which in an electric vehicle typically comprises the electric motor, power electronics, transmission and battery system
“predictive maintenance”	a proactive maintenance strategy that uses data analysis, sensor monitoring and machine learning algorithms to predict when equipment or vehicle components are likely to fail, enabling maintenance to be performed before breakdowns occur, thereby reducing unplanned downtime and repair costs
“residual value”	the estimated economic value of a vehicle or asset at the end of its useful life or lease term, representing the expected proceeds from its disposal or secondary use

GLOSSARY OF TECHNICAL TERMS

“road access rights”	permissions governing whether vehicles may operate within specific urban areas, time periods or road segments, where new energy logistics vehicles are typically granted broader access to restricted zones compared with conventional fuel-powered trucks
“SAE”	the Society of Automotive Engineers, a global professional association and standards organization that, among other things, has developed a classification system defining six levels of driving automation from Level 0 (no automation) to Level 5 (full automation)
“self-owned EVs”	EVs owned and controlled by us
“served EVs”	EVs owned by third parties and not controlled by us which received management services from us since the beginning of the Track Record Period
“smart cabin”	an intelligent in-vehicle environment that integrates advanced human-machine interaction interfaces, voice control, augmented reality displays and AI-based systems to enhance the driving experience and vehicle management capabilities
“SoC” or “state of charge”	a measurement expressed as a percentage indicating the current energy level of a rechargeable battery relative to its full capacity, analogous to a fuel gauge in conventional vehicles
“SoH” or “state of health”	a measurement that reflects the overall condition of a battery compared to its original specifications, typically expressed as a percentage of its original capacity, indicating the degree of battery degradation over time
“T-Box” or “telematics box”	a proprietary in-vehicle IoT terminal device that collects, processes and transmits vehicle operational data (including location, speed, battery status and driving behavior) to cloud-based platforms via wireless communication networks
“TCO”	total cost of ownership, a financial estimate that encompasses all direct and indirect costs associated with acquiring and owning a vehicle asset over its entire lifecycle, including purchase price, maintenance, insurance and disposal costs
“TCU”	total cost of usage, a comprehensive cost metric that measures the overall cost of operating a vehicle, calculated as direct costs plus indirect costs minus incremental benefits, focusing on operational efficiency and value creation rather than static asset acquisition costs. Direct costs mainly include vehicle acquisition or leasing costs, operation and maintenance costs, insurance costs, energy costs and management costs; indirect costs include losses caused by operational disruptions and deadhead ratio; incremental benefits include increased daily transport volume enabled by improved road access and additional gains from optimized carbon trading

GLOSSARY OF TECHNICAL TERMS

“telematics”	the integrated use of telecommunications and information processing technologies in vehicles, encompassing services such as GPS navigation, remote diagnostics, vehicle tracking, safety warnings and data-driven fleet management
“V2G” or “vehicle-to-grid”	a technology that enables bidirectional energy flow between electric vehicles and the electrical power grid, allowing EVs to discharge stored energy back to the grid during peak demand periods or participate in energy trading, transforming vehicles from pure energy consumers into distributed energy resources
“vehicle depreciation rate”	in respect of vehicles under property, plant and equipment, the ratio of (i) depreciation provided during a period to (ii) the beginning gross carrying amount of the same period, expressed as a percentage

FORWARD-LOOKING STATEMENTS

Certain statements in this document are forward-looking statements that are, by their nature, subject to significant risks and uncertainties. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as “will”, “expect”, “anticipate”, “estimate”, “believe”, “going forward”, “ought to”, “may”, “seek”, “should”, “intend”, “plan”, “projection”, “could”, “vision”, “goals”, “aim”, “aspire”, “objective”, “target”, “schedules” and “outlook”) are not historical facts, are forward-looking and may involve estimates and assumptions and are subject to risks (including but not limited to the risk factors detailed in this document), uncertainties and other factors some of which are beyond our Company’s control and which are difficult to predict. Accordingly, these factors could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Our forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to us about the businesses that we operate. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, among others: (a) general political and economic conditions, including those related to the PRC; (b) our business prospects and our ability to successfully implement our business plans and strategies; (c) future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand; (d) our capital expenditure plans; (e) the actions and developments of our competitors; (f) our financial condition and performance; (g) our dividend policy; (h) any changes in the laws, rules and regulations of the central and local governments in the PRC and other relevant jurisdictions and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of our business and our business plans; (i) changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which we operate; (j) various business opportunities that we may pursue; and (k) capital market developments, changes in the global economic conditions and material volatility in the global financial markets.

Since actual results or outcomes could differ materially from those expressed in any forward-looking statements, we strongly caution investors against placing undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by the Listing Rules, we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Statements of or references to our intentions or those of any of our Directors are made as of the date of this document. Any such intentions may change in light of future developments.

All forward-looking statements in this document are expressly qualified by reference to this cautionary statement.

RISK FACTORS

An investment in our H Shares involves various risks. You should carefully consider all the information set out in this document, including the risks and uncertainties described below, as well as our financial statements and the related notes, before making an investment in our H Shares. Any of the following events could materially and adversely affect our business, financial position, results of operations or prospects. If any of these events occur, the trading price of our H Shares could decline, and you may lose all or part of your investment. You should seek professional advice from your relevant advisers regarding your investment in the context of your particular circumstances.

The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in “Forward-Looking Statements” in this document.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

We may suffer from adverse developments in the EV service industry and other sectors directly related to our services.

We are a leading provider of intelligent logistics EV management solutions in China. China’s logistics industry, along with its upstream and downstream markets, remains rapidly evolving and may not develop as we anticipate. The logistics EV industry is relatively new in China or overseas, which may not gain acceptance or popularity among customers. The growth of the industry, as well as demand for our services, is subject to uncertainties and numerous factors, including but not limited to:

- the growth and strength of the global EV service industry, in particular China’s EV service industry, including the perceptions of automobile safety and reliability;
- the popularity and perceptions of intelligent operation services for EVs among customers;
- the growth of demand for logistic vehicles management, leasing and sales in China, and the rate of any such growth;
- the selection, price and popularity of EV solutions that we offer;
- the emergence of alternative transportation service models that better address the needs of customers;
- the development and change of governmental policies relating to the EV service industry and EV management industry and transportation laws and regulations; and
- general economic conditions and the legal environment that may impact our business operations or expansions.

As our industry and our business develop, we may need to modify our business model or change our service offerings. These changes may not achieve expected results, which could have a material adverse effect on our business, financial condition, operating results and prospects.

RISK FACTORS

We operate in a competitive industry and any impediment in our business development caused by failure to compete successfully against existing and new competitors may result in losses of our customers or failure to attract new customers and reduction of our market share, and our business, financial condition, operating results and prospects could be materially and adversely affected.

The EV service industry in China is competitive and fragmented. Increased competition in the EV service industry may result in losses of our customers, a decrease of our market share, and downward price pressure and thus adversely affect our business, financial condition, operating results and prospects.

We have strategically entered the EV service industry and we expect this industry will become more competitive in the future as additional players enter into this industry. We face intense competition from major OEM-affiliated EV leasing and value-added services providers and other regional and national EV leasing and transportation services providers. Further, a number of large logistics companies started to develop their own EV fleet and enter this market. Alliances or mergers among our existing competitors or with new entrants into EV service industry may present additional challenges. Some of our competitors or potential competitors may have higher brand recognition among our target customers. If our competitors introduce new EVs or services that successfully compete with or surpass the quality or performance of our EVs or services at more competitive prices, we may be unable to satisfy existing customers or attract new customers, at the prices and levels that would allow us to generate attractive rates of return on our investment.

In addition, technological advances may materially impact the competitive landscape of the EV service industry in China and our competitiveness in the industry. An increasing number of EV users and operators in China rely on EV management companies’ platforms or mobile apps to manage EV fleets, access EV leasing services and complete leasing reservations due to the convenience offered by these channels. As a result, it is critical to us to continue to enhance and improve the responsiveness, functionality and features of our fleet management systems and software to remain competitive. In addition, the widespread adoption of new internet, networking or telecommunications technologies or other technological changes could require substantial expenditures to modify or upgrade our fleet management systems and software. Our competitors may use new technologies more effectively, develop more appealing and popular websites and mobile apps, or adapt more quickly than we do to evolving industry trends or changing market requirements.

We believe that our ability to compete successfully depends upon many factors both within and beyond our control, including the competitiveness of our prices, the diversity and condition of our vehicles, the quality of our EVs and services, innovation and development time, the size and diversity of our customer base, our brand strength in the market relative to our competitors, customer receptivity of the EV management industry, consumer spending power and other macroeconomic factors. If we fail to maintain our competitive position, our business, financial condition, operating results and prospects will be materially and adversely affected.

Our limited operating history in an emerging and rapidly evolving market may not provide an adequate basis on which to judge our results of operations and future prospects.

We began our operations in 2015 and have a limited operating history in most aspects of our business operations, including EV management services, EV leasing and EV sales.

You should consider our business and prospects in light of the risks and challenges we face as a new entrant into our industry, including, among other things, with respect to our ability to:

- provide reliable and quality services on an ongoing basis;
- build a well-recognized and respected brand;

RISK FACTORS

- establish and expand our customer base;
- properly price our products and services;
- successfully market our EV management services;
- improve and maintain our operational efficiency;
- maintain a reliable, secure, high-performance and scalable technology infrastructure;
- attract, retain and motivate talented employees;
- anticipate and adapt to changing market conditions, including technological developments and changes in competitive landscape; and
- navigate an evolving and complex regulatory environment.

If we fail to address any or all of these risks and challenges, our business may be materially and adversely affected. EVs are highly technical products that require ongoing maintenance and support. As a result, consumers will be less likely to purchase our EVs and use our EV management services if they are not convinced that our business will succeed or that our operations will continue for many years. Similarly, suppliers and other third parties will be less likely to invest time and resources in developing business relationships with us if they are not convinced that our business will succeed.

We have a history of net losses and we may not be able to achieve and sustain profitability.

We have a history of net losses and may continue to incur net losses in the future. For the years ended December 31, 2023, 2024 and 2025, we incurred net losses of RMB841.7 million, RMB770.6 million and RMB655.6 million, respectively. Our historical net losses were primarily due to high finance costs, administrative expenses and selling and distribution expenses. See “Financial Information — Path to Profitability — Summary of Our Historical Financial Performance” in this document for details.

Our ability to achieve profitability is affected by various factors, many of which are beyond our control. For example, our revenue and profitability depend on the continuous growth of the EV services industry in China and customer demands for such services. We cannot assure you that the EV services, as new alternatives to traditional car rental and car ownership, will become widely accepted in China. In addition, we expect to incur significant costs and expenses which will impact our profitability, including costs and expenses for funding our vehicle acquisition and operation (including vehicle insurance procurement), promoting our brands and reputation, supporting our administrative activities, as well as R&D efforts as we focus on building a core and integrated technology system for managing the various aspects of operating an EV fleet. If we are unable to adequately control the costs and expenses associated with our operations, our margins, profitability and prospects will be materially and adversely affected.

Furthermore, our historical and future results of operations in a specific period may be subject to the impact of various factors and events, which may make our results of operations in different periods less comparable with each other and may not be necessarily indicative of future trends. While we intend to adopt “asset-light” model to control the increases in our vehicle acquisition costs as we ramp up our business rapidly, we cannot assure you that we will implement the “asset-light” model successfully. If we cannot improve profitability by adopting the “asset-light” model and other cost and expense control measures, we will continue to incur losses and our business, financial condition and results of operations will be materially and adversely affected. See “Financial Information — Path to Profitability — Pathway to Profitability” in this document for further details of our measures to improve profitability. We may also incur losses in the future for a number of other reasons, including changes in

RISK FACTORS

the macroeconomic and regulatory environment, competitive dynamics, our inability to respond to these changes in a timely and effective manner and the other risks described in this document, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown events.

Our net current liabilities and net liabilities may expose us to certain liquidity risks.

As of December 31, 2023, 2024 and 2025, we recorded net current liabilities of RMB6,762.2 million, RMB8,706.4 million and RMB10,246.9 million, respectively. Moreover, we recorded net liabilities of RMB2,996.3 million, RMB3,756.0 million and RMB4,404.1 million as of December 31, 2023, 2024 and 2025, respectively. Our net current liabilities and net liabilities positions were mainly attributable to high interest-bearing bank and other borrowings to support our fleet expansion, and shares with preferential rights. For a more detailed discussion of our net current liabilities and net liabilities, see “Financial Information — Discussion on Key Items of Consolidated Statements of Financial Position.” Net current liabilities and net liabilities may expose us to certain liquidity risks and may constrain our operational flexibility, as well as adversely affecting our ability to expand our business. Our future liquidity and the payment of interest-bearing bank and other borrowings, trade and other payables when they become due, will primarily depend on our ability to generate adequate cash inflows from our operating activities and adequate external financing, which will be affected by our future operating and financial performance, the performance of the industry in which we operate and prevailing economic and capital market conditions, among other factors, many of which are beyond our control. If we do not maintain sufficient working capital to meet future financial needs by ourselves, we may need to resort to external funding. Our inability to obtain additional external financing on a timely basis and on acceptable terms, or at all, may force us to abandon or delay our development and expansion plans, and our businesses, financial positions, and results of operations may be materially and adversely affected. Further, we may be subject to certain covenants and undertakings related to our financial conditions or business operations under the terms of external financing, which may negatively affect our business and results of operations.

If we are unable to maintain our recent growth rates or successfully manage our future growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.

We have experienced rapid expansion since our inception. For the years ended December 31, 2023, 2024 and 2025, our total revenue was RMB2,349.5 million, RMB3,216.1 million and RMB4,138.6 million, respectively. As of December 31, 2023, 2024 and 2025, our total fleet size was 106,024, 149,980 and 224,546, respectively. Our historical results may not provide a meaningful basis for evaluating our business, results of operations, financial condition and prospects, and we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors, and may not be able to achieve promising results in future periods. We cannot assure you that we will be able to achieve similar results or grow at the same rates as we did in the past. We may not be able to sustain these high growth rates in future periods due to a number of factors, including, among others, our execution capability, our ability to maintain customer satisfaction, macroeconomic factors out of our control, competition within the EV service industry in China, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth.

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Further risks that we face in undertaking this expansion include, among others:

- managing a larger organization with a greater number of employees in different geographic locations;
- managing our supply chain to support fast business growth;
- controlling expenses and investments in anticipation of expanded operations;
- establishing or expanding R&D, sales and service facilities;
- implementing and enhancing administrative structure systems and processes;
- executing our strategies and business initiatives successfully;
- improving our operational, financial and management controls, compliance programs and reporting systems; and
- addressing new markets and potentially unforeseen challenges as they arise.

Our anticipated expansion will place a significant strain on our management, systems and resources. Our development and expansion strategies will require substantial managerial efforts and skill and the incurrence of additional expenditures and may subject us to new or increased risks. Pursuing these strategies may require us to expand our operations through internal development efforts as well as partnerships, joint ventures, investments and acquisitions. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and hamper our business strategies.

If our technology databases that store information about our customers are breached or otherwise become subject to unauthorized access or fraudulent transactions, we may be exposed to liabilities and suffer a loss of customers and damage to our business reputation.

Our technology platform holds personally identifiable information and other data. 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 customers, suppliers, business partners and employees. We have implemented comprehensive data security measures and have established internal policies on data security to comply with laws and regulations. However, we cannot guarantee that such measures will effectively protect against increasingly sophisticated counter-measures and it is possible that third parties, such as hackers or criminal organizations, may unlawfully gain access to our data lake. Confidential information of our customers may also be misappropriated or inadvertently disclosed through employee misconduct or mistakes.

Furthermore, some of our customers pay for our services through online payment services. We have limited influence over the security measures of online payment services. Any compromise of our security or service providers’ security would have a material adverse effect on our reputation, business prospects, financial condition and results of operations.

Any breach of security of our technology platform could significantly harm our business, reputation and results of operations and could expose us to lawsuits brought by our customers and sanctions by government authorities in the jurisdictions in which we operate. Additionally, if we are accused of failing to protect the confidential information of our customers, we may be forced to expend significant financial and managerial resources in defending against these accusations and we may face potential liability. Any negative publicity may adversely affect our public image, which in turn may reduce the number of our customers and harm our business and results of operations. Our servers may also be vulnerable to computer viruses, break-ins and similar disruptions caused by any unauthorized

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tampering into our computer systems, which could lead to interruptions, delays, loss of critical data or the unauthorized disclosure of confidential information of our customers. We may not have sufficient protection or recovery plans in these circumstances. As we rely heavily on our servers, computer systems and the Internet service in performing our business, such disruptions could negatively impact our ability to effectively run our business, which could have an adverse effect on our operating results.

Our failure to raise sufficient capital to fund and expand our operations at a reasonable cost could reduce our ability to compete successfully.

Our business growth requires a significant amount of capital. If we fail to obtain sufficient financing through bank loans, financial leasing or otherwise to support our business development, our business operation, financial condition, and prospects may be materially and adversely affected. Our business and future strategy require substantial investments in, among other things, R&D, vehicle acquisition, operating of vehicles and promotion and marketing of our services. In addition, we invest our capital in areas that we believe best align with our business strategy and will yield future profitability. Significant judgment is required to determine which capital investments will result in optimal returns, and we could invest in projects that are ultimately less profitable than those projects we do not select. Failure to optimize our investment choices could significantly impact our ability to realize expected returns on our capital expenditures, which could have a material adverse effect on our business, results of operations, or financial condition. We may not be able to generate sufficient cash flow from our operations or obtain additional financing to service these investments.

Our ability to retain our existing financial resources and obtain additional financing on acceptable terms is subject to a variety of uncertainties, including but not limited to:

- economic, political and other conditions in China;
- investors’ perception of, and demand for, securities of EV management companies;
- PRC governmental policies relating to bank loans and other credit facilities;
- PRC governmental regulations of foreign investment and the EV service industry in China;
- conditions of the Hong Kong and other capital markets in which we may seek to raise funds; and
- our future results of operations, financial condition and cash flows.

If we are unable to raise sufficient capital at a reasonable cost, or at all, we may not be able to fund our expansion, promote our brand, enhance our services, respond to competitive pressures or take advantage of investment or acquisition opportunities, all of which may materially and adversely affect our business, financial condition, operating results and prospects. In addition, our future capital needs may require us to sell additional equity or debt securities that may introduce covenants that may restrict our operations or our ability to pay dividends.

We may not be able to successfully expand our business geographically given the uncertainties in the competitive conditions, user preferences, local policies and legal environment that we may face in new markets.

We currently operate in over 300 cities in China. We face challenges and risks associated with expanding our business and operations geographically. New geographic markets may have competitive conditions, user preferences, and discretionary spending patterns that are more difficult to predict or satisfy than our existing markets. In certain markets, we have relatively limited operating experience and may not benefit from any first-to-market advantages or otherwise succeed. We may be subject to the following risks related to geographical expansion:

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- challenges in providing EV services and support, in recruiting personnel and in managing sales channels and distribution networks effectively;
- revenue fluctuation from period to period in the future due to unfavorable market conditions, intensified competition, unattractive services, downward pressure on our selling price and any other inherent risks associated with geographical expansion;
- difficulties in dealing with regulatory bodies and government policies with which we may be unfamiliar, in order to obtain necessary permits, licenses and approvals; and
- potentially reduced protection for our intellectual property rights and potential breach of third-party intellectual rights.

Local companies may have a substantial competitive advantage because of their greater understanding of, and focus on, the local users, as well as their more established local brand names, requiring us to build brand awareness in that market through greater investments in advertising and promotional activities. Geographical expansion may also require significant capital investment, which could strain our resources and adversely impact current performance, while adding complexity to our current operations.

We depend on a limited number of significant customers for a portion of our revenue. The loss of any significant customer, a reduction in revenue generated from any such customer, or failure to attract new customers to replace any such customer could have a material adverse effect on our business, financial condition, operating results and prospects.

We have historically relied on a limited number of significant customers for a portion of our revenue. In 2023, 2024 and 2025, sales to our top five customers accounted for 40.8%, 32.9% and 32.0% of our total revenue, respectively. We have entered into strategic partnerships with certain leading logistics service providers. Our service agreements with customers generally have terms varying from one month to five years. For more information relating to our relationship with our customers, please refer to “Business — Our Customers.” There is no assurance that our significant customers will continue their business relationship with us, or the revenue generated from transactions with them will be maintained or increased in the future. In particular, if there is any dispute, complaint or claim against us relating to the services we provide to our significant customers, our relationship with our significant customers could deteriorate or be adversely affected or we may lose significant customers.

If we lose any significant customers, encounter a reduction in revenue generated from any such customer, or fail to locate alternative customer to replace any such customer, our business, financial condition, operating results and prospects will be adversely affected.

Disruption of supply, shortage or increased acquisition costs of EVs, EV batteries or other components used in our vehicles may adversely affect our business, results of operations, financial condition and prospects.

We may experience a disruption or shortage in the supply of certain vehicle models. For example, if any supplier is unwilling or unable to provide us with vehicles in required quantities or to deliver vehicles on time, we may not be able to find alternative sources on satisfactory terms in a timely manner, or at all. If any shortage in vehicle supply occurs, our business and results of operations may be materially adversely affected.

Our business also depends on the continued supply of EV batteries used in our vehicles. We are exposed to multiple risks relating to availability and pricing of quality lithium-ion battery cells which are beyond our control. These risks include:

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- the inability of current battery manufacturers to supply the numbers of lithium-ion cells required to support the growth of the EV service industry as demand for such cells increases;
- disruption in the supply of cells due to quality issues or recalls by the battery manufacturers; and
- an increase in the cost of raw materials, such as lithium, nickel and cobalt, used in lithium-ion cells.

In addition, we may face risks of increased acquisition costs of vehicle, batteries and other components used in our vehicles, which may correlate with rising commodity and structural costs and may also be affected by other factors such as vehicle purchase tax and the mix of our vehicle models. For instance, we have been subject to a higher vehicle acquisition tax rate in 2026 compared with the rate in previous years. If our suppliers do not offer us competitive prices and we are not able to purchase sufficient quantities of certain vehicle models, batteries or other components from alternative sources at commercially reasonable prices, or at all, we may be forced to incur significantly higher acquisition costs or may not be able to maintain a fleet with sufficient vehicles or an ideal mix of models. We cannot assure you that we will be able to pass on increased costs to our customers or maintain collaborative relationships with any of our suppliers. Failure to pass on significant cost increases to our customers or maintain business relationship with any significant suppliers may have a material adverse effect on our business, results of operations and financial condition.

If our EVs and related services fail to offer satisfactory experience to our customers and meet their expectations, our business, financial condition, operating results and prospects would be materially and adversely affected.

Our EVs and related services such as maintenance, repair and support services may not perform in line with customers’ expectations. Our customers may be unsatisfied with our EV management services, including those related to the availability and reservation time of our services, our response time to customers’ inquiries or vehicle incidents and the performance and reliability of our APP and other infrastructure. In addition, any product defect or any other failure of our EVs to perform as expected could harm our reputation and result in adverse publicity, lost revenue, delivery delays, harm to our brand and reputation, and significant warranty and other expenses, and could have a material adverse impact on our business, financial condition, operating results and prospects. The range of our EVs on a single charge declines principally as a function of usage, time and charging patterns as well as other factors. Our EVs may contain defects in design and manufacture that may cause them not to perform as expected or that may require repair.

While we perform extensive internal checks on our EVs and establish internal policies relating to the standard of our services, there can be no assurance that we will be able to detect and fix all defects in our EVs and to handle each service request from our customers to their satisfaction. To the extent that our customers’ dissatisfaction with our EVs and related services is widespread or not adequately addressed, our business, financial condition, operating results and prospects would be materially and adversely affected. If we are unable to provide efficient services, our business may be harmed. Our ability to attract new customers is highly dependent on our business reputation and on positive recommendations from our existing customers. Any failure to maintain high-quality services, or a market perception that we do not maintain high-quality services for our customers, would harm our business.

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The EV service industry and related technology are rapidly evolving. Developments in alternative technologies, alternative forms of energy, improvements in the internal combustion engine, or decrease in prices of diesel or other petroleum-based fuel could materially and adversely affect the demand for our EVs.

The EV service industry and related technology are rapidly evolving. We may be unable to keep up with changes in electric vehicle technology as well as the development of autonomous driving and, as a result, our competitiveness may suffer. If we are not adequately prepared to meet consumer demand for electric and autonomous vehicles as such demand develops, our financial condition or results of operations could be adversely impacted. Our R&D efforts may not be sufficient to adapt to changes in electric vehicle technology. There can be no assurance that we will be able to successfully upgrade our digitalized management system, vehicles and other services, against the backdrop of our rapidly evolving industry. Even if we are able to keep pace with changes in technology and upgrade our digitalized management system, vehicles and other services, our prior fleet and services could become obsolete more quickly than expected, and our business, financial condition, operating results and prospects would be materially and adversely affected.

Developments in alternative technologies, such as advanced diesel, ethanol, fuel cells or compressed natural gas, or improvements in the fuel economy of the internal combustion engine, may materially and adversely affect our business in ways we do not anticipate. For example, fuel which is abundant and relatively inexpensive in China, such as compressed natural gas, may emerge as consumers’ preferred alternative to petroleum based propulsion. Any such development may result in decreases in prices of internal combustion engine vehicles or other petroleum-based fuel, which may make the ownership of internal combustion engine vehicles more attractive to customers and cause the demand for our EVs to decline. Any failure by us to successfully react to changes in existing technologies could materially harm our competitive position and growth prospects.

If users of our EVs engage in illegal, fraudulent, inappropriate or dangerous activities, our reputation, business, financial condition, and results of operations may be adversely impacted.

We have limited ability to control or anticipate the actions of users, either during their use of our EVs or otherwise. If our users are involved in illegal, fraudulent or inappropriate conducts or incidents on our EVs such traffic violations or accidents, or use our EVs as a conduit for illegal activities, other users and the public may not consider our products and offerings to be safe, and we may receive negative publicity and under certain circumstances, we may be subject to significant legal liabilities under applicable laws and regulations.

We have put in place procedures and policies to screen and regulate the conduct of users on our EVs, including requiring them to submit identity and other information during the registration and onboarding process, inspecting and verifying the licenses and authorizations of users. These measures may not provide us with correct or adequate information or ensure the legal and regulatory compliance of our users. In cases where we fail to duly verify the requisite qualifications or licenses of users, we may be subject to fines, penalties or other regulatory or administrative actions including orders to suspend our business operations.

Some of our subsidiaries engaged in new EV sales have not completed filing with the National Information Management System for Automobile Circulation, which may subject us to administrative penalties.

We are engaged in the business of EV sales. As of the Latest Practicable Date, there were a total of 81 entities within our Group engaged in EV sales, of which 67 entities had completed the filing with the National Information Management System for Automobile Circulation (全國汽車流通信息管理系統), while 14 entities had not yet completed such filing.

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According to the Administrative Measures for Automobile Sales (《汽車銷售管理辦法》), suppliers and dealers shall file their basic information through the National Information Management System for Automobile Circulation under the commerce department of the State Council within 90 days from the date of obtaining their business license. Where any basic information filed by suppliers or dealers changes, they shall complete the information update within 30 days from the date of such change. Suppliers and dealers shall report information on automobile sales volume and types through the National Information Management System for Automobile Circulation in a timely manner in accordance with the requirements of the commerce department of the State Council.

Pursuant to Article 33 of the Administrative Measures for Automobile Sales, any violation of the filing requirements under Article 27 of such measures may result in the local commerce department at or above the county level ordering rectification and imposing a warning or a fine of up to RMB10,000. We have submitted filing applications for all entities currently engaged in EV sales. Our 14 subsidiaries had not yet completed the filing with the National Information Management System for Automobile Circulation as of the Latest Practicable Date due to the prolonged processing time by the relevant commerce departments without providing feedback to date. As of the Latest Practicable Date, none of our subsidiaries that had not completed the filing had been subject to any administrative penalties from the relevant commerce departments in connection with such non-compliance. If any penalties are imposed on us for failure to complete such filings in a timely manner, our business, financial condition and results of operations may be adversely affected.

We utilize third-party service providers to deliver certain services to our customers. Our ability to monitor the performance and the quality of service provided by third-party service providers is limited. If these service providers deliver services of an inadequate level of quality, our business could be adversely affected.

We utilize third-party service providers to deliver some of our services to our customers. We also rely on third-party charging service providers to provide charging piles in cities where we operate our EV management services and we license some software programs from third-party software providers. As of December 31, 2025, our digital platform was connected to over 2.8 million charging piles in all 333 prefecture-level cities in China that were made available by third-party charging service providers.

We follow strict guidelines and apply high standards in selecting our service partners, and have established a comprehensive training program to improve the operational efficiency of service centers through a series of technical, safety and environment training sessions. However, it is difficult for us to monitor the day-to-day operations of our service partners to ensure compliance with our policies and relevant PRC laws and regulations. No assurance can be given that our service partners will comply with our requirements and the requirements of PRC laws and regulations, the failure of which may result in severe penalties or shut-down imposed by governmental authorities, or that we will be able to identify and correct all cases of noncompliance by our service partners in a timely manner, if at all. Failure by our service partners to adhere to our policies or our failure to identify and correct all cases of noncompliance by our service partners in a timely manner may have an adverse impact on our brand's image and reputation, and may adversely affect our business, results of operations and financial condition. Moreover, if these third-party service providers terminate their relationship with us, it could be disruptive to our business as we seek replacement. In addition, if one or more of our customers suffer or claim to have suffered harm or damages as a result of the actions of our third-party service providers, or are otherwise unsatisfied with the quality of services of third-party service providers, our reputation and our brand could be harmed. This, in turn, may cause us to lose customers, which would adversely affect our business and results of operation.

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Our insurance coverage may be insufficient to cover, and it may be unable to completely insure, at appropriate terms or prices, certain risks related to our vehicles, operations and potential liability to our customers.

We may suffer from insufficient insurance coverage for our vehicles or liabilities resulting from our operations. We bear the risk of damage to or losses of our vehicles, including those caused by accident, theft or natural disaster. We are also exposed to claims for personal injury or death and property damage as a result of automobile accidents involving vehicles driven by our customers. We are required by applicable Chinese laws to maintain insurance coverage against liabilities for third-party bodily injuries, death and property damage resulting from accidents involving our rental vehicles. We satisfy this statutory requirement by maintaining insurance policies for all of our vehicles in operation at amounts stipulated by law. We also purchase additional commercial insurance coverage to supplement the mandatory insurance against liabilities to third parties as well as other risks and liabilities arising from our operations. There can be no assurance that such coverage will be sufficient or adequate. We also do not maintain insurance coverage for our office equipment or premises, and consistent with customary practice in China, we do not maintain business interruption insurance. Due to the large volume, broad geographic coverage and rapid growth of our EV fleet, we may fail to renew our insurance policies on a timely basis. A successful claim against us beyond the scope or limit of our insurance coverage may have a material adverse effect on our business, financial condition and results of operations. In addition, uninsured claims filed against us or the inability of our insurers to pay otherwise-insured claims would have an adverse effect on our financial condition. Moreover, if the insurance premiums we pay to insurance companies increase significantly, our results of operations would be materially and adversely affected.

If we are unable to collect our receivables from our existing customers, we are exposed to our customers’ credit risks and our results of operations and cash flows could be adversely affected.

Our business depends on our ability to successfully obtain payment from our customers of the amounts they owe us for our services. As of December 31, 2023, 2024 and 2025, our trade and bills receivables amounted to RMB854.1 million, RMB1,280.8 million and RMB1,384.9 million, respectively. Our trade and bills receivables turnover days were 122 days, 128 days and 124 days for the years ended December 31, 2023, 2024 and 2025, respectively. Our trading terms with customers are mainly on credit and the credit period is generally not more than six months. Should the creditworthiness of our customers deteriorate or should a significant number of our customers fail to settle their accounts receivables in full for any reason, we may incur impairment losses and our results of operations and financial position could be materially and adversely affected. In addition, there may be a risk of delay in payment by our customers beyond their respective credit period, which in turn may also result in an impairment loss provision.

We establish an allowance for doubtful accounts based upon estimates, historical experience and other factors surrounding the credit risk of specific customers. However, actual losses on customer receivables balance could differ from those we anticipate and as a result we might need to adjust our allowance. There is no guarantee that we will accurately assess the creditworthiness of our customers. Macroeconomic conditions, including related turmoil in the global financial system, could result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy, and as a result could cause customers to delay payments to us or request modifications to their payment arrangements that could increase our receivables balance or default on the payment obligations to us. As a result, an extended delay or default in payment relating to a significant account will have a material and adverse effect on the aging schedule and turnover days of our accounts receivable. If we are unable to collect our receivables from our customers in accordance with the contracts with our customers, our results of operations and cash flow could be adversely affected.

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Our pricing structure and assumptions regarding the operation costs of the EVs may prove to be inaccurate, which could result in reduced margin or losses.

Price or overall cost is one of the key factors that customers consider in choosing EVs and EV services. For pricing of our services, please see “Business — Our One-stop Logistics EV Solutions — EV Management Services — Flexible Pricing Models”. Given the competition in the EV services industry in China, our competitors may offer lower prices to attract customers and gain market shares. To the extent that our assumptions regarding future operation costs of the EVs may prove to be inaccurate, or to the extent that we do not match or remain within a reasonable competitive margin of our competitors’ pricing for various reasons including the potentially higher cost base of our EV fleet and services, we may lose customers or have to change our pricing structure as a result of the competitive pressure to match our competitors’ prices, and our profit margins and results of operations could be materially and adversely impacted.

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.

Our business generally experiences some effects of seasonal variations. We typically experience a seasonal surge in demand for our EVs and related services during the second and fourth quarters of 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). Our limited operating history makes it difficult for us to judge the exact nature or extent of the seasonality of our business. The seasonality changes may cause fluctuations in our financial results and any occurrence that disrupts our business operations during our busy seasons could have a disproportionately material adverse effect on our liquidity and results of operations.

If we are unable to dispose of our used vehicles at desirable prices or timing, the residual value of our fleet may drop significantly and we may incur significant financial losses.

We generally hold vehicles in our fleet for a term of seven to ten years. Depending on the conditions of our vehicles, our actual vehicle holding period may vary. As our EV fleet expands, we expect our standardized vehicle disposal process to become a significant part of our operations. We partner with third-party vehicle disposition service providers to evaluate the remaining value of a vehicle after it reaches the end of its life span.

Given that China’s used EV market is still at its early stage and lacks a well-established evaluation system, we face uncertainties in our ability to dispose of our used EVs at reasonable prices, in a timely manner or through appropriate channels. In addition, as there is no guaranteed minimum residual value or repurchase program with automobile manufacturers available in China, we are not able to enjoy the guaranteed minimum residual value of our vehicles similar to the programs which are usually made available to U.S. car rental companies. Therefore, we carry substantial risk that the market value of a used vehicle at the time of its disposition may be less than its estimated residual value at such time. If we are unable to dispose of our used vehicles at prices that are equal to or greater than their estimated residual value, our depreciation costs will increase and we will incur losses resulting from the disposal, which may have material and adverse impact on our financial results. As our EV fleet size continues to grow, inability to dispose of our used vehicles at desirable prices or timing or through appropriate channels could have significant impact on our business.

Our business depends on the smooth functioning of our technology system.

The reliability and security of our technology system is critical to our business. Most of our vehicles are digitally enabled, equipped with customized smart terminals such as T-Box, and consistent communication protocols, and are connected to our centralized IoT platform and multiple proprietary fleet management systems and software. Any system interruption that results in the unavailability of our website or a disruption to our fleet management systems and software could damage our reputation and

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brand and cause our business and operating results to suffer. We may experience temporary system interruptions for various reasons, including network failures, power failures, cyber-attacks, software errors or system overload due to overwhelming customer visits. Some of the causes of system interruptions may be outside of our control. We may not be able to remedy such interruptions in a timely or satisfactory manner, or at all.

Our servers are vulnerable to computer viruses, physical or electronic break-ins and similar disruptions, which could lead to interruptions and delays in our service and operations as well as loss, misuse or theft of data. Any successful attempts by hackers to disrupt our website service or our internal systems could harm our business, reputation or brand, and could be expensive to remedy. Efforts to prevent hackers from entering our computer systems are expensive to implement and may limit the functionality of our services. Any significant disruption to our website or internal computer systems could result in a loss of customers and adversely affect our business and results of operations.

Our distributors may have unsatisfactory performance which is beyond our control and their improper conduct or any changes in their business relationships with us may adversely affect our business, financial conditions and results of operations.

In 2023, 2024 and 2025, approximately 0.4%, 1.9% and 4.0% of our revenue was generated from our distributors, respectively. See “Business — Distributorship” for further details. We have limited control over the operations and actions of our distributors. We cannot guarantee that we will be able to effectively manage our distributors, or that our distributors would not breach our agreements and policies. We cannot assure you that our distributors will be successful in marketing, selling and supporting our products. Furthermore, we cannot assure you that our distributors will always be compliant with relevant laws, regulations or our distributorship agreements. If our distributors breach the distribution agreements, fail to maintain the requisite licenses, permits or approvals or comply with applicable regulatory requirements when selling our products, or improperly use our brands, products or intellectual property rights, they could damage our reputation and brand image, undermine customers’ confidence in us and reduce their long-term demands for our products.

Our distributors may also subject us to lawsuits, potential liability and reputational harm if they misrepresent the functionality of our products to customers or violate laws or our corporate policies. In addition, it cannot be certain that we will retain our existing distributors or that we will be able to secure additional products or substitutes for them. Our distributors may also devote more resources to the marketing, sales and support of competitive products. All these could adversely affect our business, financial conditions and results of operations.

If EV manufacturers recall our vehicles for any reason, our fleet size may be reduced at least temporarily, and there could be adverse publicity around our products and our customers’ trust in the quality and safety of our fleet may be adversely affected.

Our EVs may be subject to safety recalls by EV manufacturers. Under certain circumstances, the recalls may cause retrieval of leased or sold EVs or temporary decline of leasing reservations or sales. If a large number of EVs are the subject of simultaneous recalls, we may not be able to use the recalled EVs for an extended period of time. Those types of disruptions could jeopardize our ability to fulfill existing contractual commitments and/or satisfy demand for our EVs, and result in the loss of business to our competitors. We could also face liability claims from our customers related to our EVs subject to a safety recall. Although we may be entitled to recovery from ODM for losses arising from such claims, there is no guarantee that such recovery efforts may be successful. Depending on the severity of the recall, it could materially and adversely affect our results of operations and adversely impair our customers’ trust in the quality and safety of our fleet.

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Our R&D efforts may not yield expected results.

Our technology capabilities are a competitive advantage and an integral component of our service offerings. Our R&D team develops and maintains a significant portion of our software and computer systems, and we develop most of our software and technology systems in-house. We have been investing heavily in our R&D efforts. 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.

The EV service industry is experiencing rapid technological changes, and we need to invest significant resources in R&D to lead technological advances in order to remain competitive in the market. Therefore, we expect that our research and development expenses will continue to be significant. Furthermore, R&D activities are inherently uncertain, and there can be no assurance that we will continue to achieve technological breakthroughs and successfully commercialize such breakthroughs. As a result, our significant expenditures on R&D may not generate corresponding benefits. If our R&D efforts fail to keep up with the latest technological developments, we would suffer a decline in our competitive position. For example, we have focused on building a core and integrated technology system for managing the various aspects of operating an EV fleet, as we believe this is a key factor that differentiates our EV management services from our competitors. Any delay or setbacks in our efforts to develop this system could materially and adversely affect our business, reputation, results of operations and prospects.

Business development activities are inherently risky and integrating businesses we acquired with our existing operations may be difficult and unsuccessful.

Our growth strategy may involve strategic acquisitions or investments. Failures in acquisitions or investments may affect our growth, competitiveness and profitability and may change our risk profile. There can be no assurance that corporate mergers and acquisitions, if pursued, may be completed as intended or that anticipated economies of scale or synergies will be achieved. Mergers and acquisitions completed in a manner that differs from our expectations may have a material adverse effect on our business operations, results of operations and financial position. In addition, our investments in associates and joint ventures may not achieve the desired results as anticipated, which may incur losses and negatively affect our operations and financial position.

As a result of any mergers and acquisitions activities implemented in the future, the integration of newly acquired businesses may require significant input by our management, which may reduce the management’s opportunities for other business development. The integration process may also involve risks, including but not limited to, the potential difficulties in developing uniform work ethics in respect of our uniform business operations and the methods for maintaining the same service quality and standards throughout the whole Group. Moreover, newly acquired businesses may have contingent liabilities which might not be disclosed to us, or any litigation involving such newly acquired businesses, for which we may potentially become liable.

Failure to enhance our brand recognition, or any negative publicity or other harm to our brand may materially and adversely affect our business, financial condition and results of operations.

Our business and prospects are heavily dependent on our ability to develop, maintain and strengthen our brand. We strive to associate our brand with an environmental awareness and corporate social responsibility. Our branding efforts mainly include a combination of publishing white papers, sharing transformation case studies and conducting customer exchanges, engaging in industry standards development as well as online marketing. In addition, promoting and positioning our brand will likely depend significantly on our ability to provide high quality services. If we do not develop and maintain

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a strong brand, our business, financial condition and results of operations will be materially and adversely impacted. If incidents occur or are perceived to have occurred, whether or not such incidents are our fault, we could be subject to adverse publicity.

In addition, adverse publicity, with or without merits, relating to events or activities attributed to us, our management, directors, employees, shareholders, business partners or their affiliates, industry, or products or services similar to ours, may tarnish our reputation and reduce the value of our brands. For instance, unfounded and adversarial statements or opinions could be misleading and harm our business and reputation. If we fail to respond to such statements or opinions in a proper manner, our business reputation, financial condition and results of operations may be adversely affected. Moreover, our brand value depends on our ability to provide products and services that meet industry standards in our markets. Damage to our reputation and loss of brand equity may reduce demand for our products and services, have an adverse effect on our future financial results, or reduce the trading price of our Shares. Damage may also require additional resources to rebuild our reputation and restore the value of the brands. If we are unable to successfully enhance and protect our reputation, our business operations, results of operations, and financial condition could be materially and adversely affected.

Changes in government policies relating to transportation and vehicle use, such as vehicle plate control, intracity transportation control and vehicle quotas, could materially and adversely affect business, financial condition, operating results and prospects.

Local governments in China have promulgated various policies to limit the increase in the number of vehicles, such as restricting the number of new local vehicle plates issued, prohibiting certain commercial vehicles from entering certain areas of the city and banning vehicles with certain plate numbers from being on the road during certain hours in a workday or certain days in a given week. EVs are exempt from most of these restrictions. For example, pursuant to the Implementation Measures on Encouraging Purchase and Use of New Energy Vehicles in Shanghai (《上海市鼓勵購買和使用新能源汽車實施辦法》), local authorities will issue new automobile license plates to qualified purchasers of new energy vehicles without requiring such qualified purchasers to go through certain license-plate bidding processes and to pay license-plate purchase fees as compared with purchasers of internal combustion engine vehicles; in Beijing, pursuant to the Notice Regarding Priority Passage for New Energy Logistics and Delivery Vehicles within the Fifth Ring Road (《關於本市五環路內新能源物流配送車輛優先通行的通告》), a daytime transport permit for new energy cargo vehicles operating within the Fifth Ring Road has been established to facilitate the passage of eligible new energy cargo vehicles that are essential for the daytime transport of necessary goods within the Fifth Ring Road; and in Shenzhen, pursuant to the Notice from the Shenzhen Public Security Bureau Traffic Police Bureau Regarding the Continued Implementation of Traffic Access Preferences for New Energy Pure Electric Logistics Vehicles (《深圳市公安局交通警察局關於對新能源純電動物流車繼續實施通行優惠政策的通告》), it is decided to continue to implement preferential traffic policies for new energy all-electric delivery vehicles. However, if there are any changes to these regulations, our costs to obtain new vehicle plates and to operate in these cities may significantly increase, which may have a material adverse effect on our business, financial condition, operating results and prospects.

In addition, if any of our managed vehicles is found in violation of these control policies, we may be subject to fines and other penalties for such violations, which could materially and adversely affect our business, financial condition, operating results and prospects.

A failure to adequately protect our intellectual property rights may negatively affect our business and operating results.

Our copyrights, patents, trademarks, trade secrets and similar intellectual property are critical to our success. Our efforts in protecting our brand and intellectual property rights may not always be effective. Any patents we hold may not adequately protect our intellectual property rights or our products and technologies against competitors, and third parties may challenge the scope, validity or

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enforceability of our issued patents. In addition, other parties may independently develop similar or competing technologies designed around any patents or patent applications that we hold. There is no assurance that we are able to successfully apply and be granted new intellectual property rights in a timely and cost-effective manner in the future, as such applications are expensive and time consuming. A failure to timely seek patent protection on products or technologies generally precludes us from seeking future patent protection on these products or technologies.

In addition to patents, we also rely on contractual protections with our customers, suppliers, distributors, employees and consultants, and we implement security measures designed to protect our trade secrets and know-how. However, we cannot assure you that these contractual protections and security measures will not be breached, that we will have adequate remedies for any such breach or that our customers, suppliers, distributors, employees or consultants will not assert rights to intellectual property or damages arising out of such contracts. The risk that other parties may breach confidentiality agreements or that our trade secrets become known or independently discovered by competitors could harm us by enabling our competitors, who may have greater experience and financial resources, to copy or use our trade secrets and other proprietary information in the advancement of their products, methods or technologies. The unauthorized use or disclosure of our trade secrets would impair our competitive position, thereby weakening demand for our products and services and harming our ability to maintain or increase our customer base.

We may initiate claims against third parties to protect our intellectual property rights if we are unable to resolve matters satisfactorily through negotiation. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming and distracting to management. It could also result in the impairment or loss of portions of our intellectual property, as an adverse decision could limit our ability to assert our intellectual property rights, limit the value of our technology or otherwise negatively impact our business, financial condition and results of operations. Additionally, any enforcement of our patents or other intellectual property may provoke third parties to assert counterclaims against us. Our failure to secure, protect and enforce our intellectual property rights could materially harm our business.

We may face claims of intellectual property infringement, which could be time-consuming, costly to defend or settle, resulting in the loss of significant rights, harm our relationships with our customers, or otherwise materially adversely affect our business, financial condition and results of operations.

From time to time, third parties may assert against us and our customers’ patent and other intellectual property rights to technologies that are important to our business. Claims that our technologies infringe upon third-party intellectual property rights, regardless of their merit or resolution, could be costly to defend or settle and could divert the efforts and attention of our management and technical personnel. We may also be obligated to indemnify our customers or business partners in connection with any such litigation, which could result in increased costs. Infringement claims also could harm our relationships with our customers and might deter future customers from doing business with us. If any such proceedings result in an adverse outcome, we could be required to:

- cease the use or sale of infringing products or services;
- pay substantial damages for infringement;
- expend significant resources to develop non-infringing products or services, which may not be successful;
- license technology from the third-party claiming infringement, which license may not be available on commercially reasonable terms, or at all;

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- cross-license our technology to a competitor to resolve an infringement claim, which could weaken our ability to compete with that competitor; or
- pay substantial damages to our customers to discontinue their use of or to replace infringing products or services sold to them with non-infringing ones, if available.

Any of the foregoing results could have a material adverse effect on our business, financial condition and results of operations. Furthermore, our exposure to the foregoing risks may also be increased as a result of acquisitions of other companies or technologies. For example, we may have a lower level of visibility into the development process with respect to intellectual property or the care taken to safeguard against infringement risks with respect to the acquired technology. In addition, third parties may make infringement and similar or related claims after we have acquired technology that had not been asserted prior to the acquisition.

Rising international political tensions, including changes in U.S. and international trade policies, may adversely impact our business and operating results.

There have been changes in international trade policies and rising political tensions. The escalating political discord between the U.S. and other nations has exacerbated these tensions. Rising political tensions among countries could reduce levels of trade, investments, technological exchanges and other economic activities among economies, which would have a material adverse effect on global economic conditions and the stability of global financial markets. Actions taken by the U.S. and other countries might restrict our ability to transact or otherwise do business with entities within or outside of China and may erode investor confidence in companies with substantial operations in China, including ours. If we were unable to conduct our business as it is currently conducted as a result of such regulatory changes, our business, results of operations and financial condition would be materially and adversely affected. Similarly, there have also been concerns over unrest and terrorist threats in the Middle East, Europe and Africa and over the conflicts involving Ukraine. For example, the ongoing conflict between Russia and Ukraine has escalated geopolitical tensions in Europe and globally. The economic and trade sanctions imposed by the European Union, the United States, and other nations against Russia are likely to significantly impact the affected economies and markets.

In addition, the United States may impose further export controls, sanctions, trade embargoes, and other heightened regulatory requirements on China and Chinese companies for alleged activities both inside and outside of China. These have raised concerns that there may be increasing regulatory challenges or enhanced restrictions against China and Chinese companies, in a wide range of areas such as data security and privacy, emerging technologies, and applications that could be deployed for surveillance or military purposes, import/export of technology or other business activities. If we, our business partners or other parties that have collaborative relationships with us or our affiliates become targeted or are currently being targeted under sanctions or export control restrictions, this may result in significant interruption in our business, regulatory investigations and reputational harm to us. Media reports on alleged violations of applicable export controls, economic and trade sanctions, or data security and privacy laws, or on uses of the applications, technologies, systems or innovations that we develop for purposes which could be perceived as inappropriate or controversial, by us, our business partners or our users, even on matters not involving us, could nevertheless damage our reputation and lead to regulatory investigations, fines and penalties against us. Such fines and penalties may be significant, and if we were publicly named or investigated by any regulator on the basis of suspected or alleged violations of export control or economic and trade sanctions or data security and privacy laws and rules, even in situations where the potential amount or fine involved may be relatively small, our business could be severely interrupted and our reputation could be significantly harmed.

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We are subject to governmental economic sanctions and import and export controls laws and regulations that could subject us to liability.

We are subject to various economic and trade sanctions laws in different jurisdictions. For example, U.S. economic sanctions prohibit the provision of products and services to countries, governments, and persons targeted by U.S. sanctions. United Kingdom financial sanctions and European Union sanctions also have similar regime to prohibit the provision of products and services to countries, governments and persons on their respective target list. These types of laws and regulations may be subject to frequent changes, and their implementation, interpretation and enforcement involve substantial uncertainties, which may be heightened by potential national security concerns or other factors that are out of our control. Similar or more expansive restrictions may be imposed by different jurisdictions in the future. We will need to maintain heightened internal control and risk management policies to ensure sound compliance with such restrictions, which require significant resources and efforts. Furthermore, such potential restrictions may materially and adversely affect our and our technology partners’ abilities to acquire technologies, systems, devices or components that may be critical to business operations. Any of these developments could affect us, our customers and/or suppliers or economic conditions generally, any of which could adversely affect our business and financial condition.

Non-compliance with applicable governmental economic sanctions laws could subject us to adverse media coverage, investigations, severe administrative, civil and possibly criminal sanctions, and expenses related to remedial measures and legal expenses, which could materially and adversely affect our reputation, business, financial condition, results of operations and prospects. In addition, any Chinese companies or individuals targeted under U.S. economic sanctions may lose access to the U.S. markets and the U.S. financial system, including the ability to use U.S. dollars to conduct transactions, settle payments or to maintain correspondent accounts with U.S. financial institutions, U.S. entities and individuals may not be permitted to do business with sanctioned companies and persons, and international banks and other companies may as a matter of law and/or policy decide not to engage in transactions with such company or person.

Any failure by us or our business partners to comply with applicable anti-money laundering, anti-terrorism, anti-bribery and similar laws could lead to significant penalties and damages to our reputation, adversely affecting our operating performance, financial condition and results of operations.

Any failure by us or our business partners who work with us to comply with applicable anti-money laundering (“AML”), anti-terrorism, anti-bribery laws and regulations could lead to significant penalties and damage to our reputation. We and our business partners who work with us are often required to comply with certain AML requirements set out by regulators in the jurisdictions where we and our business partners operate. We are also subject to various AML, anti-terrorism, anti-bribery, export controls and economic and trade sanctions laws and regulations that prohibit, among other things, any involvement in transferring the proceeds of criminal activities and the import and export of controlled products and technologies. To comply effectively with such laws and regulations, we and our business partners must establish sound internal control policies and procedures with respect to AML, anti-terrorism, antibribery, export controls, economic and trade sanctions, which can require significant resources.

The policies and procedures we and our business partners have adopted may not be effectively implemented in protecting our products from being exploited for money laundering, terrorist financing, bribery and corruption, terrorism, economic and trade sanctions and other illegal purposes. If we fail to comply with AML, anti-terrorism, anti-bribery, export controls and economic and trade sanction laws and regulations, we could be subject to fines, enforcement actions, regulatory sanctions, additional compliance requirements, increased regulatory scrutiny of our business, or other penalties levied by government authorities, and damages to our reputation, all of which may adversely affect our business,

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results of operations and financial condition. Similarly, if any of our subsidiaries, employees, business partners or other persons engage in fraudulent, corrupt or other unfair business practices or otherwise violate applicable laws, regulations or internal control policies, we could become subject to one or more enforcement actions or otherwise be found to be in violation of such laws, which may result in penalties, fines or sanctions and in turn adversely affect our reputation, business, financial condition and results of operations.

The U.S. government’s China-focused Outbound Investment Program may adversely affect our business, financial condition, and results of operations.

With effect from January 2, 2025, the U.S. Department of the Treasury has implemented a rule regulating certain U.S. investments in Chinese companies active in developing certain national security technologies (the “**Outbound Investment Rule**”). The Outbound Investment Rule targets investments involving persons and entities associated with “countries of concern,” a designation currently limited to China (including Hong Kong and Macau), and imposes investment prohibitions and notification requirements on a range of investments in companies engaged in activities relating to three sectors (i.e., “prohibited transaction” and “notifiable transaction” as such terms are defined in the Outbound Investment Rule): (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) AI systems (together, “**covered activities**”). Persons from countries of concern engaged in these activities are defined as “covered foreign persons.” Investments by U.S. persons subject to the Outbound Investment Rule (“**covered transactions**”) include, among other things, equity acquisitions, certain debt financings, joint ventures and acquisitions of limited partner interests in non-U.S. funds. The Outbound Investment Rule excludes certain investments from the scope of covered transactions, including those in publicly traded securities trading on a stock exchange or in the over-the-counter markets. In particular, the U.S. Department of the Treasury has issued guidance that when a U.S. person acquires an equity interest in a covered foreign person, and at the time of such acquisition, the equity interest is publicly traded, such acquisition would be excluded from the scope of covered transactions as an acquisition of publicly traded securities. On December 18, 2025, President Trump signed into law the National Defense Authorization Act for Fiscal Year 2026, which includes the Comprehensive Outbound Investment National Security Act of 2025 (“**COINS Act**”). The COINS Act largely codifies the Outbound Investment Rule and requires the U.S. Department of the Treasury to issue new regulations relating to the Outbound Investment Rule. Among other changes, the COINS Act expands the scope of covered sectors to include high-performance computing and supercomputing as well as hypersonic systems and adds Cuba, Iran, North Korea, Russia and Venezuela to the list of countries of concern. While the COINS Act was legally enacted and effective on December 18, 2025, it is not self-executing, and it does not immediately replace or amend the Outbound Investment Rule. The COINS Act is a U.S. federal statute that provides the statutory basis of the Outbound Investment Rule. The COINS Act requires the Treasury to, within 450 days from passage, promulgate new or amended regulations (which may then amend or replace the Outbound Investment Rule) to implement the law.

We do not believe we would be deemed a covered foreign person under the Outbound Investment Rule, because we do not engage in a “covered activity” (as defined in the Outbound Investment Rule) or otherwise meet the definition of a covered foreign person provided in the Outbound Investment Rule. In addition, U.S. persons’ acquisitions of certain publicly traded securities, including the purchase of our Shares in the [REDACTED], may be exempted from the scope of covered transactions under the Outbound Investment Rule. However, there is no assurance that the U.S. Department of the Treasury will take the same view as ours. After the [REDACTED], the Outbound Investment Rule could still limit our ability to raise capital or contingent equity capital from U.S. investors as relevant laws, regulations, and policies continue to evolve, and we cannot rule out the possibility of being deemed a covered foreign person in the future due to different views taken by the U.S. Department of the Treasury, potential amendments to the Outbound Investment Rule or the introduction of similar regulations. If our ability to raise such capital is significantly and negatively affected, it could be detrimental to our business, financial condition and prospects. In such case, the value of our Shares may significantly decline, or in extreme cases, become worthless.

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We rely upon third-party licenses to develop our EV services. If licenses of third parties are inadequate, our ability to develop and commercialize our solutions could be negatively impacted.

Our EV services rely partly on licenses from third parties. While we believe these licenses enable us to develop our services and pursue our current strategies, these licenses may not provide us with the benefits we expect from them. From time to time, we may be required to license additional technology or other rights from third parties to develop our services. However, these third-party licenses may not be available to us on commercially reasonable terms or at all. Our inability to obtain third-party licenses necessary to develop services could require us to obtain substitute technology or rights at a greater cost or of lower quality or performance standards or delay solution development. Any of these results may limit our ability to develop new services, which could harm our business, financial condition and results of operations.

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

We are not a party to, and we are not aware of any threat of, any legal, arbitral or administrative proceeding involving us that, in the opinion of our management, is likely to have a material and adverse effect on our business, financial condition or results of operations, nor have we experienced any incident of non-compliance which, in the opinion of our Directors, is likely to materially and adversely affect our business, financial condition or results of operations. However, in light of the nature of our business, we and our management are susceptible to potential claims or disputes. We may from time to time be subject to or involved in various claims, disputes, lawsuits and other legal and administrative proceedings. Lawsuits and litigations may cause us to incur defense costs, utilize a significant portion of our resources and divert management's attention from our day-to-day operations, any of which could harm our business. Claims arising out of actual or alleged violations of law, breach of contract or torts could be asserted against us by customers, business partners, suppliers, competitors, employees or governmental entities in investigations and legal proceedings.

We or certain of our directors or officers may be a target for lawsuits. We cannot assure you that we or our directors or officers will be able to prevail in their defense or reverse any unfavorable judgment on appeal, and we and our directors or officers may decide to settle lawsuits on unfavorable terms. Any adverse outcome of these cases, including any plaintiffs' appeal of the judgment in these cases, could result in payments of substantial monetary damages or fines, or changes to our business practices, and thus materially and adversely affect our business, financial condition, results of operation, cash flows and reputation. Moreover, even if we or our directors or officers eventually prevail in these matters, we could incur significant legal fees or suffer significant reputational harm. We also may be subject to claims for indemnification related to these matters, and we cannot predict the impact that indemnification claims may have on our business or financial performance.

Our business depends substantially on the continued efforts of our executive officers, management and key employees and our business may be severely disrupted if we lose their services.

Our success depends substantially on the continued efforts of our executive officers, management and key employees. The execution of our growth strategy and our future performance and development depend, to a significant extent, on the abilities, experience and efforts of our management. Any loss of service of our management can significantly delay or prevent us from achieving our strategic business objectives, and adversely affect our business, financial condition and operating results.

Additionally, the EV service industry is characterized by high demand and intense competition for talent. As we build our brand and become more well-known, the risk that competitors or other companies may poach our talent increases. We also require sufficient talent in areas such as software development. In order to compete for talents, we may need to offer higher compensation, better training and more attractive career opportunities, employees share incentives schemes and other benefits to our

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employees, which may be costly and time-consuming. We cannot assure you that we will be able to attract or retain qualified staff or other highly skilled employees. Furthermore, as our Company is relatively young, our ability to train and integrate new employees into our operations may not meet the growing demands of our business, which may materially and adversely affect our ability to grow our business and our results of operations. If we lose the services of any key senior management member or employee, we may not be able to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could severely impact our business and prospects. The loss of the services of one or more of our key employees, especially our key technical personnel with the appropriate qualifications and experience, or our inability to attract and retain qualified technical personnel, could harm our business, financial condition and results of operations.

If any of our executive officers or key employees joins a competitor or forms a competing company, we may lose customers, know-how and key professionals and staff members. Each of our executive officers and key employees has entered into an employment agreement with confidentiality, intellectual property and non-competition provisions with us. However, if any dispute arises between our executive officers or key employees and us, the noncompetition provisions contained in their non-compete agreements may not be enforceable, especially in China, where these executive officers reside, on the ground that we have not provided adequate compensation to them for their non-competition obligations, which is required under relevant PRC laws.

Our operations could be subject to natural disasters, health epidemics and other business disruptions, which could have a material adverse effect on our business, results of operation and financial condition.

Our business could be adversely affected by natural disasters or outbreaks of epidemics. These natural disasters, outbreaks of contagious diseases and other adverse public health developments in any market where we operate could severely disrupt our business operations by damaging our technology infrastructure or information technology system or impacting the productivity of our workforce, which may adversely affect our financial condition and results of operations.

In order to comply with environmental laws and regulations, we may need to modify our activities or incur substantial costs, and if we fail to comply with environmental regulations we could be subject to substantial fines or be required to have our suppliers alter their processes.

To identify, manage, and mitigate ESG risks, we may incur additional costs and expenses which could impact our financial performance. Given the nature of our business, we do not produce any material emissions, waste and pollutions. Nonetheless, we monitor environmental and climate-related risks that may impact on our business, strategy and financial performance and evaluate the magnitude of the resulting impact over the short-, medium- and long-term horizons. We monitor a wide range of indicators such as power consumption, emission of greenhouse gas, water consumption and waste generation to manage our environmental and climate-related risks arising from our operations and are committed to providing adequate support to our employees to nurture a friendly and inspirational corporate culture. This commitment may entail incurring substantial additional costs and would potentially impact our profitability. See “Business — Environmental, Social and Governance.”

In addition, the increasing ESG-related regulatory requirements, including various ESG disclosure mandates in the jurisdictions where we operate, may lead to rising compliance costs. Failure to adapt to new regulations or meet evolving industry expectations and standards could result in customers choosing products and services from other companies, which may materially and adversely affect our results of operations and financial conditions.

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RISKS RELATED TO DOING BUSINESS IN THE JURISDICTIONS WHERE WE OPERATE

Changes in the economic, political and social conditions, as well as government policies, laws and regulations, in the jurisdictions where we operate could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Our results, financial position and prospects are subject, to a significant degree, to the economic, political and legal developments of the jurisdictions where we operate. Political and economic policies of the jurisdictions where we operate could affect our business and financial performance and may result in our being unable to sustain our growth.

In recent years, the jurisdictions where we operate implemented a series of laws, regulations and policies which imposed stricter standards with respect to, among other things, quality and safety control, and supervision, cybersecurity and data security. If the jurisdictions where we operate continue to impose stricter regulations on our industry, we could face higher costs in order to comply with those regulations, which may impact our profitability. In addition, from time to time, the central and local governments in the jurisdictions where we operate may introduce various new laws, regulations and policies or further amend existing laws, regulations and policies. If such laws, regulations and policies relate to the EV industry, our relevant business operations may be affected and we may need to adjust our business in accordance with the new or amended laws, regulations and policies.

A slowdown in the global or Chinese economy or the recurrence of any financial disruptions may have a material and adverse impact on financings available to us. The weakness in the economy could erode investors’ confidence, which constitutes the basis of the equity markets. A financial turmoil affecting the financial markets and banking system may significantly restrict our ability to obtain financing in the capital markets or from financial institutions on commercially reasonable terms, or at all.

Failure to respond to changes in the regulatory environment in the jurisdictions where we operate could have a material adverse effect on our business, results of operations and financial condition.

The legal systems in the jurisdictions where we operate continue to evolve, in response to changing economic and other conditions. We cannot predict the effect of future legislative developments, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the preemption of local regulations by national laws.

We may be subject to additional regulatory requirements relating to new laws and regulations in connection with overseas [REDACTED] issued by PRC government authorities.

On February 17, 2023, the CSRC issued the Trial Measures for the Administration on Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and five supporting guidelines, which came into effect on March 31, 2023 (the “**Overseas Listing Regulations**”). The Overseas Listing Regulations are applicable to overseas securities offering and listing conducted by issuers who are (i) companies incorporated in the PRC and (ii) companies incorporated overseas with substantial operations in the PRC. The Overseas Listing Regulations lay out the arrangements for regulatory filings for both direct and indirect overseas offerings, and clarify the determination criteria for indirect overseas offerings in overseas markets. The Overseas Listing Regulations stipulate that such issuer shall fulfill the filing procedures within three working days after it makes an application for offering and listing in an overseas stock market. According to the Overseas Listing Regulations, we, as a PRC domestic company seeking to [REDACTED] and [REDACTED] in overseas markets, are required to fulfill the filing procedure with the CSRC within three working days after submitting the [REDACTED] documents to the overseas supervisory authorities and report relevant information. For details, see “Regulatory Overview— Regulations on Securities and Overseas [REDACTED]” in this document.

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The Overseas Listing Regulations may subject us to additional compliance requirements in the future, and we cannot assure you that we will be able to get clearance of our filing procedures under the Overseas Listing Regulations on a timely basis, or at all. Any failure on our part to fully comply with the new regulatory requirements may significantly limit or completely hinder our ability to continue to sell our [REDACTED] to investors, cause significant disruption to our business operations, and severely damage our reputation, which could affect our financial condition and results of operations and cause our [REDACTED] to decline in value or become worthless.

We may be subject to the approval, filing or other requirements of the CSRC or other PRC governmental authorities in connection with future capital raising activities.

We cannot assure you that any new rules or regulations promulgated in the future will not impose additional requirements or restrictions on us or our financing activities. If it is determined in the future that approval from or filing with the CSRC or other regulatory authorities or other procedures are required, and we fail to obtain such approval, perform such filing procedures or meet such other requirements in a timely manner or at all, we may face sanctions by the CSRC or other PRC regulatory authorities for failure to obtain such approval or other government authorization, or perform filing procedures, for this [REDACTED] or our future financing activities, and these regulatory authorities may impose fines and penalties on us, limit our operating activities in the PRC, limit our ability to pay dividends outside the PRC, delay or restrict the repatriation of the [REDACTED] from the [REDACTED] into the PRC or take other actions to restrict our financing activities, which could have a material adverse effect on our business.

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

We are a company incorporated under the laws of the PRC. The majority of our Directors and executive officers reside in China, and substantially all of the assets of such Directors and executive officers are located in China. As a result, it may not be possible for you to effect service of process within the United States or elsewhere outside China upon us or such Directors or executive officers, including with respect to matters arising under U.S. federal securities laws or applicable state securities laws. While China and Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region which came into effect on January 29, 2024, pursuant to which any party concerned may apply to the relevant PRC court or Hong Kong court for recognition and enforcement of the effective judgments in civil and commercial cases subject to the conditions set forth therein, there are still uncertainties as to whether the judgments in Hong Kong will be recognized under the arrangement. Moreover, China has not entered into a treaty for the reciprocal recognition and enforcement of court judgments with the United States, the United Kingdom, Japan and many other countries. In addition, Hong Kong has no arrangement with the United States for reciprocal enforcement of judgments. As a result, recognition and enforcement in China or Hong Kong of a court judgment obtained in the United States and any of the other jurisdictions mentioned above may be difficult or impossible.

Although we will be subject to the Listing Rules and the Takeovers Code upon [REDACTED] of our H Shares on the Hong Kong Stock Exchange, the holders of H Shares will not be able to bring actions on the basis of violations of the Listing Rules and must rely on the Hong Kong Stock Exchange to enforce its rules. The Listing Rules and the Takeovers Code do not have the force of law in Hong Kong.

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A failure to obtain all of the requisite permits, licenses or to make all of the requisite filings or registrations or meeting other regulatory requirements for operating EVs or for the EV-related businesses in China by us or any third-party service provider who cooperates with us may subject us to fines or other administrative actions.

We are subject to a number of permit, license, filing and other regulatory requirements in the EV industry. 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). Our Directors, as advised by our PRC Legal Adviser, confirm that, as of the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant PRC authorities for our operations in China that are material to our business. However, as the EV industry is at an early stage of development in China, the legislations continue to evolve and there are currently no national laws or regulations specifically regulating the EV industry, except Regulations on Access Management of New Energy Vehicle Manufacturers and Products (Revised in 2020) (《新能源汽車生產企業及產品准入管理規定》(2020年修訂)).

As a result of the inconsistency in local rules and their interpretation and implementation, the early stage of the EV industry and the fast expansion of our business, we have not obtained, made or timely renewed all of the requisite permits, licenses, filings or registrations for our business operations or fully complied with all other regulatory requirements applicable in the cities in which we currently operate our business. In addition, some of our material permits and licenses have a fixed term and are subject to periodic renewal, such as the Road Transport Operation License (道路運輸經營許可證). As of the Latest Practicable Date, these licenses and permits were and remained valid, and we were not aware of any circumstances that may lead to the revocation of any licenses and permits. We cannot assure you that we will obtain or successfully renew all of the requisite permits and/or licenses, make all of the requisite filings or registrations or set up all necessary branches in a timely manner, or comply with all other regulatory requirements in the future. Moreover, we cannot assure you that all the third-party service providers engaged by us have met all such regulatory requirements, which may subject us to fines and other administrative actions. Government authorities at various levels may promulgate new regulations or rules, or change their interpretation or implementation of existing regulations and rules, which may subject us to new regulatory requirements that we may not be able to meet in a timely manner, or at all.

Penalties arising from failure to obtain or renew any required permits, licenses or filings in a timely manner or at all or comply with any existing or future laws and regulations generally include confiscation of income, fines, suspension of business and revocation of required licenses.

Our business is subject to a variety of laws, regulations, rules, policies, and other obligations regarding privacy, data protection, and cybersecurity. Any losses, unauthorized access, or releases of confidential information or personal information could subject us to significant reputational, financial, legal, and operational consequences.

We are subject to numerous laws and regulations that address privacy, data protection, and the collection, storage, utilization, transferring, disclosure, and deletion of certain types of data. See “Regulatory Overview” for laws, rules, and regulations applicable to us, including the PRC Cybersecurity Law (《中華人民共和國網絡安全法》) effective in June 2017, the PRC Data Security Law (《中華人民共和國數據安全法》) effective in September 2021, the Several Provisions on Safety Management of Automobile Data (Trial) (《汽車數據安全管理若干規定(試行)》) effective in October 2021, and the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》) effective in November 2021. Interpretation, application, and enforcement of these laws, rules, and regulations evolve from time to time and their scope may continually change through new legislation, amendments to existing legislation, and changes in enforcement. We have incurred, and will continue to incur,

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expenses in an effort to comply with privacy, data protection, and cybersecurity standards and protocols imposed by laws, regulations, national and industry standards, or contractual obligations. Changes in existing laws or regulations or adoption of new laws and regulations relating to privacy, data protection, and cybersecurity, particularly any new or modified laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, protection, transfer, disclosure, or deletion, could greatly increase the cost to us of providing our service offerings or require significant changes to our operations.

Despite our efforts to comply with applicable laws, regulations, and other obligations relating to privacy, data protection, and cybersecurity, it is possible that our practices, offerings, or platform could fail to meet the requirements imposed on us by such laws, regulations, or obligations. Any failure on our part to comply with applicable laws or regulations or any other obligations relating to privacy, data protection, or cybersecurity, or any compromise of security that results in unauthorized access, use, or release of personally identifiable information or other data, or the perception or allegation that any of the foregoing types of failure or compromise has occurred, could damage our reputation, discourage new and existing users from using our platform, or result in investigations, fines, suspension of business, or other penalties by government authorities and private claims or litigation, any of which could materially and adversely affect our business, financial condition, and results of operations. Even if our practices are not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm our reputation and brand and affect our business, financial condition, and results of operations.

In addition, pursuant to the Measures for Cybersecurity Review (《網絡安全審查辦法》) effective on February 15, 2022, a critical information infrastructure operator purchasing network products and services, and platform operators carrying out data processing activities, which affect or may affect national security, must apply for cybersecurity review and that a platform operator with more than one million users’ personal information aiming to list abroad must apply for cybersecurity review. As of the Latest Practicable Date, we had not been notified or identified as a critical information infrastructure operator by any domestic authority responsible for critical information infrastructure security protection. To ascertain whether we are required to initiate a submission for cybersecurity review in connection with the [REDACTED] under the Measures for Cybersecurity Review, on December 12, 2025, we made a real-name telephone consultation with the China Cybersecurity Review Technology and Certification Center (網絡安全審查技術與認證中心) (now known as China Cybersecurity Review, Certification, and Market Regulation Big Data Center), the authority responsible for accepting applications for cybersecurity review and conducting formality review under the guidance of the Cybersecurity Review Office of the CAC, and received feedback that the Measures for Cybersecurity Review requires a company to initiate a submission for cybersecurity review if, among other factors, it aims to list abroad, and a proposed listing in Hong Kong is not deemed as listing abroad. Based on the foregoing consultation, we believe that we are not required to initiate a submission for cybersecurity review in connection with the [REDACTED] under the Measures for Cybersecurity Review. On September 30, 2024, the State Council promulgated the Cyber Data Security Administrative Regulation (網絡數據安全管理條例) (the “**Cyber Data Security Regulation**”), which became effective on January 1, 2025. The Cyber Data Security Regulation provides that cyber data processors whose cyber data processing activities affect or may affect national security shall be subject to national security review in accordance with the relevant regulations. Given that the meaning of activities that “affect or may affect national security” under current PRC laws and regulations requires further clarification from the competent authorities, and the identification of “critical information infrastructure operators” and the scope of “network products and services” and “data processing activities that affect or may affect national security” are subject to further clarification and interpretation by the competent authorities, we cannot assure you that we will not be subject to the cybersecurity review or that new rules or regulations promulgated in the future will not impose additional compliance requirements on us.

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On August 16, 2021, the CAC, NDRC, MIIT, the Ministry of Public Security and the Ministry of Transport jointly issued the Several Provisions on the Management of Automobile Data Security (for Trial Implementation) (《汽車數據安全管理若干規定(試行)》) (“**Several Provisions on Automobile Data**”), which took effect on October 1, 2021. The Several Provisions on Automobile Data define the terms such as “automobile data”, “automobile data processors”, “personal information”, “sensitive personal information” and “important data”. If any data that we possess belongs to data categories that are subject to heightened scrutiny, we may be required to adopt stricter measures for the protection and management of such data. Under the Several Provisions on Automobile Data, automobile data processors shall obtain individual consent for processing personal information or rely on other legal bases in accordance with applicable laws and regulations. Where the automobile data processors collect data containing images of people outside the vehicle and transmit the data out of the vehicle for the purpose of improving driving safety, such personal information shall be anonymized if it is not possible to obtain the consent of these people. In addition, important data shall be stored domestically, and the automobile data processor shall undergo a safety assessment by the CAC and relevant ministries of the State Council if such data needs to be provided outside China due to business needs. The Several Provisions on Automobile Data require automobile data processors of important data to (i) conduct risk assessment in accordance with the regulations and submit risk assessment reports to relevant departments at provincial levels; and (ii) report annually to such departments in relation to the information on automotive data security management.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material data incidents that would materially and adversely impact our results of operations and financial condition. However, the laws and regulations regarding privacy and data protection in China are generally complex and evolving, and further regulatory development may subject us to additional regulatory requirement. As such, we cannot assure you that our privacy and data protection measures are, and will be, always considered sufficient under applicable laws and regulations. Additionally, the integrity of our privacy and data protection measures is also subject to system failure, interruption, inadequacy, security breaches or cyber-attacks. Any actual or alleged failure of us to comply with applicable laws and regulations on cybersecurity, data privacy and personal information protection, or any other concerns about our practice with respect to data privacy and protection could damage our reputation, deter existing and potential customers from using our products and services and could subject us to significant legal, financial and operational consequences. Moreover, any failure to comply with applicable data laws and regulations, and any leakage of customer data by our channel partners, whether or not such incidents are by our fault, could subject us to adverse publicity, which could be detrimental to our reputation and brand image.

Any failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.

Companies operating in the PRC are required to participate in various employee benefit plans, including pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing provident fund and contribute to the amounts equal to a certain percentage of salaries, including bonuses and allowances, of their employees up to a maximum amount specified by the local government from time to time at locations where they operate their business. The requirement of employee benefit plans has not been implemented consistently by the local governments in China given the different levels of economic development in different locations. We cannot assure you that we will be able to comply with all laws and regulations related to employee benefit plans, including those relating to obligations to make social insurance payments and contribute to the housing provident funds in the PRC. We had not been subject to any administrative penalties relating to social insurance and housing provident fund in the PRC during the Track Record Period and up to the Latest Practicable Date. Despite our compliance efforts, as the interpretation and implementation of labor-related laws and regulations are still evolving, our employment practices may violate labor-related laws and regulations in the jurisdictions where we operate, which may subject us to labor disputes or government investigations. In general, compliance with the different labor-related

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laws and their respective implementation rules may increase our operating expenses, in particular our personnel expenses. If we are deemed to have violated the relevant labor laws and regulations, we could be subject to fines and penalties or be required to provide additional compensation to our employees. Our business, financial condition, results of operations and reputation may be adversely affected as a result.

If property rental costs increase significantly in the cities we currently have operations or we are unable to find suitable locations to expand our service network at a reasonable cost, our results of operations will be adversely impacted.

We plan to open more service centers in markets where we have a presence and to expand into additional cities to further grow our business. To operate our business, we need to rent premises of offices and storages, and service facilities at suitable locations. We may not be successful in identifying and leasing additional properties at desirable locations and on commercially reasonable terms, or at all. In addition, we may not be able to renew our current lease agreements after expiration or secure replacement properties with reasonably commercial terms, or at all. In such cases, our ability to execute our growth strategy could be impaired and our business, results of operations and prospects may be adversely affected. As of the Latest Practicable Date, we leased 78 properties for business operations in the PRC. If property rental costs increase significantly, our results of operations may be adversely affected.

If our rights to lease certain properties and the use of leased premises are challenged, our business operations may be adversely affected.

We rely on leases with third parties who either own the properties or lease the properties from the ultimate property owner. As of the Latest Practicable Date, lessors had failed to provide us with their property title certificates or proof of authorizations from the property owners for 64 leased properties in China. Where the lessors do not have the proper legal right to lease the properties, the corresponding lease agreements may be deemed invalid. Furthermore, some properties may not be designated for commercial use. If we are not adequately indemnified by the lessors for any potential losses, our business may be adversely affected. If any of the properties we lease from the third parties have been mortgaged by the owners prior to leasing to us, we may not be able to continue using such properties if the mortgage is foreclosed. Accordingly, if these lessors do not have the appropriate titles to the properties or necessary approvals from the ultimate owners, or if the mortgage over the leased properties is foreclosed, we may be unable to continue to operate the affected properties or incur additional costs associated with such operations. Moreover, if our lease agreements are challenged by third parties, it could result in diversion of management attention and cause us to incur costs associated with defending such actions, even if such challenges are ultimately determined in our favor.

Some of the lease agreements of our leased properties not registered with the relevant PRC government authorities as required by PRC laws may subject us to penalties.

Under PRC law, all lease agreements are required to be registered with the local land and real estate administration bureau. Although failure to do so does not in itself affect the validity of the leases, the lessees may be exposed to potential fines if they fail to ratify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. As of the Latest Practicable Date, we had not yet completed the registration of 75 lease contracts within the prescribed time pursuant to applicable PRC laws and regulations. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. In the event that any fine is imposed on us for our failure to register our lease agreements, we may not be able to recover such losses from the lessors.

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Changes in currency conversion policies may adversely affect the value of your investment.

We may convert a portion of our revenue into other currencies to meet our foreign currency obligations. Under the existing PRC foreign exchange regulations, foreign exchange transactions under the current account conducted by us, including the payment of dividends, can be made in foreign currencies without prior approval of SAFE by complying with certain procedural requirements and conducting such transactions at designated foreign exchange banks within the PRC that have the licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account, however, normally need to be approved by or registered with the SAFE or its local branch unless otherwise permitted by law. Any insufficiency of foreign exchange may restrict our ability to obtain sufficient foreign exchange for dividend payments to Shareholders or satisfy any other foreign exchange obligations. If we do not meet the procedural approvals in respect of the foreign exchange administration, our potential offshore capital expenditure plans and even our business may be materially and adversely affected.

Payment of dividends may be subject to restrictions under the PRC laws

Under PRC law, dividends may be paid only out of distributable profit. Our distributable profit is our profit as determined under PRC GAAP or IFRS, whichever is lower, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make. As a result, we may not have sufficient or any distributable profit to enable us to make dividend distributions to our Shareholders, including in years in which we are profitable. Any distributable profit not distributed in a given year is retained and available for distribution in subsequent years.

Moreover, as the calculation of distributable profits under PRC GAAP is different from the calculation under IFRS in certain respects, our subsidiaries may not have distributable profits as determined under PRC GAAP, even if they have profits for that year as determined under IFRS, or vice versa. Accordingly, we may not receive sufficient distributions from our subsidiaries. Failure by our subsidiaries to pay dividends to us could have a negative impact on our cash flows and our ability to distribute dividend to our Shareholders in the future, including those periods in which our financial statements indicate that our operations have been profitable.

You may be subject to PRC taxation.

Non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to dividends received from us or gains realized upon the sale or other disposition of our H Shares in accordance with applicable PRC tax laws, rules and regulations. Pursuant to the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》), non-PRC resident individuals are subject to a 20% PRC individual income tax on their dividend income derived from China and we are required to withhold such tax from our dividend payments. If there is an applicable tax treaty to avoid double taxation and taxation evasion between China and the jurisdiction where the foreign individual resides, the applicable tax rate shall be determined in accordance with such tax treaty. According to the Circular of the Ministry of Finance and the State Administration of Taxation on Issues Concerning Individual Income Tax Policies (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》), income received by individual foreigners from dividends and bonuses of a foreign-invested enterprise are exempt from individual income tax for the time being. According to the Circular Declaring that Individual Income Tax Continues to Be Exempted over Individual Income from Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) issued by the MOF and the SAT and effective as of March 30, 1998, income from individuals' transfer of stocks of listed companies shall continue to be temporarily exempted from individual income tax. On February 3, 2013, the State Council approved and promulgated the Circular of Suggestions to Deepen the Reform of System of Income Distribution (《關於深化收入分配制度改革若干意見的通知》). On February 8, 2013, the General Office of the State Council promulgated the Circular Concerning Allocation of Key Work to Deepen the Reform of System of Income Distribution (《關於深化收入分配制度改革重點工作分工的通

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知》). According to these two circulars, the PRC government is planning to cancel foreign individuals’ tax exemption for dividends obtained from foreign-invested enterprises, and the MOF and the SAT should be responsible for making and implementing details of such plan. However, relevant implementation rules or regulations have not been promulgated by the MOF and the SAT. There remains uncertainty as to whether gains realized by non-PRC resident individuals on disposition of H Shares are subject to PRC individual income tax.

Pursuant to the PRC Enterprise Income Tax Law, or EIT Law, (《中華人民共和國企業所得稅法》) and other applicable PRC tax rules and regulations, non-PRC resident enterprises that do not have establishments or premises in the PRC, or have establishments or premises in the PRC but their income is not related to such establishments or premises are subject to a 10% PRC enterprise income tax rate on dividend income received from a PRC company and gains realized upon the sale or other dispositions of equity interest in a PRC company. The 10% tax rate is subject to reduction under any special arrangements or applicable treaties between China and the jurisdiction where the non-resident enterprise domiciles.

There remains substantial uncertainty as to the interpretation and implementation of the PRC tax laws and regulations by the PRC tax authorities, including whether and how non-PRC resident H shareholders are subject to individual income tax on gains realized upon the sale or other dispositions of their H shares. In addition, the value of your investment in our H Shares may be materially affected by unfavorable changes in the applicable tax rates currently stipulated by the PRC tax authorities.

RISKS RELATED TO THE [REDACTED]

There has been no prior public market for our H Shares. An active trading market may not develop and the liquidity of our H Shares may be limited.

Prior to the completion of the [REDACTED], there has been no public market for our H Shares. There can be no guarantee that an active trading market for our H Shares will develop or be sustained after the completion of the [REDACTED]. The [REDACTED] is the result of negotiations between our Company and the Joint Sponsors, the [REDACTED] and the [REDACTED] (for themselves and on behalf of the [REDACTED]), which may not be indicative of the price at which our H Shares will be traded following completion of the [REDACTED]. The market price of our H Shares may drop below the [REDACTED] at any time after completion of the [REDACTED].

The price and trading volume of our H Shares may be volatile, which could result in substantial losses for investors purchasing our H Shares in the [REDACTED].

The price and trading volume of our H Shares may be volatile. The market price of our Shares may fluctuate significantly and rapidly as a result of the following factors, among others, some of which are beyond our control:

- actual or anticipated variations of our results of operations;
- loss of our third-party suppliers;
- changes in securities analysts’ estimates or market perception of our financial performance;
- announcement by us of significant acquisitions, dispositions, strategic alliances or joint ventures;
- addition or departure of key senior management or other key personnel;
- fluctuations in the stock market price and volume;
- regulatory or legal developments, including involvement in litigations;

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- fluctuations in trading volumes or the release of lock-up or other transfer restrictions on our outstanding Shares or sales of additional Shares by us; and
- general economic, political and stock market conditions.

In addition, stock markets and the shares of other companies listed on the Stock Exchange with significant operations and assets in the PRC have experienced price increases and volume fluctuations in recent years, some of which have been unrelated or disproportionate to the operating performance of such companies. These broad market and industry fluctuations may materially and adversely affect the market price of our Shares.

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

The market price of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or anticipated sales, of substantial amounts of our securities, including any future offerings, could also materially and adversely affect our ability to raise capital at a specific time and on terms favorable to us. In addition, our Shareholders may experience dilution in their holdings if we issue more securities in the future. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares.

Moreover, our [REDACTED] Shares may be converted into H Shares and such converted H Shares may be [REDACTED] or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted shares, the requisite internal approval processes have been duly completed and the approval from the relevant PRC regulatory authorities, including the CSRC, have been obtained. In addition, such conversion, trading and [REDACTED] must comply with the regulations prescribed by the State Council’s securities regulatory authorities and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. Such conversion could increase the supply of H Shares in the market, and future sales, or perceived sales, of the converted H Shares may materially and adversely affect the trading price of H Shares.

Purchasers of our H Shares in the [REDACTED] will experience immediate dilution and may experience further dilution if we issue additional Shares in the future.

If the [REDACTED] of our H Shares is higher than the net tangible book value per H Share of our H Shares immediately prior to the [REDACTED], purchasers of our H Shares in the [REDACTED] will experience an immediate dilution in [REDACTED] net tangible book value. If we issue additional H Shares in the future, purchasers of our H Shares in the [REDACTED] may experience further dilution in their shareholding percentage.

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our Shares, the market price and trading volume of our Shares may decline.

The trading market for our Shares will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of the analysts who cover us downgrade our Shares, the price of our Shares would likely decline. If one or more of these analysts cease coverage of our Company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

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

There is no assurance as to whether we will pay dividends in the future. Declaration and distribution of dividends shall be proposed and formulated by our Board of Directors at their discretion and will be subject to shareholder approval. A decision to declare or to pay any dividends and the amount of any dividends will depend on various factors, including, without limitation, our results of operations, financial condition, operating and capital expenditure requirements, distributable profits, future prospects and other factors that our Board of Directors may determine are important. Accordingly, our dividend distribution, if any, is not indicative of any future dividend distribution policy and potential investors should be aware that the amount of dividends paid, if any, should not be used as a reference or basis upon which future dividends are determined. For details, see “Financial Information — Dividends” in this document.

Certain statistics contained in this document are derived from a third party report and publicly available official sources. There can be no assurance of the accuracy or completeness of certain facts, forecasts and other statistics obtained from various government publications, market data providers and other independent third-party sources, including the industry expert reports, contained in this document.

Certain facts, forecasts and other statistics relating to the commercial EV management industry contained in this document, particularly in “Industry Overview” have been derived from various public data sources and other independent third-party sources, as well as the Frost & Sullivan Report. We believe that the sources of the information are appropriate sources for such information, and we have taken reasonable care in extracting and reproducing such information.

However, information from publicly available government and official sources and other independent third-party sources and publications has not been independently verified by us, the [REDACTED] or any of their respective affiliates or advisers. Furthermore, any facts, forecasts, and other statistics from such sources may not be prepared on a comparable basis or may not be consistent with other sources. In addition, certain facts, forecasts and other statistics have been taken from publicly available government and official sources or statements. We cannot assure you of the accuracy or completeness of certain facts, forecasts and other statistics contained in this document that are obtained from various publicly available government and official sources and other independent third-party sources and publications. Neither we nor the [REDACTED] or any of their respective affiliates or advisers are responsible for the accuracy, reliability or completeness of the information from such publicly available government and official sources. For these reasons, you should not place undue reliance on such information as a basis for making your investment in our Shares. You should carefully consider the importance placed on such information or statistics.

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

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as “anticipate,” “believe,” “could,” “going forward,” “intend,” “plan,” “project,” “seek,” “expect,” “may,” “should,” “would” or “will” and similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this document, whether as a result of new

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information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

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

Prior to the publication of this document, there has been coverage in the media regarding us and the [REDACTED], which contained among other things, certain financial information, projections, valuations and other forward-looking information about us and the [REDACTED]. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for the accuracy or completeness of such media coverage or forward-looking statements. We make no representation as to the appropriateness, accuracy, completeness or reliability of any information disseminated in the media. We disclaim any information in the media to the extent that such information is inconsistent or conflicts with the information contained in this document. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this document only and should not rely on any other information.

WAIVERS

In preparation for the [REDACTED], we have sought the following waivers from strict compliance with the Listing Rules.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 and Rule 19A.15 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have sufficient management presence in Hong Kong for the purposes of Rule 8.12 and Rule 19A.15 of the Listing Rules.

Our Group’s management headquarters, senior management, business operations and assets are primarily based outside Hong Kong, in mainland China. The Directors consider that the appointment of executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole.

Accordingly, we have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules. We will ensure that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

- (a) pursuant to Rule 3.05 of the Listing Rules, our Company has appointed and will continue to maintain two authorized representatives who shall act at all times as the principal channel of communication with the Stock Exchange. Each of our authorized representatives will be readily contactable by the Stock Exchange by telephone, facsimile and/or e-mail to deal promptly with enquiries from the Stock Exchange. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange. At present, our two authorized representatives are Mr. Jian Wang (王建), our executive Director, and Ms. Leung Chi Ching Jacqueline (梁芷晴), our joint company secretary;
- (b) pursuant to Rule 3.20 of the Listing Rules, each Director will provide his/her contact information (including their mobile phone numbers, office phone numbers and e-mail addresses (if available)) to the Stock Exchange and to the authorized representatives. This will ensure that the Stock Exchange and the authorized representatives should have means for contacting all Directors promptly at all times as and when required;
- (c) we will endeavor to ensure that each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period;
- (d) pursuant to Rule 3A.19 of the Listing Rules, our Company has retained the services of Altus Capital Limited as compliance adviser (the “**Compliance Adviser**”), who will act as an additional channel of communication with the Stock Exchange. The Compliance Adviser will provide our Company with professional advice on ongoing compliance with the Listing Rules. We will ensure that the Compliance Adviser has prompt access to our Company’s authorized representatives and Directors. In turn, they will provide the Compliance Adviser with such information and assistance as the Compliance Adviser may need or may reasonably request in connection with the performance of the Compliance Adviser’s duties. The Compliance Adviser will also provide advice to our Company when consulted by our Company in compliance with Rule 3A.23 of the Listing Rules; and
- (e) meetings between the Stock Exchange and the Directors can be arranged through the authorized representatives or the Compliance Adviser, or directly with the Directors within a reasonable time frame. We will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives, the Directors and/or the Compliance Adviser in accordance with the Listing Rules.

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WAIVER IN RELATION TO JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

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

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing “relevant experience”, the Stock Exchange will consider the individual’s:

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

We propose to appoint Mr. Jian Wang (王建) of the Company and Ms. Leung Chi Ching Jacqueline (梁芷晴) as our joint company secretaries. See the section headed “Directors and Senior Management — Joint Company Secretaries” for their biographies.

Ms. Leung Chi Ching Jacqueline (梁芷晴) has been an associate member of the Chartered Governance Institute in the United Kingdom and the Hong Kong Chartered Governance Institute, and therefore meets the qualification requirements under Note 1 to Rule 3.28 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules.

The Company’s principal business activities are outside Hong Kong. We believe that it would be in the best interests of our Company and the corporate governance of our Group to have as its joint company secretary a person such as Mr. Wang, who has been an employee of the Company and who has day-to-day knowledge of the Company’s affairs. Mr. Wang has the necessary nexus to the Board and close working relationship with management of our Company in order to perform the function of a joint company secretary and to take the necessary actions in the most effective and efficient manner.

Accordingly, while Mr. Wang does not possess the academic or professional qualifications required of a company secretary under Rules 3.28 and 8.17 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Ms. Leung may be appointed as a joint company secretary of our Company.

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The waiver [was granted] for a three-year period from the [REDACTED] on the conditions that: (i) Ms. Leung is appointed as a joint company secretary to assist Mr. Wang in discharging his functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules; the waiver will be revoked immediately if Ms. Leung, during the three-year period, ceases to provide assistance to Mr. Wang as a joint company secretary; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by our Company. In addition, Mr. Wang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance his knowledge of the Listing Rules during the three-year period from the [REDACTED]. Our Company will further ensure that Mr. Wang has access to the relevant training and support that would enhance his understanding of the Listing Rules and the duties of a company secretary of an issuer [REDACTED] on the Stock Exchange. Before the end of the three-year period, the qualifications and experience of Mr. Wang and the need for on-going assistance of Ms. Leung will be further evaluated by our Company. We will liaise with the Stock Exchange to enable it to assess whether Mr. Wang, having benefited from the assistance of Ms. Leung for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

WAIVER IN RELATION TO THE DISCLOSURE REQUIREMENTS WITH RESPECT TO CHANGES IN SHARE CAPITAL

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements of paragraph 26 of Part A of Appendix D1A to the Listing Rules in respect of disclosing the particulars of any alterations in the capital of any member of our Group within two years immediately preceding the issue of this document.

As of the Latest Practicable Date, we have 195 subsidiaries globally. It would be unduly burdensome for us to disclose the required information in respect of all of its subsidiaries as our Company would have to incur additional costs and devote additional resources in compiling and verifying the relevant information for such disclosure, which would not be material nor meaningful to the investors. The non-disclosure of such information will not prejudice the interests of our Shareholders or potential investors.

We have identified nine entities that we consider are the major subsidiaries that are of strategic importance to us or have made material contributions to the track record results of our Group (the “**Major Subsidiaries**”, and each a “**Major Subsidiary**”). For further details, see “History, Development and Corporate Structure — Our Major Subsidiaries”. By way of illustration, (i) the aggregate revenue of our Company and the Major Subsidiaries (before intercompany eliminations) represented approximately 71%, 75% and 75% of our total revenue, for the years ended December 31, 2023, 2024 and 2025, respectively; and (ii) the aggregate total assets of our Company and the Major Subsidiaries (before intercompany eliminations) represented approximately 70%, 70% and 66% of our total assets, as of December 31, 2023, 2024 and 2025, respectively. None of the non-Major Subsidiaries individually contributed more than 5% of the Group’s revenue or total assets during the Track Record Period, or held any material intellectual property that we consider to be or may be material to our business. Accordingly, we consider that the Major Subsidiaries are representative of our overall operations and financial results, and the remaining subsidiaries in our Group are not significant to the overall operations and financial results of our Group.

Particulars of the changes in the share capital of our Company and the Major Subsidiaries have been disclosed in “Statutory and General Information — A. Further Information about our Group — 2. Changes in the Share Capital of Our Company” and “Statutory and General Information — A. Further Information about our Group — 3. Changes in the Share Capital of Our Major Subsidiaries” in Appendix IV.

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Ms. Haiying Zhang (張海瑩)	Xinyuege, Dongfang Xinyueju Shixia North 2nd Street Shenzhen Guangdong Province PRC	Chinese
Mr. Pinglu Kang (康平陸)	No. 2-1 Langshan Road, Nanshan District Shenzhen Guangdong Province PRC	Chinese
Mr. Jian Wang (王建)	Hefeng Court Huizhong Mingyuan No. 99 Dengliang Road Nanshan District Shenzhen Guangdong Province PRC	Chinese
Non-executive Directors		
Mr. Hongcheng Yu (于宏成)	Block 2, Building B Kexing Science Park No. 15 Keyuan Road Nanshan District Shenzhen Guangdong Province PRC	Chinese
Mr. Guangqiang Chen (陳光強)	Building 7 Chunfengli Phase III Jiaocheng District Ningde Fujian Province PRC	Chinese
Ms. Yangyang Liu (劉揚揚)	26/F King’s Hill 38–52 Western Street Hong Kong	Chinese (Hong Kong)
Independent Non-executive Directors		
Mr. Xinyu Zuo (左新宇)	Building 5 No. 2 Dawayao East Road Fengtai District Beijing PRC	Chinese

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Name	Address	Nationality
Mr. Kai Wing Chan (陳繼榮)	10/F Block 6 Cavendish Heights 33 Perkins Road, Jardine’s Lookout Hong Kong	Chinese (Hong Kong)
Ms. Yu Qian (錢鈺)	Building 40 Lane 666, Longdong Avenue Pudong New District Shanghai PRC	United States

Note: As of the Latest Practicable Date, Mr. Bin Huang (黃斌), Mr. Guo Yuan (袁果), Mr. Yong Yu (于勇), Mr. Tian Luo (羅闌), Mr. Jimmy Ching-Hsin Chang (章經鑫), Ms. SuetChee Chiong and Ms. Fang Xie were our Directors. All of them have tendered resignation from directorship, with effect from the date immediately prior to the date of [REDACTED], save that Mr. Chang’s resignation is conditional, and shall take effect, upon [REDACTED].

Further information about the Directors and other senior management members is set out in the section headed “Directors and Senior Management” in this document.

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors <i>(in alphabetical order)</i>	China International Capital Corporation Hong Kong Securities Limited 29/F, One International Finance Centre 1 Harbour View Street Central, Hong Kong Citigroup Global Markets Asia Limited 50/F, Champion Tower Three Garden Road Central, Hong Kong

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

[REDACTED]

Legal Advisers to our Company

As to Hong Kong and U.S. laws

Latham & Watkins LLP

18th Floor, One Exchange Square
8 Connaught Place
Central, Hong Kong

As to PRC law

Global Law Office

27/F, Tower B
China Resources Land Building
No. 9668 Shennan Avenue, Nanshan District
Shenzhen 518052, PRC

Legal Advisers to the Joint

Sponsors and the [REDACTED]

As to Hong Kong and U.S. laws

Sullivan & Cromwell (Hong Kong) LLP

20th Floor, Alexandra House
18 Chater Road
Central, Hong Kong

As to PRC law

Jingtian & Gongcheng

34/F, Tower 3, China Central Place
77 Jianguo Road
Chaoyang District
Beijing, China

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

**Reporting Accountants and
Independent Auditor**

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor under the
Accounting and Financial Reporting Council Ordinance
27/F, One Taikoo Place
979 King’s Road
Quarry Bay, Hong Kong

Industry Consultant

Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.
Room 2504–2505, Wheelock Square
1717 West Nanjing Road
Shanghai, China

[REDACTED]

CORPORATE INFORMATION

Head Office and Principal Place of Business in the PRC	Room 619, Main Tower, Haiyun Centre No. 59, Linhai Avenue Nanshan Subdistrict, Qianhai Shenzhen-Hong Kong Cooperation Zone Shenzhen Guangdong Province PRC
Principal Place of Business in Hong Kong	Room 1901, 19/F, Lee Garden One 33 Hysan Avenue, Causeway Bay Hong Kong
Company Website	<u>www.dstcar.com</u> <i>(the information contained on this website does not form part of this document)</i>
Joint Company Secretaries	Mr. Jian Wang (王建) Room 619, Main Tower, Haiyun Centre No. 59, Linhai Avenue Nanshan Subdistrict, Qianhai Shenzhen-Hong Kong Cooperation Zone Shenzhen Guangdong Province PRC Ms. Leung Chi Ching Jacqueline (梁芷晴) <i>an associate member of the Hong Kong Chartered Governance Institute</i> <i>an associate member of the Chartered Governance Institute</i> Room 1901, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Authorized Representatives	Mr. Jian Wang (王建) Room 619, Main Tower, Haiyun Centre No. 59, Linhai Avenue Nanshan Subdistrict, Qianhai Shenzhen-Hong Kong Cooperation Zone Shenzhen Guangdong Province PRC Ms. Leung Chi Ching Jacqueline (梁芷晴) Room 1901, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Audit Committee	Mr. Kai Wing Chan (陳繼榮) (<i>Chairperson</i>) Ms. Yu Qian (錢鈺) Ms. Yangyang Liu (劉揚揚)

CORPORATE INFORMATION

Remuneration Committee Mr. Kai Wing Chan (陳繼榮) (*Chairperson*)
Ms. Haiying Zhang (張海瑩)
Mr. Xinyu Zuo (左新宇)

Nomination Committee Ms. Haiying Zhang (張海瑩) (*Chairperson*)
Mr. Xinyu Zuo (左新宇)
Ms. Yu Qian (錢鈺)

Strategy Committee Ms. Haiying Zhang (張海瑩) (*Chairperson*)
Mr. Pinglu Kang (康平陸)
Mr. Guangqiang Chen (陳光強)

[REDACTED]

Compliance Adviser **Altus Capital Limited**
21 Wing Wo Street
Central
Hong Kong

Principal Bank(s) **Postal Savings Bank of China Co., Ltd. Shenzhen Branch**
Information Hub Building
No. 5055 Yitian Road
Futian District
Shenzhen
PRC

China CITIC Bank Corporation Limited Shenzhen Branch
North Tower, Phase II
Excellence Times Plaza, No. 8 Zhongxin 3rd Road
Futian District,
Shenzhen
PRC

Bank of China Limited Shenzhen Branch
International Finance Building
No. 2022 Jianshe Road
Luohu District
Shenzhen
PRC

INDUSTRY OVERVIEW

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

SOURCES OF INFORMATION

We commissioned Frost & Sullivan, an independent global consulting firm that offers industry research and market strategies and provides growth consulting and corporate training to conduct a detailed analysis and prepare an industry report on the road freight market, the EV logistics market, and the logistics EV management market. We have agreed to pay a fee of RMB850,000 to Frost & Sullivan in connection with the preparation of the Frost & Sullivan Report. We have extracted certain information from the Frost & Sullivan Report in this section, as well as in the sections headed “Summary,” “Risk Factors,” “Business,” “Financial Information” and elsewhere in this document to provide our potential investors with a more comprehensive presentation of the industries where we operate.

During the preparation of the Frost & Sullivan Report, Frost & Sullivan performed both primary and secondary research, and obtained knowledge, statistics, information, and industry insights on the industry trends of the target research markets. Primary research involved interviewing industry insiders such as leading market players, suppliers, customers, and recognized third-party industry associations. Secondary research involved reviewing company reports, independent research reports, and data based on Frost & Sullivan’s own research database. Projected data was obtained from historical data analysis plotted against macroeconomic data with reference to specific industry-related factors. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading. Frost & Sullivan has independently verified the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan’s research may be affected by the accuracy of assumptions used and the choice of primary and secondary sources. The Frost & Sullivan Report was compiled based on the following key assumptions: (i) the social, economic and political environments of the PRC, and other primary countries worldwide will remain stable during the forecast period, which will ensure a sustainable and steady development of defined markets; and (ii) there are no significant adverse material changes in government policies in respect of the defined markets.

OVERVIEW OF THE GLOBAL ROAD FREIGHT INDUSTRY

Market Status and Commercial Potential of Road Freight Industry

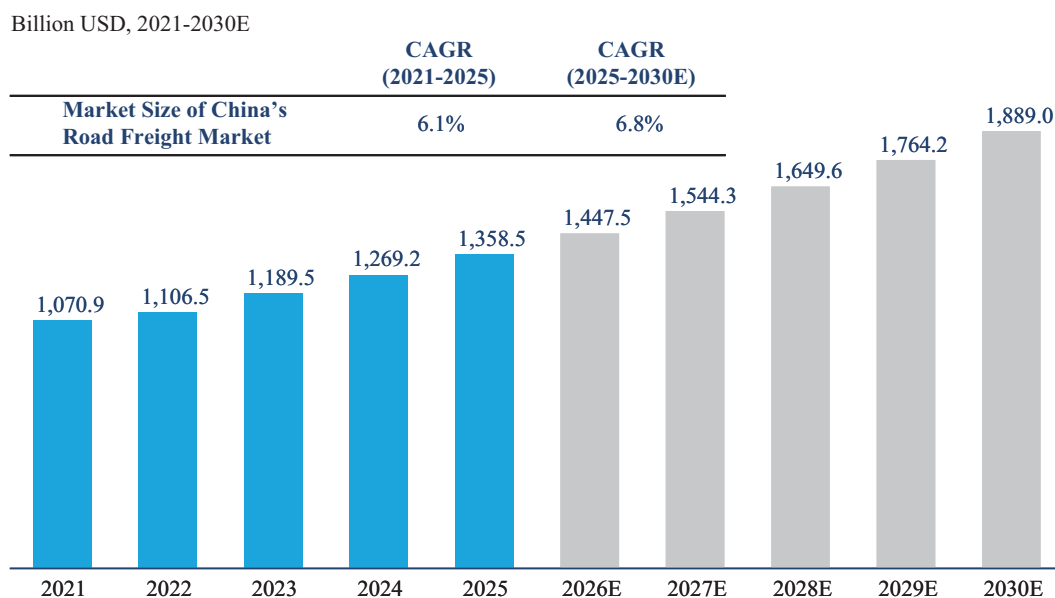
Road freight refers to the transportation of goods through road networks by motor vehicles. Based on shipment weight and transport scope, it is generally divided into three major businesses: full truckload (FTL), less-than-truckload (LTL), and express delivery, which together form an efficient and flexible urban-rural logistics network. As a core component of the modern logistics system, road freight undertakes both short-haul regional distribution and cross-regional vehicles transportation. It is also a key infrastructure supporting economic activities, carrying approximately 70% of China’s total freight volume, connecting major economic corridors, and facilitating rural revitalization and industrial upgrading through the extension of road networks.

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Moreover, amid the green transition, the industry has become a key sector for carbon reduction, contributing over 50% of transport-related carbon emissions. Accordingly, the industry is accelerating its transition toward a more intelligent and sustainable supply chain through digitalized vehicle-cargo matching, reduced deadhead ratio, broader adoption of new energy trucks, and the exploration of autonomous last-mile delivery solutions.

The road freight market is substantial and continues to expand. From 2021 to 2025, China’s road freight market size (measured by gross transaction value (“GTV”) increased steadily from USD1,070.9 billion to USD1,358.5 billion, representing a compound annual growth rate, or CAGR, of 6.1%. Driven by the continued growth of emerging sectors such as e-commerce, instant delivery, and cold-chain logistics, the market is expected to maintain its upward trajectory, reaching approximately USD1,889.0 billion by 2030, with a projected CAGR of 6.8% from 2025 to 2030.

Market Size of China’s Road Freight Market, by GTV



Source: Frost & Sullivan

Key Pain Points and Challenges in the Global Road Freight Industry

- High Energy Costs:** Energy expenditure represents the largest cost component for road freight companies, accounting for approximately 35% of total costs. According to Frost & Sullivan, the energy cost of fuel-powered urban logistics vehicles is approximately RMB1.0 per kilometer, compared to around RMB0.4 per kilometer for electric vehicles, representing a reduction of about 60%. Going forward, electrification remains the most direct pathway to cost reduction and efficiency improvement, with electric vehicle penetration expected to increase steadily.
- Low Fleet Management Efficiency:** The current level of digitalization in road freight operations remains relatively low, resulting in insufficient vehicle uptime and limited ability to optimize overall fleet operating costs. In the future, the adoption of technologies such as big data and artificial intelligence has enabled more intelligent fleet management, including real-time tracking of vehicle location, operational status, and battery conditions. This will effectively reduce deadhead ratio and significantly enhance overall operational efficiency and profitability.

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Policy Analysis of Green Transformation in Road Freight Industry

At the national level, a comprehensive policy support framework has been established, providing a solid foundation for the development of EV logistics. The current policy system is broad-based, encompassing top-level strategic directives from the State Council, as well as sector-specific plans issued by ministries and incentive measures introduced by local governments, forming a systematic and well-coordinated framework.

Coordinated efforts across multiple dimensions, including the “dual carbon” strategy, equipment upgrading initiatives and road access incentives, are driving the adoption of logistics EVs. In addition, clear quantitative targets have been set to ensure the steady and orderly advancement of the industry.

Policy name	Date issued	Issuing authority	Key content
Guiding Opinions on Promoting the Integrated Development of Transport and Energy (《關於推動交通運輸與能源融合發展的指導意見》)	2025.04	Ministry of Transport and nine other ministries	Focuses on energy support for electrification, setting targets such as pure electric vehicles becoming the mainstream of new vehicle sales by 2027, and promoting the integrated development and coordinated operation of transport and energy infrastructure.
Opinions on Accelerating the Comprehensive Green Transformation of Economic and Social Development (《關於加快經濟社會發展全面綠色轉型的意見》)	2024.07	The Central Committee of the Communist Party of China and the State Council	The policy sets targets for achieving notable progress in green transformation across key sectors by 2030 and establishing a green, low-carbon, and circular economic system by 2035. It promotes the adoption of low-carbon transportation vehicles and the construction of green transportation infrastructure, accelerates the green and intelligent transformation of logistics and delivery systems, and supports the development of unmanned systems and low-altitude economy application scenarios.
Action Plan for Large-Scale Equipment Renewal in the Transport Sector (《交通運輸大規模設備更新行動方案》)	2024.05	Ministry of Transport and twelve other ministries	Emphasizes “trade-in and replacement” initiatives, providing financial subsidies to accelerate the phase-out of outdated diesel trucks and promote the adoption of new energy trucks in urban logistics, port collection and distribution, and related scenarios.
Notice of the Ministry of Industry and Information Technology and Seven Other Departments on Organizing Pilot Programs for the Comprehensive Electrification of Vehicles in Public Sectors (《工業和信息化部等八部門關於組織開展公共領域車輛全面電動化先行區試點工作的通知》)	2023.01	Ministry of Industry and Information Technology and Seven Other Departments	The policy promotes the comprehensive electrification of public-sector vehicles, encourages the adoption of new energy heavy-duty trucks in short-distance transportation, urban logistics, and mining scenarios, and accelerates the replacement of old vehicles with logistics EVs. It also supports innovative business models such as battery swapping, financial leasing, and vehicle-battery separation, driving the development of the EV logistics industry.

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Policy name	Date issued	Issuing authority	Key content
Action Plan for Carbon Peak by 2030 (《2030年碳达峰行動方案》)	2021.10	Four Departments under the State Council	Identifies green and low-carbon transport as one of the ten major actions, establishing a national-level framework for carbon peaking in the transport sector.

Key Development Trends in the Road Freight Industry Driven by Electrification and Digitalization

- **Electrification represents the primary pathway to cost reduction and efficiency enhancement in the road freight industry.** Compared with internal combustion engine vehicles, EVs offer significant advantages in energy costs due to the lower price of electricity relative to diesel. For example, a light-duty truck with an annual mileage of 50,000 kilometers can achieve annual energy cost savings of approximately RMB30,000. Meanwhile, ongoing advancements in battery technology and the expansion of charging infrastructure are gradually alleviating range constraints and improving operational convenience. Policy support, including “dual carbon” strategy, road access prioritization and vehicle replacement subsidies, further reinforces the electrification trend.
- **Digitalization constitutes a core enabler of intelligent and system-wide efficiency enhancement in logistics EV fleets.** Leveraging inherent connectivity and data capabilities, such vehicles enable real-time monitoring and digital management of energy consumption, routing, payload and driving behavior. Building on this foundation, cloud-based dispatch platforms support functionalities including positioning, remote control and data analytics, while facilitating integrated coordination across vehicles, energy systems, road networks and cloud infrastructure, thereby advancing full value chain intelligent operations. Driven by big data and AI-based fleet management systems, operators can optimize capacity allocation, reduce deadhead ratio, and achieve system-level route optimization and improved delivery timeliness. Predictive maintenance based on operational data enables early fault detection, reducing downtime and enhancing vehicle uptime, while driving behavior analytics improve safety and further lower energy consumption. Overall, digitalization and intelligentization not only improve the transparency and controllability of transport operations, but also enable the continuous accumulation of data to build advanced operational systems. This creates sustained cost advantages and competitive barriers for road freight enterprises, positioning digital transformation as a central force in the industry’s evolution.

EV logistics Industry

Definition of EV logistics Industry

EV logistics refers to a logistics model that utilizes logistics EVs as core carriers, integrated with energy management and digital technologies to achieve systematic cost reduction and efficiency enhancement. Its primary application scenarios are city cluster distribution, including express delivery, less-than-truckload services, cold-chain logistics and on-demand delivery, typically characterized by moderate transport distances of 100 to 300 kilometers, relatively fixed routes, frequent start-stop operations and high sensitivity to road access policies. As an innovative service model, it represents the digital upgrading and green transformation of the road freight industry, currently focused on urban applications with potential to expand into trunk-line and specialized scenarios.

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Characteristics of EV Logistics

EV Logistics constitutes a systematic upgrade integrating intelligent vehicles, new energy and digitalization, rather than a simple substitution of fuel with electricity. The transition to electric vehicles enables cost reduction, efficiency enhancement and incremental value creation across vehicle, energy and digital dimensions.

- At the vehicle level, EV logistics is inherently intelligent, leveraging multi-sensor systems to enable integrated coordination across vehicles, energy systems, road networks and cloud infrastructure, and evolving into key nodes for intelligent operations.
- At the energy level, electricity substitution significantly reduces energy costs, while intelligent charging optimizes charging timing based on operational demand and electricity price dynamics, enabling energy value realization and transforming energy from a cost center into a potential profit source through carbon-related benefits.
- At the digital level, real-time data collection and analytics support digital twin applications, intelligent dispatch, predictive maintenance and driving behavior optimization, reducing deadhead ratio and improving operational efficiency, while establishing a continuously improving, feedback-driven operational system. The accumulation of large-scale operational data, combined with algorithmic advancement, further accelerates the development of autonomous driving and supports the commercialization of unmanned logistics.

	Vehicle Level	Energy Level	Digital Level
Core competencies	• Large-scale centralized procurement • Customized development • Full lifecycle management • Vehicle-to-vehicle and vehicle-to-grid interaction	• Electricity replacing fuel • Smart charging • Energy trading • Carbon trading	• Digital twin • Intelligent deployment • Predictive maintenance • Driving behavior optimization
Value creation	• Reduce procurement costs • Increase vehicle residual value • Reduce capital occupation • Intelligent driving	• Reduce energy consumption costs • Reduce charging costs	• Reduce deadhead ratio • Reduce failure rate • Increase uptime rate

Source: Frost & Sullivan

Empowerment of EV Logistics to the Road Freight Industry

- *Economic Advantage in Reducing Operating Costs:* Logistics EVs demonstrate clear advantages in total cost of ownership, or TCO, over the full lifecycle. Through optimization in bulk procurement, improved residual value, reduced energy and maintenance costs, and intelligent management, TCO can be lowered by approximately 30%—40% compared with fuel-powered vehicles in certain scenarios, thereby accelerating substitution and establishing logistics EVs as a mainstream choice in the road freight industry.
- *Efficiency Enhancement Across the Full Value Chain:* The inherent intelligent capabilities of logistics EVs serve as a key carrier for the digitalized and intensive transformation of the road freight industry. Through intelligent dispatch algorithms, vehicles can be precisely matched with orders, effectively reducing deadhead ratio and improving capacity utilization. In addition,

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real-time monitoring via vehicle connectivity and predictive maintenance mechanisms enable early identification of potential faults, reducing unplanned downtime and significantly improving vehicle attendance and uptime rates, thereby supporting a steady increase in daily orders per vehicle.

- Improved Operational Experience Driven by Road Access Advantages:* Road access rights refer to permissions governing whether vehicles may operate within specific urban areas, time periods or road segments. Conventional fuel-powered trucks are typically restricted in core commercial districts and during peak hours due to emissions and noise constraints. In contrast, recent policy relaxation has granted logistics EVs broader access to urban core areas, significantly increasing average daily completed orders and further strengthening their competitiveness within the road freight system.
- Contribution to Carbon Reduction and Green Transition:* Logistics EVs play a key role in advancing low-carbon transformation in the road freight sector. Each vehicle can reduce carbon dioxide emissions by approximately 8–10 tons per year compared with fuel-powered counterparts, supporting compliance with increasingly stringent emissions regulations. At the same time, freight operators may generate additional value through carbon reduction.

	Reduce costs	Improve efficiency	Enhance the experience	Green emission reduction
Specific measures	Reduce total lifecycle cost	- Optimize vehicle-order matching through intelligent scheduling - Reduce failure rates through predictive maintenance	Relaxing road rights	Carbon emission reduction
Key Indicators	Reduce TCO	- Reduce deadhead ratio - Improve vehicle uptime - Increase daily order volume	Increased order volume	Each vehicle reduces CO₂ emissions by 8-10 tons per year

Source: Frost & Sullivan

Market Size of the EV Logistics Industry⁽¹⁾

Driven by the consumption needs of China’s 940 million urban residents, city logistics has maintained steady growth. As of the end of 2025, the number of logistics vehicles in operation in China reached approximately 12.3 million units, of which logistics EVs accounted for approximately 1.5 million units.

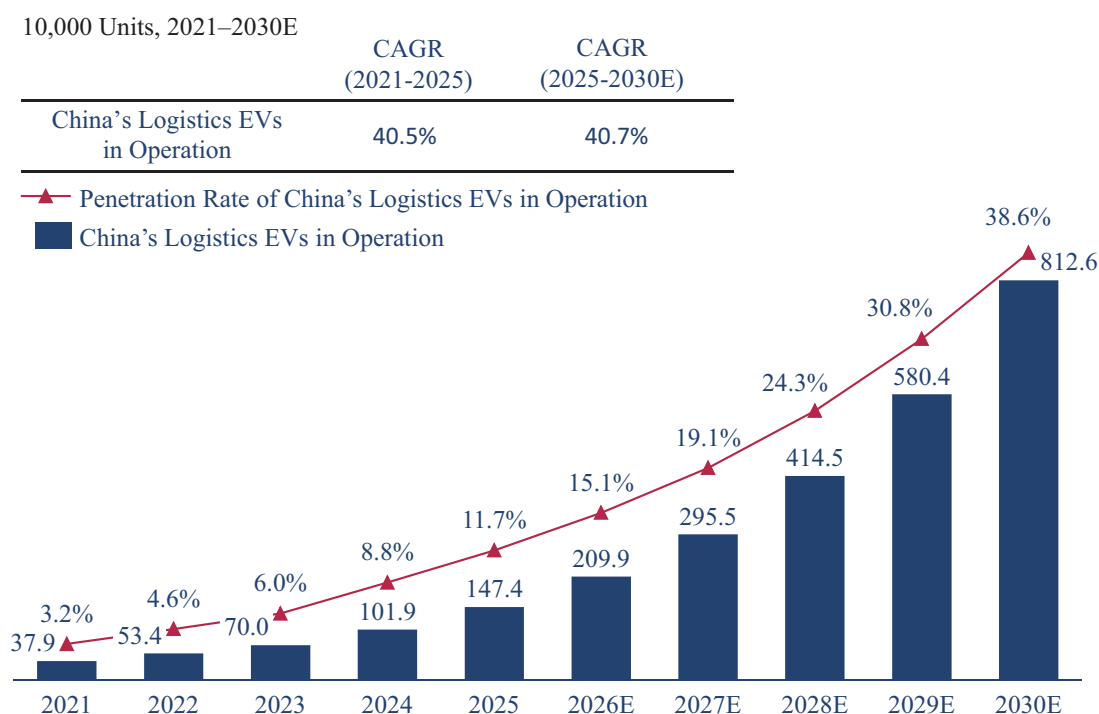
Benefiting from the implementation of China’s dual-carbon strategy and supportive policies for EV logistics industry in areas such as road access, operational subsidies and vehicle registration, logistics enterprises have significantly increased their adoption of logistics EV models. Meanwhile, improvements in battery energy density, the expansion of charging infrastructure and increasingly evident lifecycle cost advantages have accelerated the replacement of traditional fuel vehicles in high-frequency operating scenarios. Supported by advantages including low energy consumption, low maintenance costs and high vehicle uptime, the number of logistics EVs in operation in China increased from 379.0 thousand units in 2021 to 1,474.0 thousand units in 2025, representing a CAGR of 40.5% and accounting for 11.7% of the total logistics vehicle in operation.

⁽¹⁾ In terms of the number of EVs.

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Looking ahead, with further relaxation of road access restrictions for new energy trucks, continued improvement in charging infrastructure, ongoing advancements in battery technologies and the expansion of product offerings, the number of logistics EVs in operation in China is expected to continue to grow. By 2030, the number of vehicles in operation is projected to reach approximately 8.1 million units, representing a CAGR of approximately 40.7% from 2025 to 2030 and accounting for 38.6% of the total logistics vehicle in operation.

China’s Logistics EVs in Operation and Penetration Rate



Source: Frost & Sullivan

Growth Drivers of the EV Logistics Industry

- Technological Advancements Drive Product Innovation and Industry Intelligentization:** The technological maturity of logistics EVs continues to improve across battery technology, electrification and intelligent manufacturing, providing support for large-scale adoption. The development of new materials and processes has enhanced battery energy density, reduced unit battery costs and improved driving range. Continuous optimization of core electric systems and vehicle platforms has brought failure rates close to those of traditional fuel-powered vehicles, while improving vehicle uptime and durability. The integration of industry data with technologies such as Internet of Things, or IoT, 5G communication and digital twins has enabled AI to empower the entire vehicle manufacturing process, enhancing the overall level of intelligent manufacturing. Intelligent technologies are increasingly embedded into vehicle architectures, enabling coordinated development of smart batteries, intelligent chassis, smart cabin and autonomous driving systems.
- Infrastructure Transformation Supports Large-scale Industry Operations:** The rapid development of infrastructure provides a foundation for the large-scale deployment of logistics EVs. The accelerated rollout of charging networks has established a nationwide charging infrastructure, with approximately 6.5 million public charging points in China as of September 2025, covering major urban distribution nodes. Breakthroughs in fast-charging technology have further reduced charging

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time, enabling high-power charging systems to reach 80% capacity within 30 minutes, significantly reducing idle time and increasing effective daily operating hours, while alleviating range and charging concerns. The integrated development of vehicle–road–cloud infrastructure continues to advance, laying the foundation for large-scale deployment of high-level autonomous driving and supporting applications across multiple scenarios.

- *Artificial Intelligence Enables Product and Business Model Innovation:* A new wave of technological and industrial transformation is reshaping product forms, industrial ecosystems and the broader mobility landscape. With the deep integration of AI and digital technologies, the EV logistics industry is evolving from a single transportation tool to a “product + service” integrated model. Vehicles are becoming intelligent carriers integrating electric propulsion, intelligent chassis, smart cabin, onboard computing platforms and cloud-based systems, enabling modular development and layered self-evolution. Meanwhile, the industry ecosystem is being redefined, with coordinated participation from OEMs, energy service providers and ICT (information and communications technology) companies, promoting cross-sector integration across transportation, energy, smart cities and the low-altitude economy. The EV logistics industry is increasingly embedded into broader socio-economic systems, supporting carbon reduction goals, enhancing human–vehicle interaction and driving structural transformation in logistics employment, thereby contributing to a low-carbon, efficient and intelligent mobility system.
- *Policy Support:* Under the guidance of China’s “dual carbon” strategy and the establishment of a green transport policy framework, governments at various levels have introduced a series of supportive measures to promote the adoption of logistics EVs and create a favorable environment for large-scale deployment. The “Technology Roadmap for Energy-saving and New Energy Vehicles 3.0” released by the China Society of Automotive Engineers sets a clear target of achieving a logistics EV penetration rate of over 80% by 2040. Furthermore, China continues to advance the “Five Key Areas of Finance,” including technology finance, green finance, inclusive finance, and digital finance to support industry development. Technology finance supports R&D in power batteries, autonomous driving, and vehicle connectivity, driving technological advancement; green finance provides low-cost funding for vehicle procurement, charging infrastructure, and fleet operations, reducing capital costs; inclusive finance improves access to financing for SMEs and individual drivers, supporting market penetration; and digital finance enhances asset management and capital efficiency through data-driven risk control, enabling scaled and intelligent development.

Logistics EV Management Industry

Definition and Core Concepts of Logistics EV Management

This industry takes the operation and management of logistics EVs as its strategic entry point and aims to provide one-stop service solutions to enable full lifecycle management of vehicles across procurement, utilization, maintenance, management and disposal. By transforming fixed vehicle asset investments into flexible and predictable operating costs for customers, it helps downstream clients reduce logistics costs, improve efficiency and increase revenue. From a commercial perspective, logistics EV management market embodies the following core concepts:

Logistics EV operations involve two layers from a cost evaluation perspective. The first is TCO, which includes not only vehicle procurement (accounting for approximately one-third of TCO), but also aftermarket operational costs such as insurance claims, maintenance coordination, fleet management (accounting for approximately two-thirds of TCO), fleet safety compliance and annual inspections. For a fleet of 100 vehicles, independently managing these functions may require five to eight full-time personnel and supporting management systems. The second is total cost of usage, or TCU, which builds on TCO by incorporating digital fleet management capabilities and vehicle uptime assurance. Through

INDUSTRY OVERVIEW

scalable operational oversight and service guarantees, leading innovative service providers in China help customers convert hidden and fragmented aftermarket costs under the TCO model into transparent and quantifiable service expenditures under the TCU framework, while achieving net cost savings through economies of scale.

Under traditional models, freight enterprises primarily focus on TCO, emphasizing asset acquisition and static cost control. In contrast, next-generation service providers focus on TCU, shifting the core question to how much it costs to operate a vehicle, how much can be saved and how much value can be generated, thereby emphasizing operational efficiency and value creation.

TCU = direct costs + indirect costs – incremental benefits. Direct costs mainly include vehicle acquisition or leasing costs, operation and maintenance costs, insurance costs, energy costs and management costs; indirect costs include losses caused by operational disruptions and deadhead ratio; incremental benefits include increased daily transport volume enabled by improved road access and additional gains from optimized carbon trading. Based on the objective of optimizing TCU, service providers deliver full lifecycle service offerings and achieve systematic cost reduction and efficiency enhancement through multi-stage coordination.

	Flexible Asset Allocation	Vehicle Use	Vehicle Management	Energy Management	Maintenance and Repair	Retired and Replaced
Service Content	car usage mode	short/long-term leasing	data monitoring	charging network	predictive maintenance	residual value assessment
	vehicle selection	nationwide offline service centers	state management	energy monitoring	regular maintenance	asset disposal
	asset allocation		safety management	smart charging	upgrade and renovation	trade-in
Core Values	Configure as needed, adjust flexibly	Adapt to business fluctuations and respond quickly	Real-time visibility and refined management	Reduced energy costs, additional benefits	Reduce failure rate and extend lifespan	Maximize residual value, seamless transition

Source: Frost & Sullivan

Development Stages of the Logistics EV Management Industry

The logistics EV management industry has undergone four stages of development.

- **Leasing Stage (2015–2018):** Centered on “vehicles,” this stage represented the early phase of industry development, addressing customers’ transition from “no vehicle” to “vehicle ownership” and lowering the adoption barrier for logistics EVs. The primary business model was financial leasing, particularly lease-to-own arrangements that reduced upfront procurement costs. The industry was characterized by extensive growth, with market participants focusing on rapid expansion of fleet size and market share, while operational and service capabilities remained relatively basic.
- **Service Stage (2019–2021):** Centered on “vehicle + services,” this stage marked the industry’s transition from asset-oriented competition toward service-oriented operations. The business model evolved into operating leasing combined with ancillary services, with operators providing integrated solutions including charging, maintenance and repair services

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to ensure stable vehicle operations and reduce customers’ operational complexity. Service capability gradually replaced scale as the key competitive differentiator, and professional service providers with stronger operational capabilities began to establish competitive barriers.

- **Digital and Intelligent Stage (2022–2024):** Centered on “data,” this stage marked the industry’s shift toward refined and data-driven operations. The core value proposition evolved from operational support to improving operational efficiency and asset value through end-to-end digitalization. The business model further evolved into integrated “vehicle + energy + digitalization + ecosystem” solutions, enabling intelligent dispatching, energy management and residual value assessment through digital platforms. In-vehicle intelligent terminals and digital fleet management systems gradually became standardized, while leading companies increasingly expanded collaboration with ecosystem partners such as financial institutions and insurers.
- **Ecosystem Stage (2025–future):** Centered on “scenario + embodied intelligence,” this stage represents the industry’s transition toward scenario-based intelligent services and ecosystem collaboration. The core value proposition lies in leveraging embodied intelligence technologies to achieve precise adaptation to logistics scenarios and intelligent coordination across the industry chain. Logistics EVs increasingly integrate onboard and cloud-based perception and decision-making capabilities, enabling more accurate matching of operational scenarios and logistics demand. Industry participants are gradually transforming from standalone service providers into intelligent ecosystem platforms supporting collaborative industry operations.

Currently, the industry is transitioning from the digital and intelligent stage to the ecosystem stage. Leading players are expected to define industry standards and become essential infrastructure platforms within the intelligent logistics ecosystem.

Experience from mature overseas markets demonstrates that professional fleet asset management services can support the large-scale operation of million-vehicle fleets. As logistics EVs penetration continues to rise, China, as the world’s largest logistics EV market, is also positioned to cultivate million-vehicle fleet management platforms.

Business Models Analysis of Logistics EV Management Industry

By business format, the logistics EV management industry mainly consist of vehicle sales, leasing and fleet management, collectively forming an integrated service system covering the full vehicle lifecycle.

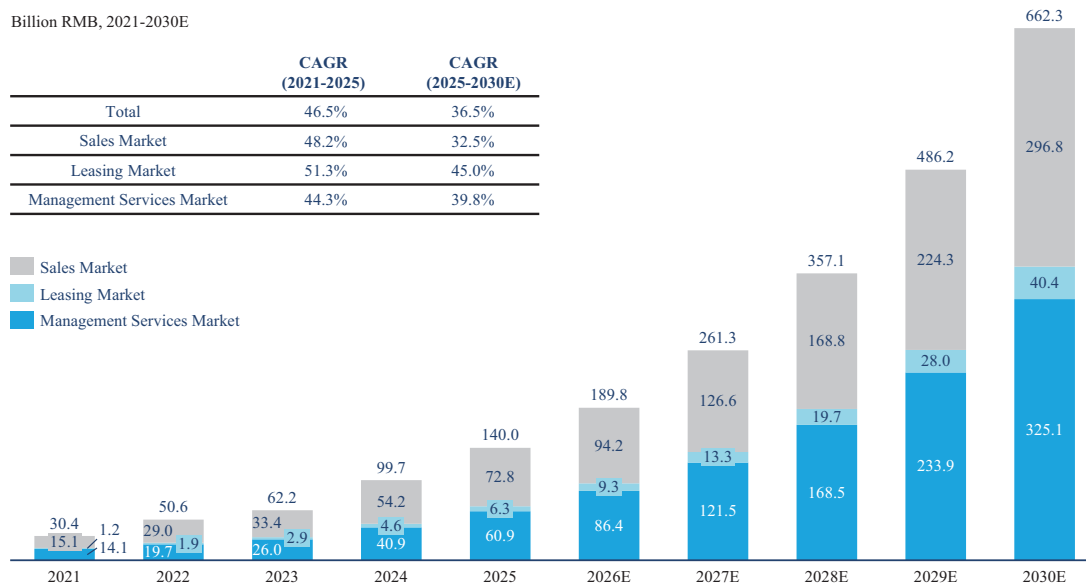
- **Logistics EV Sales:** Provide vehicle sales, customized vehicle solutions and delivery services for logistics enterprises, platform customers and individual operators, addressing diversified vehicle usage needs.
- **Logistics EV Leasing:** Provide flexible vehicle usage solutions through long-term leasing, short-term leasing and lease-to-own models, helping customers reduce upfront vehicle procurement costs. This model primarily serves urban distribution logistics, instant delivery and small-to-medium-sized fleet operators.
- **Logistics EV Management:** Provide integrated operational management services throughout the vehicle lifecycle, including fleet hosting, charging, maintenance, insurance (including safety management) and residual value recycling. Through digitalized and professional operations, service providers improve fleet efficiency and reduce overall operating costs.

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Market Size of the Logistics EV Management Industry

Driven by the continuous increase in logistics EV penetration, the accelerating electrification of urban logistics and growing downstream operational demand, China’s logistics EV management market has continued to expand rapidly. From 2021 to 2025, the market size of China’s logistics EV management market increased from RMB30.4 billion to RMB140.0 billion, representing a CAGR of 46.5%. Supported by the continued growth in vehicle parc, the gradual improvement of operational service systems and increasing industry scale, the market size is expected to further grow to RMB662.3 billion by 2030, with a projected CAGR of 36.5% from 2025 to 2030.

China’s Logistics EV Management Industry Market Size, by Revenue



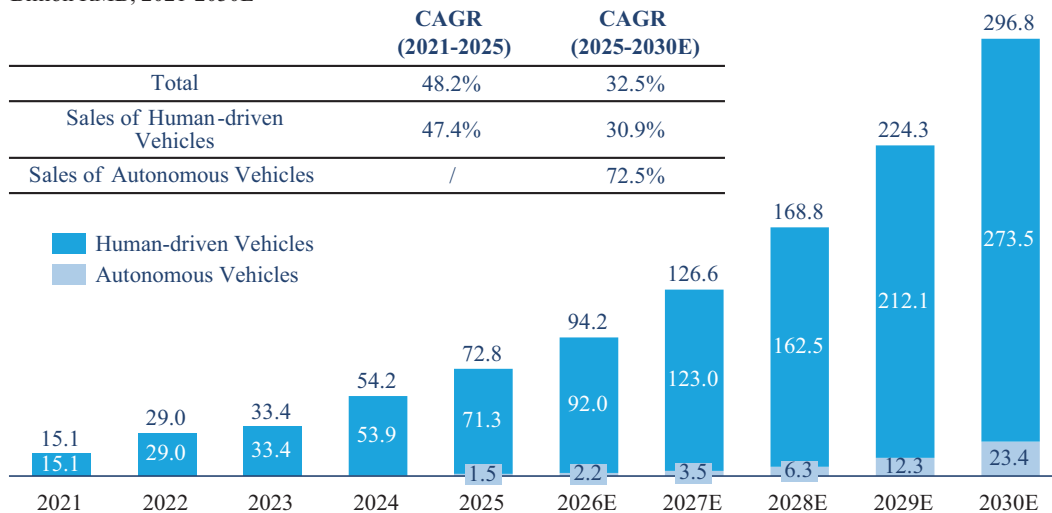
Source: Frost & Sullivan

Driven by the rapid development of logistics EVs in China in recent years, logistics EVs are accelerating the replacement of traditional logistics vehicles. From 2021 to 2025, the sales market size of logistics EVs increased from RMB15.1 billion to RMB72.8 billion, representing a CAGR of 48.2%. With continued technological advancements and improvements in infrastructure, the sales market size is expected to further grow to RMB296.8 billion by 2030, representing a CAGR of 32.5%.

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Market Size of China’s Logistics EV Sales Market, by Sales Revenue

Billion RMB, 2021-2030E

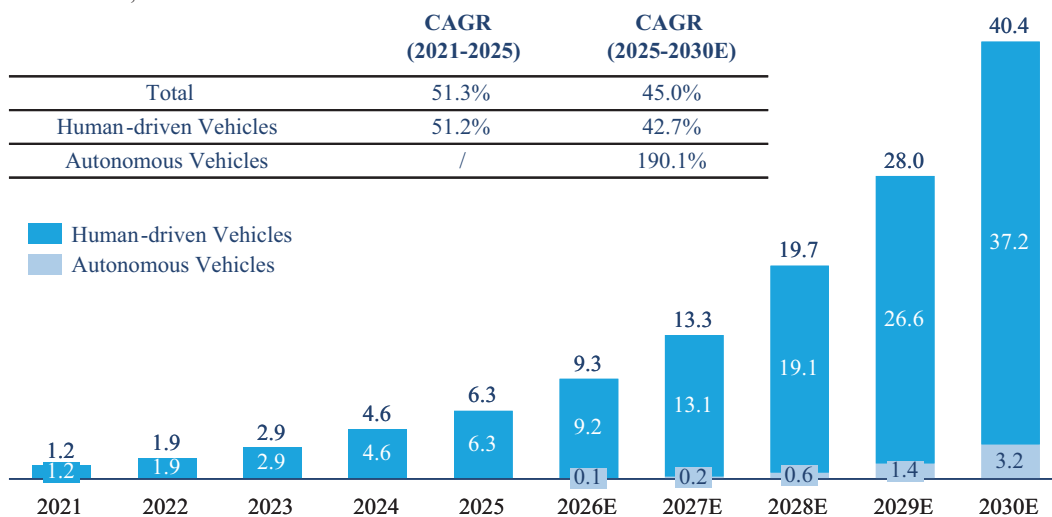


Source: Frost & Sullivan

The market size of leasing revenue for logistics EVs in China increased from RMB1.2 billion in 2021 to RMB6.3 billion in 2025, representing a CAGR of 51.3% during the period. It is expected to further grow to RMB40.4 billion by 2030, with a CAGR of approximately 45.0%. The rapid growth of leasing validates the core value proposition of the industry, where subscription-based models reduce upfront capital requirements for customers and enhance operational flexibility.

Market Size of China’s Logistics EV Leasing, by Leasing Revenue

Billion RMB, 2021-2030E



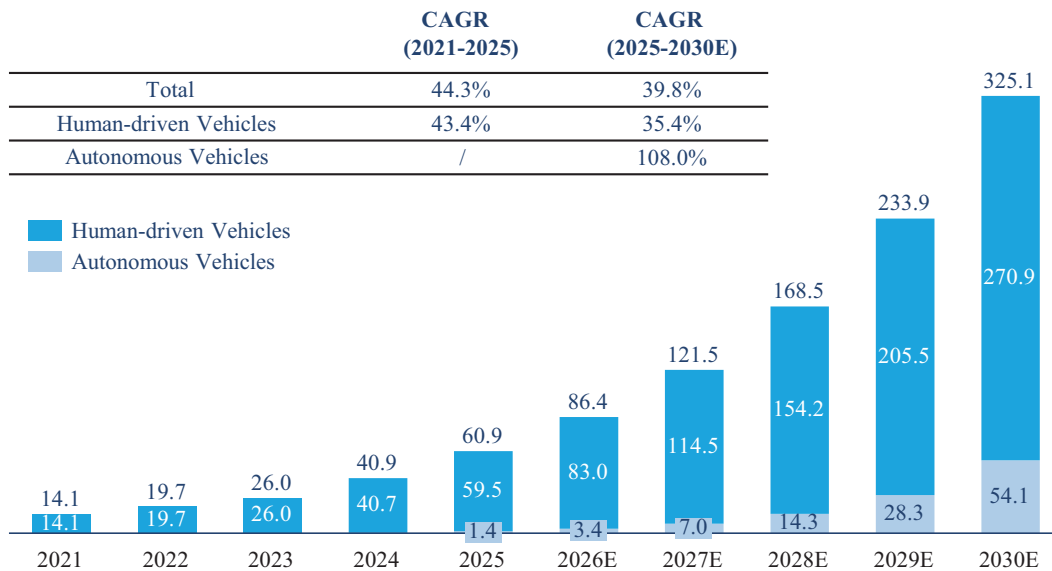
Source: Frost & Sullivan

INDUSTRY OVERVIEW

The market size of logistics EV management services in China has grown rapidly in recent years, increasing from RMB14.1 billion in 2021 to RMB60.9 billion in 2025, representing a CAGR of 44.3%. It is expected to reach RMB325.1 billion by 2030, with a CAGR of 39.8% from 2025 to 2030.

Market Size of China’s Logistics EV Management Services, by Revenue

Billion RMB, 2021-2030E



Source: Frost & Sullivan

Development Trends of Logistics EV Management Industry

- Acceleration of Electrification:** The continuous increase in the penetration of logistics EVs has become a clear industry trend, with penetration expected to exceed 80% by 2030. This acceleration is driven by the combined effects of technological advancements, cost advantages, policy support and environmental requirements. In terms of performance, ongoing improvements in core electric technologies and the widespread deployment of charging infrastructure are enabling broader applications in urban distribution and intercity transportation. In terms of cost, the economic advantages of logistics EVs are expected to further expand. In terms of sustainability, increasingly stringent global carbon emission policies and regulations promoting the phase-out of fuel-powered vehicles will further highlight the lifecycle environmental benefits of logistics EVs, collectively driving their accelerated adoption and sustained growth in penetration.
- Service-oriented Transformation:** The logistics EV management industry is undergoing a shift from ownership to subscription-based service models. Through leasing arrangements, enterprises can avoid depreciation risks associated with vehicle damage or technological obsolescence, reduce capital pressure and access comprehensive after-sales services covering maintenance, insurance and claims management. This transformation enables logistics companies to shift from owning assets to focusing on their core business, while also accelerating the industry’s transition toward greater specialization and service orientation.
- Deepening of Digitalization and Intelligentization:** Technologies such as the Internet of Vehicles, deployment dispatch and predictive maintenance are expected to become standard features. The operation of logistics EVs involves complex scenarios requiring simultaneous management of route planning, load allocation, energy consumption and charging. Leveraging real-time data

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collection through connected vehicle systems, end-to-end data integration via big data and precise decision-making enabled by AI, a digitalized operational system can be established, covering real-time monitoring, intelligent route optimization, AI-based dispatch, predictive maintenance and dynamic energy management.

- ***Evolution Toward Ecosystem Integration:*** The industry is transitioning to an increasing integrated ecosystem. OEMs, charging network operators, logistics platforms and financial institutions are expected to collaborate closely to provide comprehensive solutions, including vehicle acquisition (through purchase or leasing subscription), intelligent dispatch and charging coordination, maintenance services, insurance claims and financial services. This integrated approach reduces cross-platform coordination costs, improves the uptime of vehicles, charging infrastructure and battery assets, and supports large-scale and sustainable industry development.

Competitive Landscape

Major Player Types and Comparison

Participants in the logistics EV management industry can be broadly categorized into four types: integrated service network operators, OEM-affiliated players, traditional leasing players in transition, and regional small-scale service providers.

- ***Integrated Service Network Operators:*** As industry leaders, these players demonstrate significant advantages in scale, network coverage, digital capabilities and ecosystem development. Leveraging digital operation and management platforms, they provide one-stop integrated solutions, integrating logistics ecosystem resources and combining logistics EVs with diversified value-added services. With proprietary technologies, operational experience and multi-scenario service capabilities, they are able to provide support covering vehicle procurement, operation and disposal, continuously enabling efficient and sustainable development.
- ***OEM-affiliated Players:*** As vertical integration pioneers, these players possess strong advantages in product development, capital strength and brand influence, while their operational capabilities and service network coverage still have room for improvement. By integrating upstream and downstream resources and collaborating with partners, they leverage their strengths in vehicle supply, leasing networks, operational services and asset management to form coordinated mechanisms and provide customers with high-quality lifecycle service solutions.
- ***Traditional Leasing Players in Transition:*** As transformation-oriented participants, these players benefit from established offline networks, customer resources and extensive leasing experience, forming a distinct competitive position. However, they face challenges in digital transformation capabilities as well as in logistics EV technologies and operational expertise. To adapt to industry changes, they are actively integrating internal resources, exploring new operating models and gradually building capabilities across vehicle acquisition, operation and maintenance, and asset disposal, in line with the industry’s shift toward lifecycle service provision.
- ***Regional Small-scale Service Providers:*** As an important complement to the long-tail market, these players leverage strong localized service capabilities to maintain a presence in regional markets. Their customer-proximate service networks enable them to meet diversified and fragmented logistics demand. However, limited by scale and resource investment, they face constraints in achieving economies of scale and data accumulation. These service providers

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are enhancing regional service networks, strengthening local service depth and industry coordination, while gradually expanding into broader markets to provide more resilient and adaptable operational services.

In addition, integrated service network operators can extend their management services to other industry participants, including OEM-affiliated players, traditional leasing players in transition and regional small-scale service providers. Leveraging their service network and digital capabilities, integrated service network operators can offer digital tools, maintenance and repair, safety and risk management, and other value-added services on behalf of these players, generating service revenues. This model allows integrated service network operators to scale service volume beyond their own fleets.

Key Success Factors

- *Economies of Scale and Asset Management Capabilities:* The core competitiveness of logistics EV management service providers lies in their ability to manage large-scale logistics assets efficiently. Expanding fleet size and service networks enhances customer stickiness and response efficiency, while enabling the accumulation of large volumes of data. Leveraging data analytics to optimize vehicle deployment, energy efficiency and cost management, and building a full lifecycle management system covering procurement, operation and disposal, service providers can achieve refined operations, improve asset uptime and help downstream customers reduce costs, improve efficiency and increase revenue.
- *Service Network Coverage:* Broad service network coverage across the full value chain is a key competitive advantage. At the front end, diversified vehicle offerings and multi-city coverage are required to meet various application scenarios. At the midstream, a widely distributed and high-density charging and maintenance network enables convenient energy replenishment and rapid servicing, reducing mileage concerns and improving vehicle uptime. At the back end, intelligent deployment platforms optimize capacity allocation and energy management through AI algorithms, such as guiding off-peak charging to reduce costs and improve charging efficiency, thereby upgrading service networks from basic coverage to intelligent operations.
- *Data-driven Digitalization and Intelligentization:* Industry players need to establish comprehensive data collection capabilities and accumulate large-scale, multi-dimensional data, including real-time vehicle status, energy consumption, charging behavior and supply-demand information. Through centralized data management, a high-quality data foundation is formed, which is continuously refined through algorithm training and iteration to enable precise dispatch strategies, predictive maintenance and improved capacity matching. This enhances operational efficiency and reduces lifecycle costs. Superior services further attract customers and partners, reinforcing data accumulation and forming a self-reinforcing loop of “data accumulation → algorithm optimization → service improvement → scale expansion,” thereby establishing a data-driven growth flywheel.
- *Integration of Ecosystem Resources:* By strategically integrating key resources including OEMs, charging networks, financial institutions and end customers, service providers can build an efficient and coordinated value chain. Close collaboration with OEMs ensures customized vehicle supply and stable delivery; integration of charging resources enables multi-city energy operation networks; financial institutions provide flexible financing solutions to support scale expansion; and effective customer engagement facilitates a standardized closed-loop process of “demand–capacity–delivery–service.” Across the

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lifecycle, customized solutions reduce upfront costs, ecosystem resources optimize operational efficiency, and partnerships enable residual value recycling and battery reuse, maximizing overall asset returns.

Competitive Landscape

Based on revenue, number of vehicles in operation, number of partnered and self-operated maintenance and repair centers, and number of cities covered in 2025, the Company is the largest logistics EV management provider in China. In addition, based on the number of charging points connected in 2025, the Company is also the largest logistics EV management provider in China.

Top Five Players in China’s Logistics EV Management Market in 2025, by Revenue

Ranking	Company	Revenue
		(Unit: RMB100 million)
1	The Company	41.4
2	Company A ⁽¹⁾	~14
3	Company B ⁽²⁾	~2.5
4	Company C ⁽³⁾	~3
5	Company D ⁽⁴⁾	~2
Top 5		~62.9

* Statistics include operation service providers primarily engaged in logistics EV management

Notes:

- (1) Company A, founded in 2017 and headquartered in Hangzhou, China, is an intelligent EV commercial vehicle operation service platform focusing on the full lifecycle management of logistics EVs, including vehicle leasing, fleet management, and digital dispatching services. The company leverages telematics and data capabilities to provide integrated mobility solutions for logistics customers. The company is not listed.
- (2) Company B, founded in 2019 and headquartered in Beijing, China, is a logistics EV and ecosystem service platform covering logistics EV commercial vehicle promotion, fleet operation support, and digital logistics solutions. The company leverages commercial vehicle manufacturing capabilities to promote the application of logistics EVs in urban distribution and transportation scenarios. The company is not listed.
- (3) Company C, founded in 2023 and headquartered in Nanchang, China, is a logistics EV mobility and operation service platform providing operational support and fleet management services for logistics EVs. The company focuses on urban logistics and last-mile delivery scenarios while expanding its operational ecosystem through vehicle manufacturing capabilities. The company is not listed.
- (4) Company D, founded in 2011 and headquartered in Wuhan, China, is a logistics EV service platform focusing on logistics EV light-duty trucks and urban logistics transportation scenarios. The company participates in the promotion of commercial vehicle electrification and the development of operational ecosystems, leveraging OEM and distribution resources to support scenario-based deployment. The company is not listed.

In 2025, the total revenue of the top five players in China’s logistics EV management market was approximately RMB6.29 billion. Based on revenue in 2025, the Company is the largest logistics EV management provider in China.

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Top Five Players in China’s Logistics EV Management Market in 2025, by Vehicle Under Management

Ranking	Company	Vehicle in operation (Unit: 10,000 units)
1	The Company	22.5
2	Company A	~7.2
3	Company C	~1.2
4	Company B	~1.2
5	Company D	~0.6
Top 5		~32.7

* Statistics include operation service providers primarily engaged in new energy vehicle subscription businesses

In 2025, the total number of vehicles in operation of the top five players in China’s logistics EV management market was approximately 327,000 vehicles. Based on the number of vehicles under management in 2025, the Company is the largest logistics EV management provider in China.

Top Four Players in China’s Logistics EV Management Market in 2025, by Cooperative and Self-built Maintenance Network

Ranking	Company	Cooperative and self-built maintenance network (Unit: units)
1	The Company	3,246
2	Company C	~250
3	Company B	~200
4	Company D	200
Top 4		~3,896

* Statistics cover fulfillment, maintenance and repair service networks

In 2025, the total number of cooperative and self-built maintenance networks of the top four players in China’s logistics EV management market was approximately 3,896 units. Based on the number of partnered and self-operated maintenance networks in 2025, the Company is the largest logistics EV management provider in China.

Top Five Players in China’s Logistics EV Management Market in 2025, by Number of Covered Cities

Ranking	Company	Number of covered cities (Unit: cities)
1	The Company	333
2	Company A	150
3	Company C	<30
4	Company B	<30
5	Company D	<30

* Covered cities refer to prefecture-level cities in China

In 2025, based on the number of cities covered by business operations (measured under China’s prefecture-level city classification), the Company was the largest logistics EV management provider in China.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

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.

Our Company was founded in 2015 as a limited liability company in Shenzhen and has grown through the efforts and under the leadership of Ms. Zhang, the Chairlady of the Board, executive Director and chief executive officer of our Company. For the biography of Ms. Zhang, see “Directors and Senior Management.” On September 5, 2025, our Company was converted into a joint stock limited liability company with our name changed to DST Sustainable Technology (Shenzhen) Co., Ltd. (地上鐵綠色科技(深圳)股份有限公司).

BUSINESS MILESTONES

Time	Event
2015	We launched the Vehicle Operation System (車輛資產運營管理系統), marking the beginning of our digital fleet management.
2017	The total size of our new energy logistics fleet exceeded 10,000 units, with a service network covering over 30 cities. We launched Telematics Platform 1.0 (車聯網平台1.0), enabling network access for our proprietary in-vehicle T-Box units to safeguard vehicle asset security.
2018	We initiated customized vehicle programs, expanding our role from a vehicle purchaser to also a vehicle co-developer. We obtained the High-tech Enterprise Certificate (高新技術企業證書).
2022	We released our proprietary software system “FleetMaster” (車上雲), enabling digital management and operations across multiple businesses, asset types and scenarios. We launched our “FleetHub” (車管家), leveraging our vehicle operations management expertise and digital capabilities to help industry enterprises improve operating efficiency.
2023	Our operating vehicles reached 100,000 units, serving over 5,000 enterprise customers. We co-developed the DST 630 with an OEM partner, a medium van model integrating digital capabilities including FleetHub and FleetCharge (精準充). We obtained the Certificate of State-Encouraged Software Enterprise (國家鼓勵的軟件企業證書) and were recognized as “Specialized, Refined, Differentiated, and Innovative” Small and Medium-sized Enterprise (專精特新中小企業).
2024	We signed a strategic cooperation agreement with a leading OEM to co-develop and launch the DST S60, an intelligent energy-efficient light truck model.
2025	We co-developed the DST K63, featuring low aerodynamic drag and high energy efficiency. The Electric Vehicle Joint Risk Control Laboratory (新能源車聯合風控實驗室), established in partnership with a leading insurance company, was officially inaugurated in Shenzhen. Our managed fleet exceeded 200,000 vehicles.
2026	We officially launched DST TC50, an autonomous vehicle model purpose-built for logistics operations.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR MAJOR SUBSIDIARIES

As of December 31, 2025, we had 190 subsidiaries to facilitate operating our EV logistics business in various provinces across China. The table below summarizes the key information for each of our Major Subsidiaries that made a material contribution to our results of operations during the Track Record Period.

Name of subsidiary	Place of incorporation/ establishment	Date of incorporation/ establishment	Principal business activities
Le'an County Chezhiyuan Service Co., Ltd. (樂安縣車智源服務有限公司) (“ Le'an Chezhiyuan ”)	China	June 24, 2020	automobile leasing, parts sales, vehicle sales
Shenzhen Yiwei Electric Vehicle Service Co., Ltd. (深圳市易維新能源汽車服務有限公司) (“ Shenzhen Yiwei ”)	China	April 8, 2018	EV parts sales
Shandong Xinchuang Green Energy New Energy Technology Co., Ltd. (山東新創綠能新能源科技有限公司) (“ Shandong Xinchuang Green Energy ”)	China	August 19, 2021	vehicle leasing, vehicle sales
Miaomiao Yun Network Technology (Tianjin) Co., Ltd. (喵喵運網絡科技(天津)有限公司) (“ Miaomiao Yun Network ”)	China	March 10, 2020	transport capacity
Suzhou Guanyue New Energy Technology Co., Ltd. (蘇州觀岳新能源科技有限公司) (“ Suzhou Guanyue ”).	China	August 7, 2017	vehicle leasing, vehicle sales, parts sales, motor vehicle maintenance and repair
Shenzhen Dishangtie Electric Vehicle Operation Co., Ltd. (深圳市地上鐵新能源汽車運營有限公司) (“ Shenzhen Dishangtie New Energy ”)	China	April 3, 2018	vehicle leasing, vehicle sales, spare parts sales
Guangzhou Xinchuang Green Energy Electric Vehicle Service Co., Ltd. (廣州新創綠能新能源汽車服務有限公司) (“ Guangzhou Xinchuang Green Energy ”)	China	June 4, 2019	automobile leasing, vehicle sales, parts sales
Jinxi County Natie Leasing Service Co., Ltd. (金溪縣拿鐵租賃服務有限公司) (“ Jinxi Natie Leasing ”).	China	March 27, 2024	vehicle sales
Guangzhou Molang Automobile Co., Ltd. (廣州墨朗汽車有限公司) (“ Guangzhou Molang ”)	China	December 18, 2019	automobile leasing, vehicle sales, electric vehicle related services

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

For information on our other subsidiaries, please see Note 1 to the Accountants’ Report as set out in Appendix I to this document.

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

1. Establishment of Our Company and Equity Changes prior to the Pre-[REDACTED] Investments

Our Company was established in April 2015 with a registered capital of RMB50 million. Upon series of early shareholding changes of our Company, the shareholding holding structure of our Company before the Pre-[REDACTED] Investments is set out as follows:

Shareholders	Registered Capital (RMB)	Shareholding in our Company
Shenzhen Xinchuang Green Energy Investment Co., Ltd. (深圳市新創綠能投資有限公司) (“Xinchuang Green Energy”)	22,750,000	45.50%
Shenzhen Smart Green Venture Capital Centre (L.P.) (深圳智綠創業投資中心(有限合夥)) (“Smart Green”)	2,750,000	5.50%
Shenzhen Guanyue Venture Capital Centre (L.P.) (深圳觀岳創業投資中心(有限合夥)) (“Shenzhen Guanyue”)	2,500,000	5.00%
Shenzhen CLOU Electronics Co., Ltd. (深圳市科陸電子科技股份有限公司) (“CLOU Electronics”)	22,000,000	44.00%
Total	50,000,000	100.00%

2. Pre-[REDACTED] Investments

From February 2017 to April 2025, we have several rounds of Pre-[REDACTED] Investments by our Pre-[REDACTED] Investors by way of subscription of registered capital or equity transfers between our Shareholders. For further details, please refer to the paragraph headed “—Pre-[REDACTED] Investments” in this section.

3. Conversion into a Joint Stock Company with Limited Liability

Upon the completion of the conversion into a joint stock company on September 5, 2025, our Company had issued share capital of RMB286,905,577 divided into 286,905,577 Shares with a nominal value of RMB1.00 each, which were subscribed by all the then Shareholders in proportion to their respective equity interests in our Company before the conversion.

The following table sets out the shareholding of the Company upon completion of the conversion into a joint stock limited company:

Shareholders	Number of shares held	Shareholding
Xinchuang Green Energy	31,499,062	10.98%
CLOU Electronics	5,822,667	2.03%
Smart Green	2,477,732	0.86%
Shenzhen Guanyue	8,950,472	3.12%
QM V Seed Investments Limited (“QM V Seed”)	1,270,713	0.44%
Shenzhen Mibei No. 2 Technology Development Partnership (L.P.) (深圳覓貝二號科技發展合夥企業(有限合夥)) (“Mibei No. 2”)	1,075,736	0.37%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholders	Number of shares held	Shareholding
Shenzhen Qianhai Chaxi Think Tank No. 3 Investment Enterprise (L.P.) (深圳市前海茶溪智庫三號投資企業(有限合夥)) (“ Qianhai Chaxi ”)	7,863,839	2.74%
Shanghai China Power Investment and Financing & New Energy Investment Management Centre (L.P.) (上海中電投融和新能源投資管理中心(有限合夥)) (“ Shanghai China Power Investment ”)	8,722,402	3.04%
Hangzhou Chuangqian Investment Partnership (L.P.) (杭州創乾投資合夥企業(有限合夥)) (“ Hangzhou Chuangqian ”)	10,330,100	3.60%
QM83 Limited (“ QM83 ”)	8,282,231	2.89%
Suzhou Zhongding Longyu Venture Capital Centre (L.P.) (蘇州鐘鼎隴嶼創業投資中心(有限合夥)) (“ Suzhou Zhongding ”)	4,209,749	1.47%
Shenzhen Nanshan Astor Innovation Equity Investment Fund Partnership (L.P.) (深圳南山阿斯特創新股權投資基金合夥企業(有限合夥)) (“ Astor ”)	7,784,313	2.71%
Anji Bojue Investment Partnership (L.P.) (安吉博珏投資合夥企業(有限合夥)) (“ Anji Bojue ”)	2,794,225	0.97%
Anji Boye Investment Partnership (L.P.) (安吉博燁投資合夥企業(有限合夥)) (“ Anji Boye ”)	7,536,166	2.63%
Hangzhou Bojie Investment Partnership (L.P.) (杭州博潔投資合夥企業(有限合夥)) (“ Hangzhou Bojie ”)	846,508	0.30%
Lishui Bojiang Chuangfu No. 2 Equity Investment Partnership (L.P.) (麗水博將創富二號股權投資合夥企業(有限合夥)) (“ Bojiang Chuangfu ”)	1,693,016	0.59%
Camrose Holding Limited (“ Jeneration ”)	33,128,919	11.55%
Shanghai Baisong Enterprise Management Co., Ltd. (上海佰嵩企業管理有限公司) (“ Shanghai Baisong ”)	3,837,502	1.34%
Tianjin Honglian Mingshun Enterprise Management Consulting Centre (L.P.) (天津宏連銘順企業管理諮詢中心(有限合夥)) (“ Tianjin Honglian ”)	460,501	0.16%
Idinvest Smart City S.L.P. (“ Idinvest ”)	1,535,001	0.54%
AEP II Holdings Pte. Ltd. (“ AEP II ”)	14,892,427	5.19%
Lishui Bojiang Dingsheng No. 15 Equity Investment Partnership (L.P.) (麗水博將鼎昇十五號股權投資合夥企業(有限合夥)) (“ Bojiang Dingsheng ”)	1,199,755	0.42%
Lishui Bojiang Furui Equity Investment Fund Partnership (L.P.) (麗水博將福睿股權投資基金合夥企業(有限合夥)) (“ Bojiang Furui ”)	2,999,387	1.05%
CSC (Shenzhen) Strategic Emerging Industry Equity Investment Fund Partnership (L.P.) (中信建投(深圳)戰略新興產業股權投資基金合夥企業(有限合夥)) (“ CSC ”) (currently known as Shenzhen Runxin Xinguanxiang Strategic Emerging Industry Private Equity Investment Fund Partnership (L.P.) (深圳潤信新觀象戰略新興產業私募股權投資基金合夥企業(有限合夥)) (“ Runxin ”)	2,999,387	1.05%
SMRT Ventures Pte. Ltd. (“ SMRT ”) (currently known as Momentum Venture Capital Pte. Ltd. (“ Momentum Capital ”)	1,469,700	0.51%
Ingka Investments Ventures US B.V. (“ Ingka ”)	14,888,700	5.19%
Qingdao Green Qixing Investment Partnership (L.P.) (青島綠色啓行投資合夥企業(有限合夥)) (“ Green Qixing ”)	17,396,444	6.06%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholders	Number of shares held	Shareholding
Ceningan Investment Pte. Ltd. (“ Ceningan ”)	47,937,604	16.71%
Decarbonization Partners I Holdings SARM (“ Decarbonization Partners Holdings ”)	22,166,203	7.73%
Twin Towers Ventures Fund II Pte. Ltd. (“ TTV ”)	5,927,884	2.07%
Ningbo Meishan Bonded Port Area Wending Investment Co., Ltd. (寧波梅山保稅港區問鼎投資有限公司) (“ Wending Investment ”)	4,907,232	1.71%
Total	286,905,577	100.00%

4. Subscription of Shares by our Employee Incentive Platforms after Conversion into a Joint Stock Company with Limited Liability

On March 10, 2026, Shenzhen Guanhai, Shenzhen Guanchen and Shenzhen Guanxing, being our employee incentive platforms, subscribed for an aggregate of 9,260,000 Shares of our Company.

Following the subscription, the total number of issued shares of the Company increased to 296,165,577 Shares.

For further details of our employee incentive platforms, see “— Employee Incentive Platforms” in this section.

ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period, we did not conduct any acquisitions, disposals, or mergers that constituted major transactions subject to the disclosure requirements under Rule 4.05A of the Listing Rules.

VOTING PROXY ARRANGEMENTS

On February 28, 2025, Wending Investment, as a grantor, entered into a voting proxy agreement in favor of Xinchuang Green Energy (the “**Voting Proxy Agreement**”). Pursuant to the Voting Proxy Agreement, Wending Investment has irrevocably granted a voting proxy in favor of Xinchuang Green Energy in respect of, and Xinchuang Green Energy is entitled to the voting rights attached to, 4,907,232 Shares, held by the grantor, representing [REDACTED]% of the voting rights in our Company upon [REDACTED].

Pursuant to the Voting Proxy Agreement, Xinchuang Green Energy is entitled to the voting rights of the relevant Shares at the shareholders’ meeting, except for the following matters: (i) any matter that harms the interests of Wending Investment or impairs Wending Investment’s shareholder rights with respect to the relevant Shares; and (ii) any matter involving Wending Investment’s own rights and interests, including any disposition or restriction, repurchase, liquidation or exit of the relevant Shares or matters relating to dividends or distributions.

The Voting Proxy Agreement shall remain in force from the date of execution and shall terminate upon the earliest of: (i) Wending Investment and Xinchuang Green Energy agreeing in writing to terminate the Voting Proxy Agreement; and (ii) Wending Investment ceasing to hold any Shares of our Company.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

REASONS FOR THE [REDACTED]

Our Company is seeking a [REDACTED] of its H Shares on the Stock Exchange in order to provide further capital for the development and expansion of our Company’s business, to strengthen our Company’s working capital and to further raise our business profile. For further details of our future plans, see “Future Plans and Use of [REDACTED].”

EMPLOYEE INCENTIVE PLATFORMS

For the purpose of motivating, attracting, and retaining employees of our Group, Shenzhen Guanyue, Shenzhen Guanhai, Shenzhen Guanchen and Shenzhen Guanxing have been established as our employee incentive platforms in China. As of the Latest Practicable Date, all of the share awards under the platform have been granted and vested, and as a result, the grantees held the partnership interest in our employee incentive platforms, subject to terms and conditions of our share incentive scheme. As of the Latest Practicable Date, there was no outstanding option or share award under our share incentive scheme.

Shenzhen Guanyue was established in China as a limited partnership on February 16, 2017. As of the Latest Practicable Date, the general partner of Shenzhen Guanyue is Ms. Zhang, the chairlady of the Board and an executive Director, who is interested in 13.13% of partnership interest in Shenzhen Guanyue. There are 21 limited partners in Shenzhen Guanyue. As of the Latest Practicable Date, Mr. Pinglu Kang, Mr. Hongcheng Yu, Mr. Jian Wang, Mr. Yong Yu, Mr. Guo Yuan and Mr. Bin Huang, being our Directors, are interested in Shenzhen Guanyue as limited partners as to approximately 4.43%, 7.80%, 3.44%, 9.30%, 4.47% and 4.25%, respectively. Save as disclosed above, as of the Latest Practicable Date, none of our Directors or members of our senior management is interested in Shenzhen Guanyue.

Shenzhen Guanhai was established in China as a limited partnership on May 28, 2025. As of the Latest Practicable Date, the general partner of Shenzhen Guanhai is Shenzhen Guanzhi, a limited liability company wholly owned by Ms. Zhang and interested in 0.0024% of partnership interest in Shenzhen Guanhai. There are 29 limited partners in Shenzhen Guanhai. As of the Latest Practicable Date, Ms. Zhang and Mr. Hongcheng Yu, being our Directors, are interested in Shenzhen Guanhai as limited partners as to approximately 37.71% and 6.68%, respectively. As of the Latest Practicable Date, Mr. Wei Li, being a member of our senior management, is interested in Shenzhen Guanhai as a limited partner as to approximately 7.43%. Save as disclosed above, as of the Latest Practicable Date, none of our Directors or members of our senior management is interested in Shenzhen Guanhai.

Shenzhen Guanchen was established in China as a limited partnership on October 21, 2025. As of the Latest Practicable Date, the general partner of Shenzhen Guanchen is Shenzhen Guanzhi, a limited liability company wholly owned by Ms. Zhang and interested in 0.0026% of partnership interest in Shenzhen Guanchen. There are 27 limited partners in Shenzhen Guanchen. As of the Latest Practicable Date, Mr. Jian Wang, Mr. Pinglu Kang, Mr. Yong Yu and Mr. Guo Yuan, being our Directors, are interested in Shenzhen Guanchen as limited partners as to approximately 12.07%, 13.2%, 9.28% and 13.63%, respectively. Save as disclosed above, as of the Latest Practicable Date, none of our Directors or members of our senior management is interested in Shenzhen Guanchen.

Shenzhen Guanxing was established in China as a limited partnership on November 6, 2025. As of the Latest Practicable Date, the general partner of Shenzhen Guanxing is Shenzhen Guanzhi, a limited liability company wholly owned by Ms. Zhang and interested in 0.0091% of partnership interest in Shenzhen Guanxing. There are 23 limited partners in Shenzhen Guanxing. As of the Latest Practicable Date, Mr. Bin Huang, being our Director, is interested in Shenzhen Guanxing as limited partner as to approximately 13.61%. Save as disclosed above, as of the Latest Practicable Date, none of our Directors or members of our senior management is interested in Shenzhen Guanxing.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

PRE-[REDACTED] INVESTMENTS

Overview

We have conducted multiple rounds of Pre-[REDACTED] Investments, which are summarized below.

Direct investments:

Financing Round	Date of subscription agreement/share purchase agreement	Date on which investment was fully settled	Pre-[REDACTED] Investors	Total amount of registered capital/shares subscribed	Amount of Consideration	Post-money valuation ^(f)	Approximate cost per share ^(g)	Discount to the [REDACTED] ^(d)
1. Series Pre-A	February 20, 2017	May 28, 2017	Huzhou Hancheng Equity Investment Partnership (L.P.) (湖州瀚誠股權投資合夥企業(有限合夥)) (“Huzhou Hancheng”) Wang Jingyun (王菁蕓) Shanghai Haiyun Investment Centre (L.P.) (上海海言投資中心(有限合夥)) (“Shanghai Haiyun”)	(RMB) 1,440,329	(RMB) 7,000,000	(RMB) 2,76,200,218	(RMB) 4.86	[REDACTED]
2. Series A	March 16, 2017 April 1, 2017 September 5, 2017 December 26, 2017	July 19, 2017 May 24, 2017 January 24, 2018 January 16, 2018	QMV Seed Mibei No. 2 Shanghai China Power Investment QM83, Hangzhou Chuangqian Qianhai Chaxi, Hangzhou Chuangqian Suzhou Zhongxing Asior Anji Bojie, Anji Boye Itochu Shanghai Ltd. (上海伊藤忠商事有限公司) (“Itochu Shanghai”) Hangzhou Chuangqian, QM83 Anji Boye Anji Bojie Hangzhou Bojie Bojiang Chuangfu Jeneration Shanghai Baisong Tianjin Hongjian, Idinvest Jeneration Jeneration Itochu Corporation (伊藤忠商事株式會社) (“Itochu Japan”) Jeneration AEP II Bojiang Dingsheng Bojiang Furti Runxin Monentum Capital, Hangzhou Chuangqian Ingka Green Qixing	1,270,713 1,075,736 6,314,590 10,524,317 11,225,997 8,489,622 10,712,442 1,947,723 1,693,015.4 3,386,030.8 17,997,882.69 5,833,002.5 9,056,503.87 4,221,251.8 18,731,362.74 4,199,141.65 4,996,378.69 11,731,801.89 17,396,443.97	6,750,000 7,150,000 42,220,000 75,000,000 80,000,000 70,000,000 110,000,000 20,000,000 20,000,000 40,000,000 234,500,000 76,000,000 118,000,000 55,000,000 283,000,000 70,000,000 83,290,000 195,570,000 290,000,000	301,886,701 377,735,691 651,131,757 694,002,217 694,002,217 802,981,412 1,129,999,923 1,129,999,923 1,360,000,024 1,360,000,024 1,983,500,000 1,983,500,000 1,983,500,000 1,983,500,000 2,583,000,000 3,488,859,999 3,488,859,999 3,488,859,999 3,488,859,999	5.31 6.65 6.69 7.13 7.13 8.25 10.27 10.27 11.81 11.81 13.03 13.03 13.03 13.03 15.11 16.67 16.67 16.67 16.67	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Financing Round	Date of subscription agreement/share purchase agreement	Date on which investment was fully settled	Pre-[REDACTED] Investors	Total amount of registered capital/shares subscribed	Amount of Consideration	Post-money valuation ⁽¹⁾	Approximate cost per share ⁽³⁾	Discount to the [REDACTED] ⁽⁴⁾
8. Series D	December 6, 2021	January 4, 2022	Cenigan Ingka	(RMB) 43,500,935.58	(RMB) 831,404,865	(RMB) 4,831,404,865	(RMB) 19.11	[REDACTED]
9. Series D+	September 28, 2023	November 27, 2023	Cenigan	6,875,137.7	131,400,000	4,977,404,865	19.11	[REDACTED]
10. Series E	November 3, 2023	November 17, 2023	Decarbonization Partners Holdings	22,166,202.45	438,000,000	5,584,024,137	19.76	[REDACTED]
11. Series E+	April 26, 2024	July 23, 2024	TTV Ingka	4,310,567.26	85,176,000 (being US\$12 million in the subscription agreements)	5,669,200,137	19.76	[REDACTED]

Equity transfers:

Date of subscription agreement/share purchase agreement	Date on which investment was fully settled	Transferor	Transferee	Total amount of registered capital/shares transferred	Amount of Consideration	Corresponding valuation ⁽²⁾	Approximate cost per share ⁽³⁾	Discount to the [REDACTED] ⁽⁴⁾
1. July 3, 2017.	August 4, 2017	Xinchuang Green Energy	Qianhai Chaxi	(RMB) 430,294	(RMB) 2,400,000	(RMB) 300,000,000	(RMB) 5.58	[REDACTED]
	March 1, 2018	CLOU Electronics	Qianhai Chaxi	430,294	2,400,000	300,000,000	5.58	[REDACTED]
2. December 27, 2017	August 17, 2022	CLOU Electronics	Shenzhen Guanyue	2,178,203	217,820.3	33,786,774	1.00	[REDACTED]
	August 9, 2018	Smart Green	Shenzhen Guanyue	272,268	27,226.9	53,786,843	1.00	[REDACTED]
3. August 17, 2018	November 23, 2018	CLOU Electronics	Shanghai China Power Investment	4,407,812	40,120,000	983,913,070	9.10	[REDACTED]
	November 23, 2018	Shanghai Hanyan	Xinchuang Green Energy	514,403	4,682,096	1,001,639,986	9.10	[REDACTED]
	November 23, 2018	Wang Jingyun (王菁蓁)	Xinchuang Green Energy	411,523	3,745,682	1,001,639,769	9.10	[REDACTED]
2018	November 26, 2018	CLOU Electronics	Xinchuang Green Energy	1,930,589	17,572,222	1,001,638,900	9.10	[REDACTED]
September 30, 2018	October 17, 2018	CLOU Electronics	Asor	1,630,435	15,000,000	1,012,423,106	9.20	[REDACTED]
April 18, 2018	April 20, 2018	CLOU Electronics	Qianhai Chaxi	5,600,000	51,000,000	1,265,491,414	9.11	[REDACTED]
November 30, 2021	January 26, 2022	Shanghai China Power Investment	Xinchuang Green Energy	2,000,000	30,000,000	3,791,847,780	15.00	[REDACTED]
6. June 1, 2022	October 17, 2022	Huzhou Hancheng	Xinchuang Green Energy	514,403	8,848,000	4,348,125,215	17.20	[REDACTED]
7. April 26, 2024	July 16, 2024	Asor	TTV	2,335,744.6	30,000,000	3,629,614,753	12.84	[REDACTED]
8. February 28, 2025	March 11, 2025	Itochu Shanghai	Wending Investment	2,921,575	37,870,920.35	3,719,013,096	12.96	[REDACTED]
	April 24, 2025	Itochu Japan	Wending Investment	1,985,656.83	25,739,079.65	3,719,013,096	12.96	[REDACTED]

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

- (1) The implied valuation is calculated based on the cost per share paid to the Company and the then enlarged issued share capital of the Company after each round of Pre-[REDACTED] Investment.
- (2) The corresponding valuation of each equity transfer equals the total consideration paid by each Pre-[REDACTED] Investors divided by the shareholding percentage they acquired in the relevant investments.
- (3) The cost per share has been adjusted to reflect the subsequent conversion into a joint stock limited liability company of our Company.
- (4) The discount to the [REDACTED] is calculated based on the assumption that the [REDACTED] is HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per Share, and the exchange rates as set out in this document.

PRC Regulatory Requirements

Our PRC Legal Adviser has confirmed that we have legally completed and obtained all necessary regulatory approvals and registrations required under PRC laws with respect to all the aforesaid capital increases, equity transfers and conversion into a joint stock company with limited liability.

Principal Terms of the Pre-[REDACTED] Investment and the Pre-[REDACTED] Investors’ Rights

Basis of determining the consideration paid by each Pre-[REDACTED] Investor

The consideration paid for the Pre-[REDACTED] Investments were determined after arm’s length negotiations between us and the respective Pre-[REDACTED] Investors (in respect of equity subscription), or among the transferor and the transferee (in respect of equity transfer), and taking into account (a) the timing and market conditions of the investments/equity transfers; (b) the growth prospects of our Group and the new energy logistics vehicle industry in the PRC; and (c) the operation of our business, the historical financial performance of our Group and the market value of other comparable companies that operate in the intelligent logistics EV management solution industry in the PRC.

Lock-Up Period

Pursuant to the applicable PRC law, within the 12 months following the [REDACTED], the Shares issued by the Company prior to the [REDACTED] (including the Shares held by the Pre-[REDACTED] Investors immediately prior to the [REDACTED]) are subject to transfer restriction.

Use of [REDACTED] from the Pre-[REDACTED] Investments

The [REDACTED] received by our Company from the Pre-[REDACTED] Investments were deployed for our operations in accordance with the business plans and budgets as approved by the Board. As of the Latest Practicable Date, the funds raised from the Pre-[REDACTED] Investments by us have been fully utilized.

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Strategic benefits of the
Pre-[REDACTED] Investors
brought to our Company

At the time of each of the Pre-[REDACTED] Investments, our Directors were of the view that our Company could benefit from the capital raised through the Pre-[REDACTED] Investments, the Pre-[REDACTED] Investors’ knowledge and experience, and their endorsement of and confidence in the Group’s performance, strength and prospects reflected by the Pre-[REDACTED] Investments. Additionally, investments from the Pre-[REDACTED] Investors, including professional investment companies or professional funds, are beneficial to business development and branding of our Group and could also diversify our shareholding structure and shareholders base.

Special Rights of the Pre-[REDACTED] Investors

All of our Pre-[REDACTED] Investors are currently bound by the terms of the Articles. Pursuant to the currently effective shareholders agreement (the “**Shareholders’ Agreement**”), certain of our Pre-[REDACTED] Investors were granted special rights in relation to our Company, including, among others, redemption rights, rights of first refusal, anti-dilution rights, liquidation preferences, information rights and rights to nominate directors. All existing special rights will be terminated upon [REDACTED], except that the redemption rights were terminated immediately before the first filing of the [REDACTED]. The redemption rights shall be automatically reinstated immediately upon, among other things, the Company failing to complete the review by CSRC or pass the [REDACTED] Committee hearing within 18 months from the first filing of the [REDACTED], pursuant to the Shareholders’ Agreement.

Joint Sponsors’ Confirmation

On the basis that (i) the consideration for the Pre-[REDACTED] Investments was settled 28 clear days prior to the date of our first submission of the [REDACTED] form to the [REDACTED] Division of the Stock Exchange in relation to the [REDACTED], and (ii) the existing special rights granted to the Pre-[REDACTED] Investors as disclosed in “— Special Rights of the Pre-[REDACTED] Investors” will be terminated upon [REDACTED] with the redemption rights terminated immediately before the first filing of the [REDACTED], the Joint Sponsors are of the view that the Pre-[REDACTED] Investments are in compliance with the Pre-[REDACTED] Investment Guidance in Chapter 4.2 of the Guide for New Listing Applicants issued by the Stock Exchange.

INFORMATION OF THE PRE-[REDACTED] INVESTORS

Set forth below are details for each of our Pre-[REDACTED] Investors with a shareholding of more than 1% as of the date of this document. To the best knowledge of our Company and save as disclosed in this section headed “— Information of the Pre-[REDACTED] Investors”, all of our Pre-[REDACTED] Investors are Independent Third Parties.

Ceningan

Ceningan is a company incorporated under the laws of Singapore which is in turn wholly-owned by GIC Infra Holdings Pte. Ltd., which is ultimately and wholly-owned by GIC (Ventures) Pte. Ltd., an affiliate of GIC Private Limited (“**GIC**”). GIC is a global investment management company established in 1981 to manage Singapore’s foreign reserves. GIC invests in over 40 countries worldwide in equities, fixed income, foreign exchange, commodities, money markets, alternative investments, real estate and private equity. Immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Ceningan will be interested in approximately [REDACTED]% of the issued share capital of the Company and will therefore be a substantial shareholder of the Company.

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Jeneration

Camrose Holding Limited (金盧斯集團有限公司), a company incorporated in Hong Kong, is wholly owned by JenCap Metro, a company incorporated in Cayman Islands, which is a wholly-owned subsidiary of Jeneration Capital Partners II L.P., a Cayman Islands limited partnership. Jeneration Capital GP II is the general partner of Jeneration Capital Partners II L.P. and Jeneration Capital GP II is ultimately controlled by Mr. Jimmy Ching-Hsin Chang.

Decarbonization Partners Holdings

Decarbonization Partners I Holdings SARL (“**Decarbonization Partners Holdings**”) is a private limited liability company established under the laws of the Grand Duchy of Luxembourg. Decarbonization Partners Holdings is wholly owned by Decarbonization Partners I Master SCSp (“**Decarbonization Partners Master**”), a special limited partnership established under the laws of the Grand Duchy of Luxembourg, and its general partner is Decarbonization Partners GP, S.à r.l., a private limited liability company incorporated under the laws of the Grand Duchy of Luxembourg.

Decarbonization Partners is a joint venture between BlackRock, Inc. (“**BlackRock**”) and Temasek Holdings (Private) Limited (“**Temasek**”). BlackRock is listed on the New York Stock Exchange (stock code: BLK). Temasek is a global investment company headquartered in Singapore.

Green Qixing

Green Qixing is a limited partnership established in the PRC on May 26, 2021 and is principally engaged in equity investments. Green Qixing is owned as to 0.3322% by China International Capital Corporation Capital Management Co., Ltd. (中金資本運營有限公司) (“**CICC Capital**”), acting as the sole general partner, and 99.6678% by Shandong Green Development Equity Investment Fund Partnership (L.P.) (山東綠色發展股權投資基金合夥企業(有限合夥)) (“**Green Development**”), acting as the sole limited partner.

CICC Capital is wholly owned by China International Capital Corporation Limited (中國國際金融股份有限公司), a company listed on the Stock Exchange (Stock Code: 03908.HK) and the Shanghai Stock Exchange (Stock Code: 601995.SH).

The co-general partners of Green Development are CICC Capital and Qingdao Zhiyuan Qingchuang Investment Development Co., Ltd. (青島智源青創投資發展有限公司) (“**Zhiyuan Qingchuang**”), which hold 0.6% and 0.4% of the partnership interest, respectively. Green Development has seven limited partners, with only Shandong Green Investment Development Centre (L.P.) (山東綠色投資發展中心(有限合夥)) (“**Shandong Green Investment**”) holding more than 30% partnership interest.

Zhiyuan Qingchuang is indirectly held as to approximately 97.88% by Shandong Provincial State-owned Assets Supervision and Administration Commission (山東省人民政府國有資產監督管理委員會) (“**Shandong SASAC**”).

Shandong Green Investment is ultimately controlled by Shandong SASAC.

Bojiang Entities (including Bojiang Dingsheng, Bojiang Furui, Bojiang Chuangfu, Anji Boye, Hangzhou Bojie and Anji Bojue)

Bojiang Dingsheng is a limited partnership established in the PRC on December 7, 2017. Bojiang Furui is a limited partnership established in the PRC on June 19, 2018. Bojiang Chuangfu is a limited partnership established in the PRC on January 10, 2018. Anji Boye is a limited partnership established

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in the PRC on December 10, 2015. Hangzhou Bojie is a limited partnership established in the PRC on December 5, 2017. Anji Bojue is a limited partnership established in the PRC on September 12, 2017. Each of Bojiang Dingsheng, Bojiang Furui, Bojiang Chuangfu, Anji Boye, Hangzhou Bojie and Anji Bojue are controlled by their general partner Shanghai Bojiang Investment Management Co., Ltd. (上海博將投資管理有限公司) (“**Shanghai Bojiang**”), which is ultimately controlled by Broad General Holding Limited (博將控股有限公司) (“**Bojiang Capital**”).

Bojiang Dingsheng has three limited partners, namely Lishui Bojiang Dingsheng No. 15 No. 3 Equity Investment Partnership (L.P.) (麗水博將鼎昇十五號三號股權投資合夥企業(有限合夥)) (“**Bojiang No. 3**”), Lishui Bojiang Dingsheng No. 15 No. 1 Equity Investment Partnership (L.P.) (麗水博將鼎昇十五號一號股權投資合夥企業(有限合夥)) (“**Bojiang No. 1**”) and Lishui Bojiang Dingsheng No. 15 No. 2 Equity Investment Partnership (L.P.) (麗水博將鼎昇十五號二號股權投資合夥企業(有限合夥)) (“**Bojiang No. 2**”), each of which is a limited partnership established in the PRC. The general partner of each of Bojiang No. 1, Bojiang No. 2 and Bojiang No. 3 is Shanghai Bojiang, with no limited partner holding more than 30% limited partnership interests in Bojiang No. 1, Bojiang No. 2 or Bojiang No. 3.

Bojiang Furui has nine limited partners, each of which holds less than 30% limited partnership interests.

Bojiang Chuangfu has seven limited partners, each of which holds less than 30% limited partnership interests.

Anji Boye has nine limited partners, each of which holds less than 30% limited partnership interests.

Hangzhou Bojie has four limited partners, with Hangzhou Bosha Investment Partnership (L.P.) (杭州博沙投資合夥企業(有限合夥)) (“**Hangzhou Bosha**”) and Hangzhou Bohong Investment Partnership (L.P.) (杭州博洪投資合夥企業(有限合夥)) (“**Hangzhou Bohong**”) holding more than 30% limited partnership interests. The general partner of each of Hangzhou Bosha and Hangzhou Bohong is Shanghai Bojiang, with no limited partner holding more than 30% limited partnership interests therein.

Anji Bojue has 48 limited partners, with Anji Bohuan Investment Partnership (L.P.) (安吉博垚投資合夥企業(有限合夥)) (“**Anji Bohuan**”) and Anji Boshi Investment Partnership (L.P.) (安吉博仕投資合夥企業(有限合夥)) (“**Anji Boshi**”) holding more than 30% limited partnership interests therein. The general partner of each of Anji Bohuan and Anji Boshi is Shanghai Bojiang, with no limited partner holding more than 30% limited partnership interests therein.

Bojiang Capital is a leading private investment fund manager with a focus on serving high-net-worth individuals and a commitment to empower high-tech enterprises in China.

AEP II

AEP II is a company incorporated under the laws of Singapore, whose shareholder is ASIA Environmental Partners II, L.P. (“**ASIA Environmental Partners**”). The general partner of ASIA Environmental Partners is Olympus Green Capital Partners II, L.P., whose general partner is Olympus Capital GP Corporation. AEP II is advised by Olympus Capital Asia Pte. Ltd. in respect of its investment-related matters. Olympus Capital Asia Pte. Ltd. is wholly owned by Olympus Capital Holdings Asia LLC (“**Olympus Capital Asia**”). Olympus Capital Asia, a private equity firm founded in 1997, focuses on investments in sectors including financial and business services, food and agribusiness, healthcare and environmental/renewable businesses, and has invested more than \$2.6 billion of equity capital on behalf of its funds and co-investors in over 65 portfolio companies throughout Asia.

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Ingka

Ingka is a Dutch B.V. (comparable to a limited liability company) incorporated in the Netherlands. Ingka Investments Ventures US B.V. is wholly owned by Ingka Investments Ventures B.V., which in turn is wholly owned by Ingka Investments B.V., the investment arm of Ingka Group. Ingka Group is owned by the Stichting INGKA Foundation. Ingka Group, the largest IKEA franchisee, consists of IKEA Retail, Ingka Centres and Ingka Investments.

Hangzhou Chuangqian

Hangzhou Chuangqian is a limited partnership established in the PRC on November 2, 2016, and its general partner is Hangzhou Maiqisi Investment Partnership Enterprise (L.P.) (杭州麥奇思投資合夥企業(有限合夥)) (“**Maiqisi Investment**”).

The general partner of Maiqisi Investment is Hangzhou Jingwei Investment Management Co., Ltd. (杭州景巍投資管理有限公司), which is owned as to 90% by Lingye Zuo (左凌燁) and 10% by Ping Xiao (肖萍). The limited partner of Maiqisi Investment is Lingye Zuo (左凌燁).

Hangzhou Chuangqian has 31 limited partners, with none of which holding more than 30% limited partnership interests.

Qiming Entities (including QM V Seed and QM83)

QM V Seed is a company incorporated under the laws of British Virgin Islands. QM83 is a company incorporated under the laws of Hong Kong. Both QM V Seed and QM83 are owned by Qiming Venture Partners V, L.P. and Qiming Managing Directors Fund V, L.P. Qiming Venture Partners V, L.P. and Qiming Managing Directors Fund V, L.P. are exempted limited partnerships registered under the laws of the Cayman Islands. Qiming GP V, L.P. is the general partner of Qiming Venture Partners V, L.P., whereas Qiming Corporate GP V, Ltd. is the general partner of Qiming GP V, L.P. and Qiming Managing Directors Fund V, L.P.

Shanghai China Power Investment

Shanghai China Power Investment is a limited partnership established in the PRC on October 16, 2015 and is managed by SPIC Industrial Fund Management Co., Ltd. (國家電投集團產業基金管理有限公司), which is ultimately controlled by China Power Investment Corporation Co., Ltd. (國家電力投資集團有限公司) (“**China Power Investment**”). Shanghai China Power Investment has one limited partner, which is wholly owned by China Power Investment Ronghe New Energy Development Co., Ltd. (電投融和新能源發展有限公司) and ultimately controlled by the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會).

Qianhai Chaxi

Qianhai Chaxi is a limited partnership established in the PRC on February 8, 2017 and is managed by Shenzhen Qianhai Chaxi Think Tank Investment Management Co., Ltd. (深圳市前海茶溪智庫投資管理有限公司) (“**Chaxi Management**”). Save for Shenzhen Jinyue Investment Co., Ltd. (深圳市金粵投資有限公司) (“**Jinyue Investment**”), which holds 54.64% of the registered share capital of Chaxi Management, none of the other shareholders holds more than 30% of the registered share capital of Chaxi Management. Jinyue Investment is held as to 99.0% by Rao Luhua (饒陸華).

The largest limited partner of Qianhai Chaxi is Fenyi Chaxi Think Tank No. 5 Investment Partnership (Limited Partnership) (分宜茶溪智庫五號投資合夥企業(有限合夥)) (“**Chaxi No. 5**”), which holds 86.77% of limited partnership interest and is managed by Chaxi Management. The sole

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limited partner of Chaxi No. 5 is Fenyi County Small Town Construction Investment Co., Ltd. (分宜縣小城鎮建設投資有限公司), which is indirectly wholly owned by Fenyi County State-owned Assets Supervision Committee (分宜縣國有資產監督委員會).

Astor

Astor is a limited partnership established in the PRC on January 18, 2017, managed by its general partner, Shenzhen Unicorn Investment Management (L.P.) (深圳市優尼科投資管理合夥企業(有限合夥)) (“**Unicorn Investment**”). Unicorn Investment is held as to 90% by Shenzhen Zhishu Management Co., Ltd. (深圳智數管理有限公司), which is owned as to 50% and 50% by Hai Zhu (朱海) and Songrong Hou (侯松容).

Astor has six limited partners, with Beijing Leader Harvest Energy-Saving Investment Co., Ltd. (北京利德華福節能投資有限公司) (“**Harvest Investment**”) holding more than 30% limited partnership interests therein. Harvest Investment is indirectly wholly owned by Schneider Electric SE, a company listed on the Euronext Paris: SU.

TTV

TTV is a private limited liability company incorporated under the laws of Singapore. TTV is the wholly-owned corporate venture capital arm of the national oil and gas company of Malaysia, and invests in disruptive technologies and dynamic entrepreneurs, focusing on early to growth-stage companies that advance a low-carbon future.

CLOU Electronics

CLOU Electronics was founded in 1996 and listed on the Shenzhen Stock Exchange in 2007 (Stock Code: 002121.SZ). As a member of Midea Group, CLOU Electronics is one of the representative companies in the energy storage industry. The controlling shareholder of CLOU Electronics is Midea Group Co., Ltd. (美的集團股份有限公司), a globally leading technology company listed on the Shenzhen Stock Exchange (Stock Code: 000333.SZ) and the Stock Exchange (Stock Code: 0300.HK).

Wending Investment

Wending Investment is a company incorporated under the laws of the PRC on April 6, 2017, and is wholly owned by Contemporary Amperex Technology Co., Ltd. (寧德時代新能源科技股份有限公司), a leading manufacturer of lithium-ion batteries for electric vehicles and energy storage systems listed on the Stock Exchange (Stock Code: 3750.HK) and the Shenzhen Stock Exchange (Stock Code: 300750.SZ).

Suzhou Zhongding

Suzhou Zhongding is a limited partnership established in the PRC on July 3, 2015, whose general partner is Shanghai Dingxiao Enterprise Management Consulting Centre (L.P.) (上海鼎蕭企業管理諮詢中心(有限合夥)) (“**Shanghai Dingxiao**”). The general partner of Shanghai Dingxiao is Shanghai Dingman Enterprise Management Co., Ltd. (上海鼎蔓企業管理有限公司), which was owned by Li Yan (嚴力) as to 52.88%.

Suzhou Zhongding has three limited partners, with Suzhou Zhongding No. 4 Venture Capital Centre (L.P.) (蘇州鐘鼎四號創業投資中心 (有限合夥)) (“**Zhongding No. 4**”) and Zhongjin Qiyuan National Emerging Industries Venture Capital Guidance Fund (L.P.) (中金啟元國家新興產業創業投資

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引導基金（有限合夥）（“**Zhongjin Qiyuan**”）holding 52.08% and 46.88% limited partnership, respectively. The general partner of Zhongding No. 4 is Shanghai Dingxiao. Zhongding No. 4 has 28 limited partners, none of which holds more than 30% of the limited partnership interest in Zhongding No. 4.

The general partner of Zhongjin Qiyuan is CICC Capital, which is wholly owned by China International Capital Corporation Limited (中國國際金融股份有限公司), a company listed on the Stock Exchange (Stock Code: 03908.HK) and the Shanghai Stock Exchange (Stock Code: 601995.SH). Zhongjin Qiyuan has 14 limited partners, and save for Ministry of Finance of PRC which holds 34.93% of the limited partnership interest, none of the other limited partners holds more than 30% of the limited partnership interest in Zhongjin Qiyuan.

Shanghai Baisong

Shanghai Baisong is a company incorporated under the laws of the PRC on August 7, 2017, which is indirectly wholly owned by Far East Horizon Limited (遠東宏信有限公司), a conglomerate spanning across finance and industry, listed on the Stock Exchange (Stock Code: 3360.HK).

Runxin

Runxin is a limited partnership established in the PRC on April 24, 2018, which is an investment fund managed by a private equity investment subsidiary of CSC Financial Co., Ltd. (中信建投證券股份有限公司). CSC Financial Co., Ltd. is a leading large full-service investment bank in the PRC listed on the Stock Exchange (Stock Code: 6066.HK) and on the Shanghai Stock Exchange (Stock Code: 601066.SH).

CAPITALIZATION

The following table sets out our shareholding structure on the date of this document and immediately upon the completion of the [REDACTED], assuming that (i) the [REDACTED] becomes unconditional and the [REDACTED] are issued pursuant to the [REDACTED]; (ii) the [REDACTED] is not exercised; and (iii) the conversion of all [REDACTED] Shares into H Shares.

Shareholders	As of the Latest Practicable Date and immediately before the [REDACTED]		Immediately upon completion of the [REDACTED]		
	Number of [REDACTED] Shares	Shareholding percentage	Number of [REDACTED] Shares	Number of H Shares	Shareholding percentage
Ms. Zhang Entities					
Xinchuang Green Energy . .	31,499,062	10.64%	—	[REDACTED]	[REDACTED]
Shenzhen Guanyue	8,950,472	3.02%	—	[REDACTED]	[REDACTED]
Smart Green	2,477,732	0.84%	—	[REDACTED]	[REDACTED]
Shenzhen Guanhai	4,237,142	1.43%	—	[REDACTED]	[REDACTED]
Shenzhen Guanchen	3,920,598	1.32%	—	[REDACTED]	[REDACTED]
Shenzhen Guanxing	1,102,260	0.37%	—	[REDACTED]	[REDACTED]
Sub-total	52,187,266	17.62%	—	[REDACTED]	[REDACTED]
Pre-[REDACTED]					
Investors					
Ceningan	47,937,604	16.19%	—	[REDACTED]	[REDACTED]
Jeneration	33,128,919	11.19%	—	[REDACTED]	[REDACTED]
Decarbonization Partners					
Holdings	22,166,203	7.48%	—	[REDACTED]	[REDACTED]

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Shareholders	As of the Latest Practicable Date and immediately before the [REDACTED]		Immediately upon completion of the [REDACTED]		
	Number of [REDACTED] Shares	Shareholding percentage	Number of [REDACTED] Shares	Number of H Shares	Shareholding percentage
Green Qixing.	17,396,444	5.87%	—	[REDACTED]	[REDACTED]
Bojiang Entities					
Anji Boye	7,536,166	2.54%	—	[REDACTED]	[REDACTED]
Bojiang Furui	2,999,387	1.01%	—	[REDACTED]	[REDACTED]
Anji Bojue	2,794,225	0.94%	—	[REDACTED]	[REDACTED]
Bojiang Chuangfu	1,693,016	0.57%	—	[REDACTED]	[REDACTED]
Hangzhou Bojie	846,508	0.29%	—	[REDACTED]	[REDACTED]
Bojiang Dingsheng	1,199,755	0.41%	—	[REDACTED]	[REDACTED]
Sub-total	17,069,057	5.76%	—	[REDACTED]	[REDACTED]
AEP II	14,892,427	5.03%	—	[REDACTED]	[REDACTED]
Ingka	14,888,700	5.03%	—	[REDACTED]	[REDACTED]
Hangzhou Chuangqian.	10,330,100	3.49%	—	[REDACTED]	[REDACTED]
Qiming Entities					
QM83	8,282,231	2.80%	—	[REDACTED]	[REDACTED]
QM V Seed	1,270,713	0.43%	—	[REDACTED]	[REDACTED]
Sub-total	9,552,944	3.23%	—	[REDACTED]	[REDACTED]
Shanghai China Power Investment	8,722,402	2.95%	—	[REDACTED]	[REDACTED]
Qianhai Chaxi	7,863,839	2.66%	—	[REDACTED]	[REDACTED]
Astor	7,784,313	2.63%	—	[REDACTED]	[REDACTED]
TTV	5,927,884	2.00%	—	[REDACTED]	[REDACTED]
CLOU Electronics	5,822,667	1.97%	—	[REDACTED]	[REDACTED]
Wending Investment	4,907,232	1.66%	—	[REDACTED]	[REDACTED]
Suzhou Zhongding	4,209,749	1.42%	—	[REDACTED]	[REDACTED]
Shanghai Baisong	3,837,502	1.30%	—	[REDACTED]	[REDACTED]
Runxin	2,999,387	1.01%	—	[REDACTED]	[REDACTED]
Idinvest	1,535,001	0.52%	—	[REDACTED]	[REDACTED]
Momentum Capital	1,469,700	0.50%	—	[REDACTED]	[REDACTED]
Mibei No. 2	1,075,736	0.36%	—	[REDACTED]	[REDACTED]
Tianjin Honglian	460,501	0.16%	—	[REDACTED]	[REDACTED]
Other [REDACTED]					
Shareholders.	—	—	—	[REDACTED]	[REDACTED]
Total	296,165,577	100.00%	—	[REDACTED]	100.00%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

PUBLIC FLOAT

An aggregate of 105,032,102 H Shares converted from [REDACTED] Shares held by or controlled by the Ms. Zhang Entities (including the Shares held by Wending Investment) and Ceningan, which are substantial shareholders of the Company, representing approximately 35.46% of our total issued Shares as of the Latest Practicable Date or approximately [REDACTED]% of our total issued Shares upon [REDACTED] (assuming the [REDACTED] is not exercised), will not be counted as part of the public float of our Company in accordance with Rule 19A.13A(1) of the Listing Rules.

To the best knowledge and information of our Directors, taking into account the Conversion of [REDACTED] Shares into H Shares upon [REDACTED], [REDACTED] H Shares will be counted towards the public float of our Company in accordance with Rule 19A.13A(1) of the Listing Rules, representing approximately [REDACTED]% of our total issued Shares upon [REDACTED] (assuming the [REDACTED] is not exercised).

Assuming that the [REDACTED] is not exercised, based on the [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the minimum [REDACTED] range), the expected market capitalization of the Company upon [REDACTED] would be approximately HK\$[REDACTED], and the percentage that would result in the expected market value of H Shares held by the public to be HK\$[REDACTED] at the time of [REDACTED] is approximately [REDACTED]%. Accordingly, the minimum prescribed public float percentage applicable to our H Shares under Rule 19A.13A(1) of the Listing Rules is [REDACTED]%. Therefore, our Company will be able to satisfy the minimum public float requirement under Rule 19A.13A of the Listing Rules as over [REDACTED]% of our Company’s total issued Shares will be held by the public upon completion of the [REDACTED].

FREE FLOAT

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with no other [REDACTED] shares at the time of [REDACTED], this will normally mean that the portion of H shares for which [REDACTED] is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of [REDACTED], must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of [REDACTED] (excluding treasury shares), with an expected market value at the time of [REDACTED] of not less than HK\$50,000,000; or (b) have an expected market value at the time of [REDACTED] of not less than HK\$600,000,000.

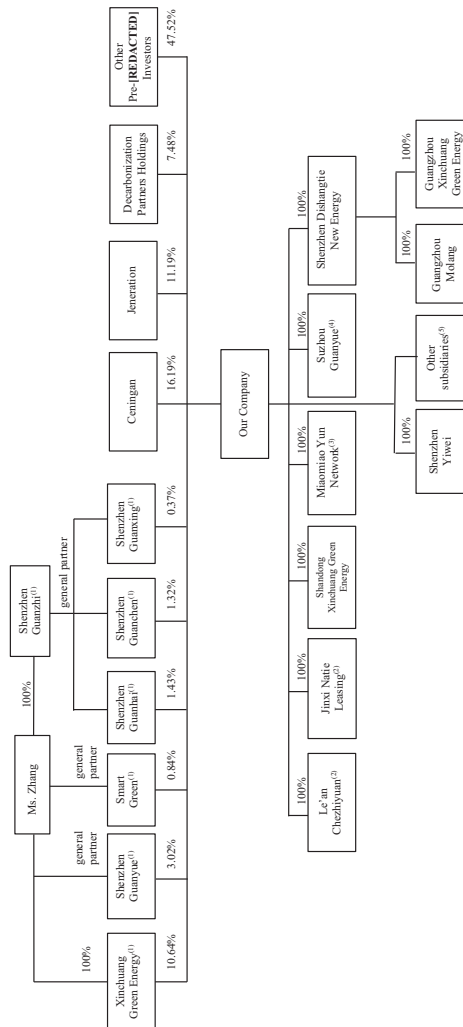
Based on the above, it is expected that upon the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), [REDACTED] Shares to be in issue, representing a market capitalization of our Company of HK\$[REDACTED] (as calculated based on the [REDACTED] of HK\$[REDACTED] per H Share, being the minimum [REDACTED] range), will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the completion of the [REDACTED] and the Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CORPORATE STRUCTURE

Corporate Structure Immediately Before the Completion of the [REDACTED]

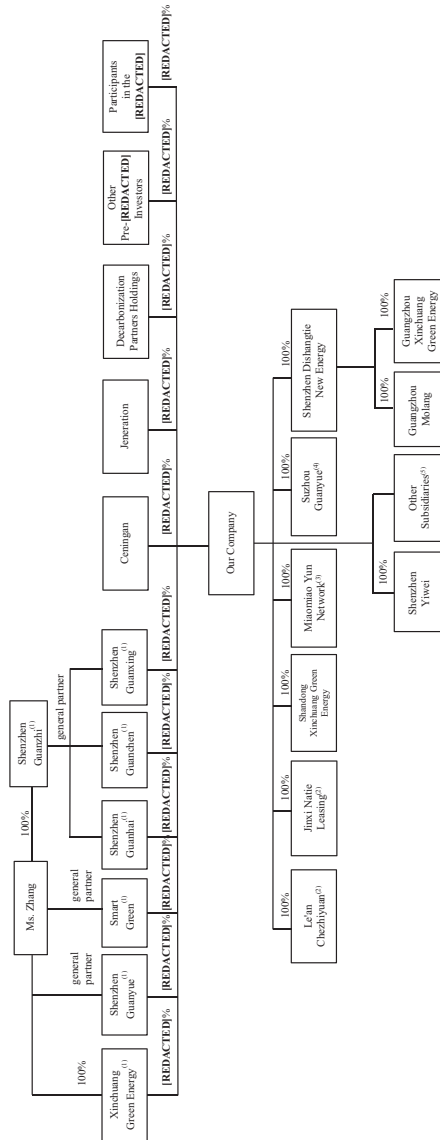
The following diagram illustrates our simplified shareholding structure, including major operating subsidiaries and holding companies, immediately prior to the [REDACTED]:



Notes:

- (1) Taking into account the Voting Proxy Arrangement, the Ms. Zhang Entities will be entitled to exercise approximately [REDACTED]% of voting rights in our Company as of the Latest Practicable Date and approximately [REDACTED]% of voting rights immediately upon [REDACTED] (assuming the [REDACTED] is not exercised). For further details of the Voting Proxy Arrangement, see “— Voting Proxy Arrangements”.
- (2) As of the Latest Practicable Date, our Company indirectly held 100% equity interest in Le'an Chezhiyuan and Jinxi Natie Leasing through Fuzhou Ant Smart Green Supply Chain Co., Ltd. (撫州市螞蟻智綠供應鏈有限公司), a wholly-owned subsidiary of our Company.
- (3) As of the Latest Practicable Date, our Company indirectly held 100% equity interest in Miaomiao Yun Network through Beijing Xinchuang Green Energy Electric Vehicle Technology Co., Ltd. (北京新創綠能新能源汽車科技有限公司), a wholly-owned subsidiary of our Company.
- (4) As of the Latest Practicable Date, our Company indirectly held 100% equity interest in Suzhou Guanyue through Shanghai Yishen New Energy Technology Co., Ltd. (上海倚申新能源科技有限公司), a wholly-owned subsidiary of our Company.
- (5) As of the Latest Practicable Date, our Company had 195 subsidiaries, including our Major Subsidiaries.

The following diagram illustrates our simplified shareholding structure, including major operating subsidiaries and holding companies, immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised):



(1)-(5) See the respective notes to the corporate structure chart immediately prior to the completion of the [REDACTED] as set out above.

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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%.

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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.

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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.

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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.

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- **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

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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.

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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.

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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.

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- **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.

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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	%
	<i>(RMB in thousands, except for percentage)</i>					
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.

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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.

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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. • A lack of sufficient vehicle health data can adversely affect vehicle deployment and disposal decisions.	• 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. • 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.

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- **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.

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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.

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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

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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.

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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 (RMB'000)	Percentage of total revenue	Products/ services purchased from us	Year of commencing business relationship with us	Credit terms
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 (RMB'000)	Percentage of total revenue	Products/ services purchased from us	Year of commencing business relationship with us	Credit terms
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

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For the Year Ended December 31, 2023

Ranking	Customer	Revenue (RMB'000)	Percentage of total revenue	Products/ services purchased from us	Year of commencing business relationship with us	Credit terms
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.

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- *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.

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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.

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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.

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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 (RMB'000)	Percentage of total purchase	Products/ services purchased	Year of commencing business relationship with us	Credit terms
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 (RMB'000)	Percentage of total purchase	Products/ services purchased	Year of commencing business relationship with us	Credit terms
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 (RMB'000)	Percentage of total purchase	Products/ services purchased	Year of commencing business relationship with us	Credit terms
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

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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%,

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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.

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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 uninterrupted 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

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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

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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.

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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

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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)

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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.

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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.

BUSINESS

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 ₂ e	6.92	3.80	56.48
Scope 2 GHG Emissions . . .	t CO ₂ e	1,436.17	1,868.52	1,718.90
Scope 3 GHG Emissions . . .	t CO ₂ e	301,716.41	549,662.82	816,417.72
Total	t CO ₂ e	303,159.50	551,535.13	818,193.10

BUSINESS

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

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.

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Our Board consists of nine Directors, including three executive Directors, three non-executive Directors, and three independent non-executive Directors. The following table sets forth certain information about the Directors.

Name	Age	Position	Joining Date	Appointment Date	Roles and Responsibilities
Ms. Haiying Zhang (張海瑩)	50	Chairlady of the Board, executive Director and chief executive officer	April 2015	April 2015	Responsible for the Group’s strategic planning, business direction, and overall operational management
Mr. Pinglu Kang (康平陸)	45	Executive Director and chief marketing officer	July 2018	June 2021	Responsible for strategic planning and operational management of the Group’s brand marketing and sales system
Mr. Jian Wang (王建)	39	Executive Director, vice president of investment and financing and joint company secretary	April 2016	November 2025	Responsible for the Group’s investment and financing strategy and coordination management of public affairs
Mr. Hongcheng Yu (于宏成)	52	Non-Executive Director, employee Director and chief internal control officer	May 2017	November 2023	Involved in the decision-making process of the Board as an employee representative
Mr. Guangqiang Chen (陳光強)	44	Non-Executive Director	November 2025	November 2025	Responsible for the formulation of our Company’s corporate and business strategies
Ms. Yangyang Liu (劉揚揚)	49	Non-Executive Director	November 2025	November 2025	Responsible for the formulation of our Company’s corporate and business strategies
Mr. Xinyu Zuo (左 新宇)	48	Independent Non-Executive Director	[REDACTED]	[REDACTED]	Responsible for supervising and providing independent opinion and judgment to the Board
Mr. Kai Wing Chan (陳繼榮)	65	Independent Non-Executive Director	[REDACTED]	[REDACTED]	Responsible for supervising and providing independent opinion and judgment to the Board
Ms. Yu Qian (錢鈺)	52	Independent Non-Executive Director	[REDACTED]	[REDACTED]	Responsible for supervising and providing independent opinion and judgment to the Board

Note: As of the Latest Practicable Date, Mr. Bin Huang (黃斌), Mr. Guo Yuan (袁果), Mr. Yong Yu (于勇), Mr. Tian Luo (羅閔), Mr. Jimmy Ching-Hsin Chang (章經鑫), Ms. SuetChee Chiong and Ms. Fang Xie were our Directors. All of them have tendered resignation from directorship, with effect from the date immediately prior to the date of [REDACTED], save that Mr. Chang’s resignation is conditional, and shall take effect, upon [REDACTED].

DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Ms. Haiying Zhang (張海瑩), aged 50, is the chairlady of the Board, executive Director and chief executive officer of our Company. Ms. Zhang founded our Group in April 2015 and has been serving as the chairlady of the Board, a Director and chief executive officer of our Company since then. She was re-designated as an executive Director in November 2025. Ms. Zhang is primarily responsible for the Group’s strategic planning, business direction, and overall operational management.

From October 2010 to October 2013, Ms. Zhang served as the general manager of the special battery division at Suzhou Xingheng Power Supply Co., Ltd. (蘇州星恒電源有限公司) (currently known as Xingheng Power Supply Co., Ltd. (星恒電源股份有限公司)). She worked at Shenzhen Huipu Energy Technology Co., Ltd. (深圳市暉譜能源科技有限公司) as the general manager from April 2002 to September 2010. Prior to that, Ms. Zhang served at the Planning and Finance Department of Shenzhen Science and Technology Bureau (深圳科技局計劃財務處) from July 1997 to December 2001.

Ms. Zhang obtained a college diploma in industrial foreign trade from Hefei University of Technology (合肥工業大學) in the PRC in July 1996. She obtained her EMBA degrees from Haaga-Helia University of Applied Sciences in Finland via remote study in June 2024 and pursued her EMBA degrees from Renmin University (人民大學) in the PRC in May 2017. She is currently pursuing the HKU Advanced Technology Fellowship Programme at the University of Hong Kong.

Mr. Pinglu Kang (康平陸), aged 45, is the executive Director and chief marketing officer of our Company. Mr. Kang joined our Group in July 2018 and has been serving as a Director since June 2021 and chief marketing officer of our Company since July 2018. He was re-designated as an executive Director in November 2025. Mr. Kang is primarily responsible for strategic planning and operational management of the Group’s brand marketing and sales system.

From March 2016 to July 2018, Mr. Kang was the founder and chief executive officer at Shenzhen Asimov Technology Co., Ltd. (深圳市阿西莫夫科技有限公司). From October 2014 to January 2016, he worked at Carrier Air-Conditioning Refrigeration R&D Management (Shanghai) Co., Ltd. (開利空調冷凍研發管理(上海)有限公司). Prior to that, he served as general manager in business line at Schneider Electric (China) Co., Ltd. (施耐德電氣(中國)有限公司) from May 2004 to September 2014.

Mr. Kang obtained a bachelor’s degree in mechatronic engineering and a bachelor’s degree in international economics and trade from South China University of Technology (華南理工大學) in the PRC in July 2004. He obtained an MBA degree in finance and business administration from Cheung Kong Graduate School of Business (長江商學院) in the PRC in September 2017.

As of the date of this document, Ms. Haiying Zhang and Mr. Pinglu Kang each served as a director of Strides DST Pte. Ltd. (“**Strides DST**”), a Singapore-incorporated company accounted for as an associate of our Group, in which the Company through its subsidiary holds a 40% shareholding interest. Strides DST was placed in creditors’ voluntary liquidation. As of the date of this document, Strides DST remains in liquidation and has not yet been dissolved. See the section headed “Statutory and General Information — A. Further Information about Our Group — 5. Liquidation of Strides DST Pte. Ltd.” for further details.

Mr. Jian Wang (王建), aged 39, is the executive Director and vice president of investment and financing of our Company. Mr. Wang joined our Group in April 2016 and has been serving as the vice president of investment and financing of our Company since December 2016. He was appointed as an executive Director in November 2025. Mr. Wang is primarily responsible for the Group’s investment and financing strategy and coordination management of public affairs.

DIRECTORS AND SENIOR MANAGEMENT

Prior to joining our Group, Mr. Wang served at Shenzhen Jinkang Optoelectronics Co., Ltd. (深圳市金康光電有限公司) and departed in March 2016. From July 2008 to February 2010, he worked at Deppon Logistics (德邦物流).

Mr. Wang obtained a bachelor’s degree in computer science and technology from Zhengzhou University (鄭州大學) in the PRC in June 2008. In June 2025, he obtained a Postgraduate Diploma in Finance and Business Management from The University of Hong Kong (香港大學).

Non-Executive Directors

Mr. Hongcheng Yu (于宏成), aged 52, is the non-executive Director, employee Director and chief internal control officer of our Company. Mr. Yu joined our Group in May 2017 and has been serving as the chief internal control officer of our Company since then. He was appointed as a Director in November 2023. He was re-designated as a non-executive Director in May 2026 and elected as an employee Director by employees of the Company through the employees’ representative congress in May 2026 with effect upon [REDACTED], in May 2026. Mr. Yu is involved in the decision-making process of the Board as an employee representative.

Prior to joining our Group, he served as a business supervisor in the asset management department at Anhui Energy Group Co., Ltd. (安徽省能源集團有限公司) from January 2011 to May 2017. Mr. Yu served as a salesperson, deputy head of the marketing department, and head of the planning department at Anhui Electric Power Fuel Co., Ltd. (安徽電力燃料有限責任公司) from January 2001 to January 2011.

Mr. Yu obtained a bachelor’s degree in industrial foreign trade from Hefei University of Technology (合肥工業大學) in the PRC in July 1997 and a master’s degree in business administration from Hefei University of Technology (合肥工業大學) in the PRC in December 2015.

Mr. Guangqiang Chen (陳光強), aged 44, is the non-executive Director of our Company. Mr. Chen was appointed as a non-executive Director of our Company in November 2025. Mr. Chen is primarily responsible for the formulation of our Company’s corporate and business strategies.

Mr. Chen joined Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司) (a company listed on the Hong Kong Stock Exchange with stock code 3750 and the Shenzhen Stock Exchange with stock code 300750) in July 2017, where he currently serves as executive president of the logistics business unit.

Mr. Chen obtained an MBA degree from Tongji University (同濟大學) in the PRC.

Ms. Yangyang Liu (劉揚揚), aged 49, is the non-executive Director of our Company. Ms. Liu was appointed as a non-executive Director of our Company in November 2025. Ms. Liu is primarily responsible for the formulation of our Company’s corporate and business strategies.

Ms. Liu has served at EIG Partners as managing director of energy investments since March 2025, senior advisor from June 2018 to March 2025, and managing director of investments from September 2014 to May 2018. She was a founding partner at MissionBlue Capital. Prior to that, she worked at China Investment Corporation (中國投資有限責任公司) from February 2009 to June 2014 and as an associate and analyst at Morgan Stanley from August 2005 to June 2009 and from September 1999 to July 2002, respectively.

Ms. Liu obtained a bachelor of arts (Management Studies, with a specialization in Accounting/Finance) from the University of Rochester in the United States in May 1999 and an MBA in Columbia Business School at Columbia University in the United States in May 2006.

DIRECTORS AND SENIOR MANAGEMENT

Independent Non-Executive Directors

Mr. Xinyu Zuo (左新宇), aged 48, is an independent non-executive Director of our Company. Mr. Zuo was appointed as an independent non-executive Director in May 2026, with effect from the [REDACTED]. He is responsible for supervising and providing independent opinion and judgment to the Board.

Mr. Zuo has served as an independent non-executive director of HOREN CORTP Co., Ltd. (上海箱箱智能科技股份有限公司) since January 2026, Changan Minsheng APLL Logistics Co., Ltd. (重慶長安民生物流股份有限公司) (a company listed on the Stock Exchange with stock code 1292) since November 2025, an independent director of Hichain Logistics Co., Ltd. (江蘇海晨物流股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 300873) since May 2022, and West Shanghai Automotive Service Co., Ltd. (西上海汽車服務股份有限公司) (a company listed on the Shanghai Stock Exchange with stock code 605151) since May 2021. He served as an independent non-executive director of Beijing Rui Ze Heng Yi Technology Plc. (北京睿澤恒鎰科技股份公司) from April 2022 to January 2025, and San Yang Ma (Chongqing) Logistics Co., Ltd. (三羊馬(重慶)物流股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 001317) from May 2022 to June 2025.

He joined the China Federation of Logistics and Purchasing (中國物流與採購聯合會) in February 2006 and currently serves as a director or executive vice president in various committees and branches thereunder. He also served as managing director of Beijing Zhongwulian Conference and Exhibition Co., Ltd. (北京中物聯會展有限公司) from February 2006. He served as chief section officer of the Business Development Centre of the State Administration of Domestic Trade (國家國內貿易局) from August 2000 to February 2006.

Mr. Zuo obtained a bachelor’s degree in science in computer science and applications from Heilongjiang Business School (黑龍江商學院) in the PRC and master’s degree in logistics engineering from Beijing Jiaotong University (北京交通大學) in the PRC, in July 2000 and July 2011 respectively.

Mr. Kai Wing Chan (陳繼榮), aged 65, is an independent non-executive Director of our Company. Mr. Chan was appointed as an independent non-executive Director in May 2026, with effect from the [REDACTED]. He is responsible for supervising and providing independent opinion and judgment to the Board.

Mr. Chan is the founder and managing director of Mandarin Capital Enterprise Limited (文華資本企業有限公司), a company specializing in providing financial advisory services to companies in the area of accounting services, financial due diligence services and (corporate) strategic consulting, from October 2003 to now. Mr. Chan has been appointed as an independent non-executive Director of Sino Gas Holdings Group Limited (中油潔能控股集團有限公司) (a company listed on the Hong Kong Stock Exchange with stock code 1759) on December 18, 2025. Mr. Chan has served as an independent non-executive director of ICO Group Limited (揚科集團有限公司) (a company listed on the Hong Kong Stock Exchange with stock code 1460) from August 2022 until now, Nanfang Communication Holdings Limited (南方通信控股有限公司) (a company listed on the Hong Kong Stock Exchange with stock code 1617) from November 2016 to now, and China Conch Venture Holdings Limited (中國海螺創業控股有限公司) (a company listed on the Hong Kong Stock Exchange with stock code 586) from December 2013 to now.

Mr. Chan has also served as director and financial controller of Shenzhen China Bicycle Company (Holdings) Limited (深圳中華自行車(集團)股份有限公司) from July 1991 to June 1999. He was a supervisor of the audit department at Ernst & Young from August 1988 to June 1991.

Mr. Chan obtained a bachelor’s degree in economics from Macquarie University in April 1986 and is a fellow member of CPA Australia from April 2012 to now.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Chan possesses appropriate professional accounting or related financial management expertise required under Rule 3.10(2) of the Listing Rules.

Ms. Yu Qian (錢鈺), aged 52, is an independent non-executive Director of our Company. Ms. Qian was appointed as an independent non-executive Director in May 2026, with effect from the [REDACTED]. She is responsible for supervising and providing independent opinion and judgment to the Board.

Ms. Qian has over 20 years of management and strategic leadership experience in the logistics, supply chain and investment sectors across China and the United States. She has been serving as deputy chief executive officer of LosCam (Shanghai) Investment Co., Ltd. (路凱(上海)投資有限公司) since April 2023, where she is responsible for the overall management and operation of circular logistics and returnable packaging businesses. From May 2019 to March 2023, she served as Asia president of Brambles Investment (China) Co., Ltd. (布蘭堡投資(中國)有限公司), overseeing the overall business management of returnable packaging and circular logistics operations. From May 2012 to April 2019, Ms. Qian was a co-founder and executive president of Shanghai KXTX Supply Chain Management Co., Ltd. (上海卡行天下供應鏈管理有限公司), responsible for network operations, information technology, human resources management. From February 2010 to February 2012, she served as chief executive officer of Shanghai Jiayu Logistics Co., Ltd. (上海佳宇物流有限公司), and from January 2007 to January 2010, as vice president of JinHai JieYa International Freight Co., Ltd. (錦海捷亞國際貨運有限公司), both of which were joint ventures under YRC Worldwide Inc., with responsibilities covering overall operational management, information technology, human resources, quality compliance and cross-border cooperation. Ms. Qian began her professional career in the United States, where she served as director of asia strategic development at YRC Logistics, a wholly-owned subsidiary of YRC Worldwide Inc., focusing on Asia-Pacific strategic expansion and mergers and acquisitions, and earlier as a senior strategic analyst at Yellow Transportation, another wholly-owned subsidiary of YRC Worldwide Inc., responsible for customer solution analysis and pricing strategy.

Ms. Qian obtained a master’s degree in business administration from the University of Kansas (堪薩斯大學) in December 2001. She obtained a master’s degree in Psychology from the University of Arizona Global Campus (亞利桑那大學全球校區) via remote study in March 2026.

Save as disclosed above, none of the Directors had held any directorships in listed companies during the three years immediately prior to the Latest Practicable Date, there is no other information in respect of the Directors to be disclosed pursuant to Rules 13.51(2)(a) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders or potential investors.

SENIOR MANAGEMENT

The following table provides information about members of the senior management of our Company:

Name	Age	Position	Joining Date	Appointment Date	Roles and Responsibilities
Ms. Haiying Zhang (張海瑩).	50	Chairlady of the Board, executive Director and chief executive officer	April 2015	April 2015	Responsible for the Group’s strategic planning, business direction, and overall operational management
Mr. Pinglu Kang (康平陸).	45	Executive Director and chief marketing officer	July 2018	July 2018	Responsible for strategic planning and operational management of the Group’s brand marketing and sales system

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position	Joining Date	Appointment Date	Roles and Responsibilities
Mr. Jian Wang (王建)	39	Executive Director, vice president of investment and financing and joint company secretary	April 2016	December 2016	Responsible for the Group’s investment and financing strategy and coordination management of public affairs
Ms. Xiaoyan Ji (姬小燕).	50	Chief Financial Officer	February 2026	February 2026	Responsible for the overall financial management and capital operations of our Group
Mr. Wei Li (李瑋)	50	Vice President	December 2024	December 2024	Responsible for the development of the Group’s middle- and back-office operational systems, process digitalization and AI-driven upgrades, enhancing operational efficiency and service experience

Ms. Haiying Zhang (張海瑩), aged 50, is the chairlady of the Board, executive Director and chief executive officer of our Company. For more details of her biography, see “— Directors — Executive Directors” above.

Mr. Pinglu Kang (康平陸), aged 45, is the executive Director and chief marketing officer of our Company. For more details of his biography, see “— Directors — Executive Directors” above.

Mr. Jian Wang (王建), aged 39, is the executive Director and vice president of investment and financing of our Company. For more details of his biography, see “— Directors — Executive Directors” above.

Ms. Xiaoyan Ji (姬小燕), aged 50, is the chief financial officer of our Company. Ms. Ji joined our Group in February 2026 and has been serving as the chief financial officer of our Company since then. Ms. Ji is primarily responsible for the overall financial management and capital operations of our Group.

Prior to joining our Group, Ms. Ji served as the vice president of Beijing Tailan New Energy Co., Ltd. (北京太藍新能源有限公司) from January 2025 to November 2025. From October 2021 to October 2024, she served as the managing director of Sinopec Capital Co., Ltd. (中國石化集團資本有限公司). From May 2020 to October 2021, Ms. Ji rejoined IDG Capital (IDG資本), where she successively held positions as managing director and investment advisor. From May 2018 to April 2020, she served as the chief financial officer of HC SemiTek Corporation (華燦光電股份有限公司), an investee company of IDG Capital. From November 2016 to April 2018, she served as the managing director of IDG Capital (IDG資本). From July 2014 to September 2016, Ms. Ji served as the chief financial officer of Beijing BDStar Navigation Co., Ltd. (北京北斗星通導航技術股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 002151). From November 2010 to January 2014, she served as the finance director at Honeywell Co. She previously worked at Ping An Trust Co., Ltd. (平安信託有限責任公司) and Oracle Co. From September 1998 to January 2003, Ms. Ji served as the finance manager at ZTE Corporation (中興通訊股份有限公司).

Ms. Ji obtained a bachelor’s degree in electronic engineering (microelectronics technology) and a minor in international finance from Southeast University (東南大學) in the PRC in June 1998 and October 1997, respectively. She obtained an MBA degree from INSEAD in France and Singapore in December 2008.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Wei Li (李瑋), aged 50, is a vice president of our Company. Mr. Li joined our Group in December 2024 and was appointed as vice president in December 2024. Mr. Li is primarily responsible for the development of the Group’s middle- and back-office operational systems, process digitalization and AI-driven upgrades, enhancing operational efficiency and service experience.

Mr. Li served as general manager of Shenzhen Mintaian Intelligent Technology Co., Ltd. (深圳民太安智能科技有限公司) from July 2020 to October 2024. From July 2016 to February 2020, Mr. Li served as chief executive officer of Shenzhen Yiliu Technology Co., Ltd. (深圳市易流科技股份有限公司). Prior to that, Mr. Li was director of the Strategic Cooperation and Innovation Business Unit and assistant to the president at Cainiao Network Technology Co., Ltd. of Alibaba Group (阿里巴巴集團菜鳥網絡科技有限公司) from January 2015 to June 2016, where he was responsible for the integration and collaboration of external strategic resources and advanced multiple new business initiatives. He joined AutoNavi Software Co., Ltd. (高德軟件有限公司) in October 2005 and served as deputy general manager of Government and Enterprise Services Division from March 2012 to January 2015, where he was responsible for pre-project analysis, consulting, pre-sales support and sales decision-making for large enterprise map-related IT service projects.

Mr. Li obtained a bachelor’s degree in automatic control from the Department of Electrical Engineering in Sichuan United University (四川聯合大學) (currently known as Sichuan University (四川大學)) in the PRC in July 1997 and a master’s degree in nuclear monitoring and control from Sichuan University (四川大學) in the PRC in July 2000.

JOINT COMPANY SECRETARIES

Mr. Jian Wang (王建), aged 39, was appointed as our joint company secretary in May 2026, with effect from the [REDACTED]. For more details of his biography, see “— Directors — Executive Directors” above.

Ms. Leung Chi Ching Jacqueline (梁芷晴) was appointed as our joint company secretary in May 2026, with effect from the [REDACTED].

Ms. Leung is an assistant manager of company secretarial services of Vistra Corporate Services (HK) Limited. Ms. Leung has over 7 years of experience in the corporate services industry and has been providing professional company secretarial and compliance services to Hong Kong listed companies, Hong Kong private and offshore companies.

Ms. Leung obtained a Master of Science in Professional Accounting and Corporate Governance from City University of Hong Kong in 2021. She is an associate member of The Chartered Governance Institute in the United Kingdom and The Hong Kong Chartered Governance Institute.

BOARD COMMITTEES

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of our Group and provide advice and recommendations to the Board. The Audit Committee comprises three members, namely, Mr. Kai Wing Chan, Ms. Yu Qian and Ms. Yangyang Liu, with Mr. Kai Wing Chan as the chairperson of the Audit Committee.

DIRECTORS AND SENIOR MANAGEMENT

Remuneration Committee

We have established a Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration Committee are to review and make recommendations to the Board on the terms of remuneration packages, bonuses and other compensation payable to our Directors and other senior management. The Remuneration Committee comprises three members, namely Mr. Kai Wing Chan, Ms. Haiying Zhang and Mr. Xinyu Zuo, with Mr. Kai Wing Chan as the chairperson of the Remuneration Committee.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with Rule 3.27A and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to our Board on the appointment of Directors and management of Board succession. The Nomination Committee comprises three members, namely Ms. Haiying Zhang, Mr. Xinyu Zuo and Ms. Yu Qian, with Ms. Haiying Zhang as the chairperson of the Nomination Committee.

Strategy Committee

We have established the Strategy Committee with written terms of reference. The primary duties of the Strategy Committee include, without limitation, formulating and evaluating the business development strategy of our Group, facilitating and monitoring the implementation of the business development and the strategy planning of our Group, and facilitating and monitoring our Group’s ESG performance. The Strategy Committee comprises three members, namely Ms. Haiying Zhang, Mr. Pinglu Kang and Mr. Guangqiang Chen, with Ms. Haiying Zhang as the chairperson of the Strategy Committee.

CORPORATE GOVERNANCE CODE

We aim to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders. In order to accomplish this, we expect to comply with the Corporate Governance Code set out in Appendix C1 to the Listing Rules and the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules after [REDACTED].

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between chairlady and the chief executive officer should be segregated and should not be performed by the same individual. We do not have a separate chairperson and chief executive officer and Ms. Zhang currently performs these two roles. Our Board believes that, in view of her experience, personal profile and her roles in our Company as mentioned above, Ms. Zhang is the Director best suited to identify strategic opportunities and focus of the Board due to her extensive understanding of our business and industry as our chief executive officer. The Board also believes that vesting the roles of both chairlady and chief executive officer in the same person has the benefit of (i) ensuring consistent leadership within our Group, (ii) enabling more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitating the flow of information between the management and the Board for our Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our

DIRECTORS AND SENIOR MANAGEMENT

Company to make and implement decisions promptly and effectively. Our Board will continue to review and consider splitting the roles of chairlady of the Board and the chief executive officer of our Company at a time when it is appropriate by taking into account the circumstances of our Group as a whole.

BOARD DIVERSITY

Our Company has adopted a board diversity policy which sets out the approach to achieve diversity of the Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining our Company’s competitive advantage and enhancing its ability to attract, retain, and motivate employees from the widest possible pool of available talent. Pursuant to the board diversity policy, in reviewing and assessing suitable candidates to serve as a Director of our Company, the Nomination Committee will consider a number of factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry and regional experience. Pursuant to the board diversity policy, the Nomination Committee will discuss periodically and when necessary, agree on the measurable objectives for achieving diversity, including gender diversity, on the Board and recommend them to the Board for formal adoption.

MANAGEMENT PRESENCE

According to Rule 8.12 and Rule 19A.15 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Since the principal business operations of our Group are conducted in China, members of our senior management are, and are expected to continue to be, based in China. Our Company does not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong. We have applied for, and the Stock Exchange [has granted], a waiver from compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules. For further details, see “Waivers — Waiver in Relation to Management presence in Hong Kong.”

REMUNERATION

Our Directors receive remuneration, including salaries, discretionary bonuses, share-based payments, and other benefits in kind.

The aggregate amount of remuneration for our Directors for the years ended December 31, 2023, 2024 and 2025 was RMB8.7 million, RMB4.2 million and RMB9.0 million, respectively. None of our Directors waived any remuneration during the aforesaid periods.

The five highest paid individuals of our Group for the years ended December 31, 2023, 2024 and 2025 included four, one and four Directors, respectively. The aggregate amount of remuneration (including basic salaries, housing allowances, other allowances and benefits in kind, contributions to pension plans and discretionary bonuses) for the remaining highest paid individuals for the years ended December 31, 2023, 2024 and 2025 were approximately RMB2.6 million, RMB4.2 million and RMB1.0 million, respectively.

Save as disclosed above, no other payments have been paid or are payable, in respect of the years ended December 31, 2023, 2024 and 2025 by our Company to our Directors. For the year ended December 31, 2026, we expect to pay approximately RMB9.7 million in aggregate remuneration to our Directors.

DIRECTORS AND SENIOR MANAGEMENT

No remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining, our Group. No compensation was paid to, or receivable by, our Directors or past directors for the Track Record Period for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the same period.

Compliance Adviser

We have appointed Altus Capital Limited as our Compliance Adviser pursuant to Rule 3A.19 of the Listing Rules. The Compliance Adviser will provide us with guidance and advice as to compliance with the requirements under the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Adviser will advise our Company, among others, in the following circumstances:

- (a) before the publication of any regulatory announcement, circular, or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (c) where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this document or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this document;
- (d) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules;

The term of appointment of the Compliance Adviser shall commence on the [REDACTED] and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED].

COMPETITION

Each of the Directors confirms that as of the Latest Practicable Date, save as disclosed in this document, he or she did not have any interest in a business which materially competes or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules.

From time to time our non-executive Directors may serve on the boards of both private and public companies within the broader EV management solutions industry. However, as these non-executive Directors are not members of our executive management team, we do not believe that their interests in such companies as directors would render us incapable of carrying on our business independently from the other companies in which these non-executive Directors may hold directorships from time to time.

CONFIRMATIONS FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that they (i) have obtained the legal advice referred to under Rule 3.09D of the Listing Rules on May 12, 2026, and (ii) understand their obligations as a director of a [REDACTED] issuer under the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) their independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) they have no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect their independence at the time of their appointments.

REGULATORY OVERVIEW

This section sets forth a summary of the most significant rules and regulations that affect our business activities in China or our Shareholders’ rights to receive dividends and other distributions from us.

REGULATIONS ON CORPORATION

The establishment, operation and management of companies in China is governed by the PRC Company Law (《中華人民共和國公司法》), which was last amended in 2023 and came into effect on July 1, 2024. The PRC Company Law also applies to foreign investment companies. Where laws on foreign investment have other stipulations, such stipulations shall prevail.

The shareholders’ meeting shall be the authority of the company and shall exercise duties and powers in accordance with the PRC Company Law.

Shareholders present at a shareholders’ meeting have one vote for each share they hold, except for shareholders of non-ordinary shares and the company’s shares held by the company are not entitled to any voting rights.

Shares held by shareholders may be transferred legally. A shareholder should effect a transfer of his/her shares on a stock exchange established in accordance with laws or by any other means as required by the State Council. Shares may be transferred by shareholders through endorsement or in any other manner stipulated by the laws or administrative regulations.

REGULATIONS ON FOREIGN INVESTMENT

Law of the PRC on Foreign Investment

The Foreign Investment Law (《中華人民共和國外商投資法》), or the Foreign Investment Law, which became effective on January 1, 2020, implements the administrative system of pre-establishment national treatment and negative list to the foreign investments. The State shall accord to the foreign investors and their investments which are not included in the negative list, treatment no less favorable than that which it accords to the domestic investors and their investments.

The Implementation Regulations of Foreign Investment Law (《中華人民共和國外商投資法實施條例》) which became effective on January 1, 2020, provide specific operation rules for the principles of investment protection, investment promotion and investment management in the Foreign Investment Law.

The Catalogue of Encouraged Industries for Foreign Investment (2025 Edition) (《鼓勵外商投資產業目錄(2025年版)》) was promulgated and became effective on February 1, 2026. The Special Administrative Measures (Negative List) for Access of Foreign Investment (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “**Negative List (2024)**”), which came into effect on November 1, 2024, sets out the special administrative measures for access of foreign investment such as the requirements in relation to shareholding and senior management. Fields that were not included in the Negative List (2024) shall be regulated according to the principle of equal treatment of domestic and foreign investments.

REGULATORY OVERVIEW

REGULATIONS ON AUTOMOBILE LEASE, SALES, MAINTENANCE AND INSURANCE

Automobile Lease

According to the Notice on Promoting the Healthy Development of the Automobile Lease Industry (《關於促進汽車租賃業健康發展的通知》) promulgated by the Ministry of Transport of the PRC in 2011, automobile leasing enterprises should obtain the relevant legal qualification documents and carry them with the vehicles. Automobile leasing enterprises shall sign automobile leasing contracts with lessees and provide vehicles that meet technical standards with complete and valid documents, and shall not engage in road passenger or cargo transportation operations without permit. This notice sets out guidelines for the automobile lease industry and requires local governmental authorities to promulgate local rules and regulations to improve and develop the regulatory environment of the automobile operating lease industry. The automobile lease industry is currently primarily regulated by government authorities at local levels, where regulatory requirements vary from one province or city to another.

Pursuant to the Regulations on the Road Transportation of the PRC (《中華人民共和國道路運輸條例》) (“**Road Transportation Regulations**”) that was last amended in 2026, any individual or institution that engages in the operation of road transportation shall apply for the road transportation operation license with the competent road transportation authorities and shall also obtain the vehicle operating license for the vehicle that are used for the road transportation. Operators engaged in general freight transport using general freight vehicles with a gross vehicle weight no more than 4,500 kilograms are not required to apply for the road transportation operation license or the vehicle operating license.

The Road Transportation Regulations and the Provisions on Administration of Road Freight Transportation and Stations (Sites) (《道路貨物運輸及站場管理規定》) last amended in 2026, require that any individual or institution applying to engage in operation of road freight transportation shall: (i) possess transport vehicles that are suitable for its business operations and have passed the required inspections; (ii) have drivers who are under 63, hold motor vehicle driver’s license appropriate for the vehicles to be driven and have passed requisite knowledge tests and obtained qualification certificates (excluding drivers operating general freight vehicles with a gross vehicle weight no more than 4,500 kilograms), and (iii) have sound management systems for safe operation. Road freight transport operators shall conduct freight transportation operation within the scope of business specified on its road transportation operation license and shall not transfer or lease such license to others.

Automobile Sales

According to the Measures for the Administration of Automobile Sales (《汽車銷售管理辦法》), which were promulgated by the MOFCOM and became effective on July 1, 2017 the dealers shall within 90 days from the date of obtaining their business licenses, file the basic information through the “National Information Management System for Automobile Circulation” of the commerce authorities of the State Council. Where there is any change to such basic information, the update shall be made within 30 days of the date of the change. The dealers shall also report the number, type and other information of the automobile sales through such system as required by the commerce authorities of the State Council. In case of any violation of such filing obligation, the competent local commerce departments at or above county level shall make rectification order, and issue a warning or impose a maximum fine of RMB10,000.

On August 29, 2005, MOFCOM, the Ministry of Public Security, State Administration for Industry and Commerce, and State Administration of Taxation together promulgated the Administrative Measures for Trade of Used Vehicles (《二手車流通管理辦法》), which were amended on September 14, 2017. On November 22, 2005, MOFCOM further promulgated the Notice on Issues Concerning the Implementation of the Administrative Measures for Trade of Used Vehicles (《商務部辦公廳關於實施<

REGULATORY OVERVIEW

二手車流通管理辦法>有關問題的通知》). According to aforesaid regulations, any operator of used vehicles that has been legally registered with the relevant administrative authorities for industry and commerce and obtained the business license shall file with the competent commerce authorities at the provincial level within two months from the date of obtaining the business license, and such operator shall establish complete records for trading, buying and selling, auctioning, brokering, as well as appraisal and evaluation of used vehicles and regularly report information such as the trading volume and transaction value and other information of used vehicles to the competent commerce authorities at the provincial level through local commerce authorities. In addition, dealers of used vehicles shall, when selling used vehicles, provide quality assurance as well as after-sales services, and make them clearly publicized in its business place.

Automobile Maintenance

According to the Road Transportation Regulations, anyone who is engaged in operation of motor vehicle maintenance shall file with the local transport authorities at the county level. The enterprises operating in the motor vehicle maintenance shall meet the following conditions: (i) having corresponding sites for motor vehicle maintenance; (ii) having necessary equipment, facilities and technicians; (iii) having a sound management system for motor vehicle maintenance; and (iv) having necessary environmental protection measures. The operators that engage in motor vehicle maintenance shall publicize the hours and fees for motor vehicle maintenance and charge reasonable fees. After the completion of maintenance service, a detailed list of the maintenance costs shall be provided.

The Provisions on the Administration of Motor Vehicle Maintenance (《機動車維修管理規定》), which were last amended on November 10, 2023, stipulate that enterprises engaged in motor vehicle maintenance and operation business shall, after going through relevant registration procedures with the market regulatory authorities in accordance with the laws, complete the record filing with the transportation authorities at the county level in the place of their location. The business operations of motor vehicle maintenance shall be classified into four categories according to the maintenance objects, i.e. business operations of auto maintenance, business operations of maintenance of vehicles that transport dangerous goods, business operations of motorcycle maintenance and business operations of other motor vehicle maintenance. The business operations of auto maintenance are classified into business operations of Grades I, II and III according to business projects and service capacity. The operators engaged in motor vehicle maintenance shall provide maintenance services within the filed business scope.

EV Charging Facilities Operation

The NDRC, the National Energy Administration, MIIT, and MOF jointly promulgated the Action Plan for Enhancing the Charging Infrastructure for New Energy Vehicles in November 2018, which encourage collaboration among companies in the vehicle manufacturing, charging infrastructure operations, and mobility services sectors to promote the professional development of charging services. The General Office of the State Council issued the Development Plan for the New Energy Vehicle Industry (2021–2035) in October 2020, aiming to guide enterprises to jointly establish operation service platforms for charging facilities to achieve interoperability, information sharing, and unified billing.

Traffic Accident and Automobile Insurance

According to the Law of the PRC on Road Traffic Safety (《道路交通安全法》) (the “**Traffic Law**”) last amended on April 29, 2021, the State applies a compulsory third party liability insurance system to motor vehicles. Pursuant to relevant provisions of the Regulation on Compulsory Insurance for Liability for Traffic Accidents of Motor Vehicles (《機動車交通事故責任強制保險條例》) last amended on March 2, 2019, the owner or manager of a motor vehicle driving on the roads within the PRC shall purchase the compulsory insurance for liability for traffic accidents of motor vehicles in

REGULATORY OVERVIEW

accordance with the provisions of the Traffic Law. The compulsory insurance for liability for traffic accidents of motor vehicles refers to the compulsory liability insurance of an insurance company which compensates the victims other than the personnel in the motor vehicles and the insured for their personal injuries and death as well as property losses arising from the road traffic accidents caused by the insured motor vehicles within the scope of limit of liability for the compulsory insurance for liability for traffic accidents of motor vehicles.

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》), where the owner, manager, or user of a motor vehicle are not the same person in leasing, borrowing, or the other like situations, and a traffic accident occurs and causes damage, the user of the motor vehicle shall bear the liability for compensation where the liability is attributed to the motor vehicle driver, and the owner or manager of the vehicle who is at fault shall assume the corresponding liability for compensation.

According to the Interpretation of the Supreme People’s Court on Several Issues Concerning the Application of Law in the Hearing of Cases Involving Compensation for Damages in Road Traffic Accidents (《最高人民法院關於審理道路交通事故損害賠償案件適用法律若干問題的解釋》), which was last amended with effect on January 1, 2021, where damages are caused by a traffic accident of motor vehicle, the court shall determine that the owner or manager of that motor vehicle has fault for the damages if the owner or manager (i) knows or should know that the motor vehicle has a defect which constitutes one of the causes for the traffic accident, (ii) knows or should know that the driver of the motor vehicle does not meet the driving requirements or has not acquired corresponding driving qualifications; (iii) knows or should know that the driver shall not have driven that motor vehicle for drinking, taking psychoactive drug or narcotic controlled by the state, or having any disease that obstructs safe driving of motor vehicle; or (iv) has any other fault for the traffic accident.

REGULATIONS ON CYBERSECURITY AND DATA SECURITY, AND PERSONAL INFORMATION PROTECTION

PRC Cybersecurity and Data Security

The PRC Cybersecurity Law (《中華人民共和國網絡安全法》) (the “**Cybersecurity Law**”), provides that network operators must set up internal security management systems that meets the requirements of a classified protection system for cybersecurity.

The Cybersecurity Review Measures (《網絡安全審查辦法》) provide that (i) network platform operators in possession of over one million users’ personal information shall apply for a cybersecurity review when listing in a foreign country; (ii) operators of “critical information infrastructure” that intend to purchase network products and services that will or may affect national security shall apply for a cybersecurity review; and (iii) network platform operators carrying out data processing that will affect or may affect national security shall apply for a cybersecurity review.

The PRC Data Security Law (《中華人民共和國數據安全法》) provides a national data security review system. The State Council published the Cyber Data Security Administrative Regulation (《網絡數據安全管理條例》), which provides that data processors conducting the data processing activities that affect or may affect national security shall apply for cybersecurity review in accordance with the relevant laws and regulations.

The Regulations for the Security Protection of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》), which became effective on September 1, 2021, refer “critical information infrastructures” as important network facilities and information systems in important industries including public communications and information services, as well as those that may seriously endanger national security, national economy, people’s livelihood, or public interests in the event of damage, loss of function, or data breach. Pursuant to the Regulations for the Security Protection of Critical

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Information Infrastructure, the relevant government authorities are responsible for stipulating rules for the identification of critical information infrastructures with reference to several factors set forth therein and further identifying the critical information infrastructure in the related industries in accordance with such rules. The relevant authorities must also notify operators of the determination as to whether they are categorized as critical information infrastructure operators.

The CAC issued the Measures for the Security Assessment of Data Cross-border Transfer (《數據出境安全評估辦法》) (the “**Security Assessment Measures**”), which became effective on September 1, 2022. The Security Assessment Measures require that any data processor providing important data collected and generated during operations within the territory of the PRC or personal information that should be subject to security assessment according to law to an overseas recipient shall conduct security assessment. On March 22, 2024, the CAC issued the Provisions on Promoting and Regulating Cross-Border Data Flow (《促進和規範數據跨境流動規定》) (the “**Cross-Border Data Flow Provisions**”), which provide the following circumstances under which data processors shall apply for security assessment of cross-border data transfer: (i) critical information infrastructure operators providing personal information or important data overseas; and (ii) data processors other than critical information infrastructure operators providing important data overseas, or cumulatively providing overseas personal information (excluding sensitive personal information) of more than one million individuals or sensitive personal information of more than 10,000 individuals since January 1 of the current year. “Important data” is defined under Security Assessment Measures as any data, the tampering, damage, leakage, or illegal acquisition or use of which, may endanger national security, the operation of the economy, social stability, public health and security, etc. In addition, the Cross-Border Data Flow Provisions clarify that data processors are not required to conduct security assessment for outbound data transfer for data that has not been notified or published as “important data” by relevant departments or regions. Any failure to comply with such requirements may subject us to, among others, suspension of services, fines, revoking relevant business permits or business licenses and penalties.

Personal Information Protection

The Civil Code of the PRC (《中華人民共和國民法典》) provides that a natural person’s personal information shall be protected by the law.

The Cybersecurity Law imposes certain data protection obligations on network operators,

According to the Several Provisions for the Administration of the Automobile Data Security (for Trial Implementation) (《汽車數據安全管理若干規定(試行)》), automobile data includes the personal information data and important data involved in the process such as the design, manufacturing, sale, use, operation or maintenance of automobiles. Automobile data processors refer to organizations that carry out any activity of processing automobile data, including the collection, storage, use, processing, transmission, provision, and disclosure of automobile data. The processing of automobile data by a automobile data processor shall be in a lawful, legitimate, specific and specified manner and directly relevant to the design, manufacturing, sale, use, operation or maintenance of automobile. Furthermore, automobile data processors to carry out any activity of processing of important data shall conduct risk assessment in accordance with the relevant regulations and submit the risk assessment report to the cyberspace authorities at provincial level as well as the relevant authorities. Important data shall be stored within China in accordance with the laws, and if it is necessary to provide any important data to a recipient outside China due to a business need, the provision shall have passed a security assessment organized by the national cyberspace authority in conjunction with relevant authorities under the State Council. A automobile data processor carrying out any activity of processing of important data shall report certain information on its annual automobile data security management to the cyberspace authority at provincial level as well as the relevant authorities before December 15 of each year.

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The PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》) provides that processing of personal information shall be for a specified and reasonable purpose, and shall be conducted for a purpose directly relevant to the purpose of processing and in a way that has the least impact on personal rights and interests.

REGULATIONS ON PROPERTY LEASING

Pursuant to Administrative Measures on the Lease of Commodity Housing (《商品房屋租賃管理辦法》), parties to a lease agreement shall complete the lease registration and filing process with the competent construction (real estate) departments within 30 days after the lease agreement is signed.

REGULATIONS ON SAFE PRODUCTION, ENVIRONMENTAL PROTECTION AND FIRE SECURITY

According to the Work Safety Law of the PRC (《中華人民共和國安全生產法》) which was last amended on June 10, 2021, production and business operation entities shall satisfy the conditions for safe production as provided in laws, administrative regulations, and national/industrial standards. Enterprises shall provide education and training to employees on work safety and articles of labor protection which meet the national or industrial standards, and supervise and guide employees to wear and use of these articles according to instructions.

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), construction projects that have environmental impact shall be subject to an environmental impact assessment. Installations for the prevention and control of pollution in construction projects must be designed, built and commissioned together with the principal construction plan of the project.

Pursuant to the Law of the People’s Republic of China on Environment Impact Assessment (《中華人民共和國環境影響評價法》), the State implements a classification-based management of the environmental impact assessment of construction projects according to the impact of the construction projects on the environment.

The Fire Prevention Law of the PRC (《中華人民共和國消防法》) provides that the fire prevention design and construction of a construction project must conform to the national fire prevention technical standards.

According to the Interim Provisions on the Administration of Examination and Acceptance of Fire Prevention Design of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》), a special construction project shall be subject to fire protection design review before commences construction and shall be subject to fire protection inspection before put into use. Construction projects other than a special construction project shall be subject to fire protection inspection recordation, and the competent department of housing and urban-rural development shall conduct a random fire protection inspection thereof.

REGULATIONS ON FOREIGN EXCHANGE

Pursuant to the Foreign Exchange Administration Regulations (《中華人民共和國外匯管理條例》), Renminbi is freely convertible for current account items, but not for capital account items, unless prior approval is obtained from SAFE, and prior registration with SAFE is made.

According to the Notice on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign Invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》), and the Notice on Reforming and Standardizing the Foreign Exchange Settlement

REGULATORY OVERVIEW

Management Policy of Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》), the flow and use of the Renminbi capital converted from foreign currency denominated registered capital of a foreign investment company is regulated.

The Circular on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) cancels the restrictions on domestic equity investments by capital fund of non-investment foreign invested enterprises. According to the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》), on the premise of ensuring that the use of funds is genuine and compliant and in line with the existing regulations on use of income under the capital account, eligible enterprises are allowed to make domestic payments by using their capital account income such as capital funds, foreign debt, fund raising from overseas listings, without providing the authenticity proof materials to the bank in advance for each payment.

Pursuant to the Notice on Issues Concerning Fund Management for Overseas Listing of Domestic Enterprises (《關於境內企業境外上市資金管理有關問題的通知》) promulgated by the PBOC and SAFE on December 24, 2025 and implemented on April 1, 2026, domestic enterprises which will be listed overseas shall apply to a bank within the provincial or planned-city jurisdiction of their registered location to complete the overseas listing registration within 30 working days from the first trading day of the overseas listing or upon completion of the over-allotment. Funds raised by domestic enterprises through overseas listings shall, in principle, be repatriated to China in a timely manner. Where such funds are retained overseas to conduct overseas direct investment, overseas securities investment, overseas lending, and other businesses, the domestic enterprise shall obtain approval or filing documents from the competent regulatory authorities before the date of completion of the overseas issuance or the over-allotment option and shall comply with relevant cross-border fund administration provisions.

REGULATIONS ON INTELLECTUAL PROPERTY RIGHTS

The SCNPC promulgated the PRC Copyright Law (《中華人民共和國著作權法》), which was most recently amended in 2020. The Implementing Regulations of the PRC Copyright Law (《中華人民共和國著作權法實施條例》) were most recently amended in 2013. Pursuant to the amended PRC Copyright Law, products disseminated over the internet and software products, among others, are entitled to copyright protection.

The State Council and National Copyright Administration, have promulgated various rules and regulations relating to the protection of software in China, including the Regulations on Protection of Computer Software (《計算機軟件保護條例》) and the Measures for Registration of Copyright of Computer Software (《計算機軟件著作權登記辦法》). According to these rules and regulations, software owners, licensees and transferees may register their rights in software and obtain software copyright registration certificates.

The MIIT promulgated Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》). The efforts to undertake internet domain name services as well as the operation, maintenance, supervision and administration thereof and other relevant activities within the territory of the PRC shall thereafter be made in compliance with this measures.

The PRC Trademark Law (《中華人民共和國商標法》), with its implementation rules, protects registered trademarks. The Trademark Office of the SAIC handles trademark registrations and grants a protection term of ten years to registered trademarks.

REGULATORY OVERVIEW

According to the PRC Patent Law (《中華人民共和國專利法》), a patentable invention or utility model must meet three conditions, e.g. novelty, inventiveness and practical applicability. A patent is valid for a twenty-year term for an invention, a ten-year term for a utility model, or a fifteen-year term for a design, starting from the application date.

REGULATIONS ON TAX IN THE PRC

Principal Taxation of Our Company

Enterprise Income Tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), and the Regulations for the Implementation of the Law on Enterprise Income Tax of the PRC (《中華人民共和國企業所得稅法實施條例》) (collectively, the “EIT Law”), taxpayers consist of resident enterprises and non-resident enterprises. The rate of enterprise income tax shall be 25%, except where tax incentives are granted to special industries and projects. The enterprise income tax rate is reduced to 20% for qualifying small low-profit enterprises. The high-tech enterprises that need full support from the PRC’s government will enjoy a reduced tax rate of 15% for Enterprise Income Tax.

Value-added Tax

Pursuant to the Value-added Tax Law of the PRC (《中華人民共和國增值稅法》), along with the Implementation Regulations for the Value-added Tax Law of the PRC (《中華人民共和國增值稅法實施條例》) which was issued on December 25, 2025, and effective from January 1, 2026, entities and individuals engaged in the sale of goods, services, intangible assets, or real estate within China, or importing goods to China, shall be identified as taxpayers of value-added tax, and shall pay value-added tax.

Dividends Distribution

Pursuant to the PRC Company Law, when a company distributes its after-tax profits for the current year, it shall set aside 10% of the profits to be included in the company’s statutory reserve. A company may elect not to do so if its aggregate statutory reserve reaches 50% or more of its registered capital. If a company’s statutory reserve is insufficient to cover previous years’ losses, the current year’s profits shall first be used to cover such losses before statutory reserve is set aside. After a company sets aside an amount for statutory reserve from its after-tax profits, it may, subject to a resolution of the shareholders’ meeting, set aside an amount for discretionary reserve from its after-tax profits. Furthermore, dividends paid by a PRC entity to a non-resident enterprise for income tax purposes is subject to PRC withholding tax at a rate of 10%, subject to reduction by an applicable tax treaty with China.

Taxation on Dividends

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》), and the Regulations for the Implementation of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》), dividends paid by PRC enterprises to individual investors are generally subject to a proportional tax rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from an enterprise in the PRC is normally subject to individual income tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by a relevant tax treaty. In addition, pursuant to the Circular on Certain Policy Questions Concerning Individual Income Tax (《關於個人所得稅若干政策問題的通知》), the income gained by individual foreigners from dividends of foreign-invested enterprises is exempted from individual income tax for the time being.

REGULATORY OVERVIEW

According to the EIT Law, non-resident enterprises that have not set up institutions or establishments in China, or have set up institutions or establishments but the income obtained by the said enterprises has no actual connection with the set-up institutions or establishments, shall pay enterprise income tax in relation to their income originating from China, and the enterprise income rate is generally 10%. The aforesaid income tax payable by a non-resident enterprise must be withheld at source.

The Circular on Issues Relating to Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Distributed to Overseas Non-PRC Resident Enterprise Holding H Shares of the Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》), further clarifies that PRC resident enterprises should, in distributing dividends for year 2008 or any year thereafter to non-resident enterprises holding H-shares of the enterprises, withhold enterprise income tax for such dividends at a tax rate of 10%. The Reply on Issues Concerning Levying Enterprise Income Tax on Dividends of B Shares and Other Shares Obtained by Non-resident Enterprises (《關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》), further provides that where PRC resident enterprises that have shares (A shares, B shares and overseas shares) publicly issued and listed in and outside of the PRC distribute dividends of year 2008 or any year thereafter to non-resident enterprise shareholders, enterprise income tax at the rate of 10% shall be withheld. Where non-resident enterprise shareholders need to enjoy tax treatments specified in tax treaties, relevant provisions of tax treaties shall apply.

Taxes on Income from Share Transfer

According to the relevant regulations on individual income tax, individuals shall pay the individual income tax at the rate of 20% on their income from the sale of shares of PRC resident enterprises.

According to the EIT Law, non-resident enterprises that have not set up institutions or establishments in China, or have set up institutions or establishments but the income obtained by the said enterprises has no actual connection with the set-up institutions or establishments, shall pay enterprise income tax in relation to their income originating from China (including gains from the disposal of shares of PRC resident enterprises) and the enterprise income tax rate is generally 10%. Such tax may be reduced or eliminated under applicable tax treaties or arrangements.

REGULATIONS ON LABOR

According to the Labor Law of the PRC (《中華人民共和國勞動法》), enterprises shall establish and improve their system of work place safety and sanitation, strictly abide by state rules and standards on work place safety, and conduct employees training on labor safety and sanitation in the PRC.

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), and the Implementation Rules of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) set out specific provisions in relation to the execution, the terms and the termination of a labor contract and the rights and obligations of the employees and employers, respectively.

Employers in the PRC are required to contribute, for and on behalf of their employees, to a number of social insurance funds, including funds for pension, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing fund. The various laws and regulations that govern the employers' obligations to contribute to the social insurance funds include the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), the Interim Regulations on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), the Regulations on Work-related Injury Insurance (《工傷保險條例》), and the Regulations on Management of the Housing Fund (《住房公積金管理條例》).

REGULATORY OVERVIEW

REGULATIONS ON SECURITIES AND OVERSEAS [REDACTED]

Securities Laws and Regulations

The Securities Law of the PRC (《中華人民共和國證券法》), comprehensively regulates activities in the PRC securities market and further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing its securities to be traded overseas shall comply with the relevant provisions of the State Council.

Overseas [REDACTED]

The Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “**Trial Measures**”) and five supporting guidelines came into effect on March 31, 2023. The Trial Measures refine the regulatory system by subjecting both direct and indirect overseas offering and listing activities to the CSRC filing-based administration. Requirements for filing entities, time points and procedures are specified. Where a domestic company seeks to directly offer and list securities in overseas markets, the issuer shall file with the CSRC. Initial public offerings or listings in overseas markets shall be filed with the CSRC within 3 working days after the relevant application is submitted overseas and a subsequent offering shall be filed with the CSRC within the timeframe required by the Trial Measures.

We submitted a filing to the CSRC for [REDACTED] of the [REDACTED] and [REDACTED] of the Shares on the Stock Exchange on [REDACTED] and the CSRC published the notification on our completion of the required filing procedures on [REDACTED].

Full Circulation of H Shares

On November 14, 2019, the CSRC issued the Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請“全流通”業務指引》), which were amended on August 10, 2023. Shareholders of domestic unlisted shares may determine by themselves through consultation the amount and proportion of shares, for which an application will be filed for circulation, provided that the requirements under relevant laws and regulations and the policies governing state-owned asset administration, foreign investment and industry regulation are met. Meanwhile, the H-share listed company may be entrusted to file the application for “full circulation” with the CSRC. An unlisted domestic joint stock company may apply with the CSRC for “full circulation” at the time of its application for initial public offering and listing overseas. After domestic unlisted shares are listed and circulated on the Stock Exchange, they may not be transferred back to China. Pursuant to the Trial Measures, for a domestic company directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC. Additionally, they are required to entrust the domestic company to file with the CSRC on their behalf.

RELATIONSHIP WITH THE MS. ZHANG ENTITIES

OVERVIEW

Ms. Zhang Entities’ Control on the Composition of the Board before [REDACTED]

Pursuant to the Shareholders’ Agreement, during the Track Record Period and up to the date of [REDACTED], Xinchuang Green Energy is entitled to appoint a majority of members of the Board and has control of the Board. Xinchuang Green Energy is wholly owned by Ms. Zhang. In addition, Ms. Zhang, by herself or through Shenzhen Guanzhi which is wholly owned by Ms. Zhang, as the only general partner and managing partner of Smart Green, Shenzhen Guanyue, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai, is responsible to oversee the overall management and entitled to exercise the voting right held by Smart Green, Shenzhen Guanyue, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai. Ms. Zhang, Xinchuang Green Energy, Shenzhen Guanzhi, Smart Green, Shenzhen Guanyue, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai are collectively the “**Ms. Zhang Entities**”.

Pursuant to Rules 1.01 and 19A.14 of the Listing Rules, the Ms. Zhang Entities constitute a group of controlling shareholders of our Company and will exercise consolidated control over the Company’s operations and governance prior to [REDACTED].

Upon [REDACTED], Xinchuang Green Energy will no longer be entitled to appoint any members of the Board, taking into account the termination of the special rights under the Shareholders’ Agreement. See “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors” for further details.

Ms. Zhang Entities’ Shareholdings in the Company

Pursuant to the Voting Proxy Agreement, Xinchuang Green Energy is entitled to the voting rights of 4,907,232 Shares held by Wending Investment in our Company, representing [REDACTED]% of the voting rights in our Company upon [REDACTED]. For details, see “History, Development and Corporate Structure — Voting Proxy Arrangements”. As such, pursuant to their respective shareholding and the Voting Proxy Agreement, (i) as of the Latest Practicable Date, the Ms. Zhang Entities were entitled to voting rights of approximately 19.28% of our issued share capital and constituted the single largest group of shareholders as of the Latest Practicable Date, and (ii) immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised), the Ms. Zhang Entities will, in aggregate, be entitled to voting rights of approximately [REDACTED]% of our issued share capital, and will continue to constitute the single largest group of shareholders upon [REDACTED].

Upon the termination right of special rights under the Shareholders’ Agreement and taking into account the voting rights entitled by the Ms. Zhang Entities, none of the Ms. Zhang Entities will be considered as a controlling shareholder (as defined under the Listing Rules) of the Company upon [REDACTED].

INDEPENDENCE FROM THE MS. ZHANG ENTITIES

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independent from the Ms. Zhang Entities after the [REDACTED].

Management Independence

Our management and operational decisions are made by the Board in a collective manner. The Board comprises nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors.

RELATIONSHIP WITH THE MS. ZHANG ENTITIES

Our Directors have relevant experience to ensure the proper functioning of the Board. We further believe that our Directors and members of the senior management are able to perform their roles in our Company in managing our business independently from the Ms. Zhang Entities and their respective close associates for the following reasons:

- (a) save that certain directors and senior management hold incentive shares through the employee incentive platforms of our Company, all members of the Board and senior management other than the Ms. Zhang Entities are independent from the Ms. Zhang Entities and their respective close associates. They have substantial experience in the industry as further described in the section headed “Directors and Senior Management”, which will enable them to discharge their duties independently from the Ms. Zhang Entities;
- (b) we have appointed three independent non-executive Directors, who (i) account for one-third of the Board, (ii) do not and will not hold any directorships or management positions in the Ms. Zhang Entities, (iii) possess the requisite industry knowledge and experience and are qualified to provide independent, sound and professional advice to our Company, and (iv) will be responsible for deciding certain matters of our Company which must always be referred to the independent non-executive Directors for review. We believe that they will be able to exercise their independent judgment and will be able to provide impartial opinions in the decision-making process of our Board to protect the interests of our Shareholders;
- (c) each of our Directors is aware of his or her fiduciary duties as a director, which requires, among other things, that he or she acts for our Company’s best interests and he or she must not allow any conflict between his or her duties as a Director and his or her personal interests;
- (d) where a Board meeting or Shareholders’ meeting is held to consider a proposed transaction in which our Directors or the Ms. Zhang Entities or any of their respective close associates have a material interest, the relevant Directors or the Ms. Zhang Entities and their respective close associates shall abstain from voting on the relevant resolutions and shall not be counted towards the quorum for the voting; and
- (e) to support our management independence, we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and the Ms. Zhang Entities. For more details, please refer to “— Corporate Governance Measures” in this section.

Based on the above, our Directors believe that our Board and senior management as a whole are able to play a managerial role in our Company independently from the Ms. Zhang Entities after the [REDACTED].

Operational Independence

Our Company has full rights to make all decisions on, and to carry out, our own business operations independently. We hold our own operation resources including but not limited to suppliers and customers, as well as our own registered patents which can be used for our research and development. We have a team of senior management to operate the business independently from the Ms. Zhang Entities and their respective close associates. We also have access to third parties independently from, and not connected with, the Ms. Zhang Entities for sources of suppliers, customers and business partners.

Based on the above, our Directors believe that we are operationally independent from the Ms. Zhang Entities and their respective close associates.

RELATIONSHIP WITH THE MS. ZHANG ENTITIES

Financial Independence

Our Group is not financially dependent on the Ms. Zhang Entities, and we do not expect to rely on the Ms. Zhang Entities for financing after the [REDACTED].

Our Company has established its own independent finance department and implemented its own independent audit, accounting, internal control and financial management systems. We make financial decisions and determine our use of funds according to our own business needs. We have opened accounts with banks independently and do not share any bank account with the Ms. Zhang Entities. We have made tax filings and paid taxes independently of the Ms. Zhang Entities pursuant to applicable laws and regulations. We have adequate internal resources to support our daily operations, and we are capable of obtaining financing from third parties, if necessary, without reliance on the Ms. Zhang Entities. We also have an Audit Committee comprising only non-executive Directors to oversee our accounting and financial reporting processes.

Despite certain guarantee arrangements provided by Ms. Zhang and/or entities controlled by her for our credit facilities during the Track Record Period, we believe we have maintained, and will continue to maintain upon [REDACTED], financial independence from Ms. Zhang and the Ms. Zhang Entities.

- In our ordinary course of business, we have been obtaining credit facilities (“**Facilities**”) to finance our business and support our daily working capital from domestic banks and financial leasing companies which are Independent Third Parties, and guarantees from the legal representatives of the relevant borrowers are typically required by such banks and financial leasing companies. As advised by the Industry Consultant, this is a typical requirement for financial leasing in the PRC.
- As of the Latest Practicable Date, Facilities of approximately RMB11,473.26 million (the “**Guaranteed Borrowings**”) were secured by (a) the Group’s vehicles and (b) a concurrent guarantee by Ms. Zhang and/or entities controlled by her (the “**Guarantees**”). The Guarantees are not secured by the assets of our Group and were provided on normal commercial terms in line with the typical arrangements of financial leasing in the PRC.
- The Company has proactively communicated with the banks and financial leasing companies to obtain an unconditional release of the Guarantees upon [REDACTED]. As of the Latest Practicable Date, the Company has obtained confirmation letters from the relevant lending banks and financial leasing companies in relation to approximately 91.01% of the Guaranteed Borrowings, pursuant to which such banks and financial leasing companies have confirmed that they will either release the relevant Guarantees or undertake to discharge the relevant Guarantees upon [REDACTED] of the Company (the “**Release of Guarantee**”).
- For the remaining Guaranteed Borrowings (the “**Unreleased Guaranteed Borrowings**”), the Company does not intend to renew these Unreleased Guaranteed Borrowings upon expiry and does not expect to enter into additional Unreleased Guaranteed Borrowings. Based on the maturity date of the Unreleased Guaranteed Borrowings, the Company expects that the aggregate amount of the Guarantees upon [REDACTED] would be approximately RMB612.94 million, and all Unreleased Guaranteed Borrowings will mature by July 2030.
- During the Track Record Period and up to the Latest Practicable Date, save as disclosed above, (i) there were no loans, advances and balances due to or from the Ms. Zhang Entities or their respective close associates, and (ii) there were no other pledges and guarantees provided by or to the Ms. Zhang Entities or their respective close associates. In addition, the Guarantees have never been enforced by the banks and financial leasing companies in relation to the Guaranteed Borrowings.

RELATIONSHIP WITH THE MS. ZHANG ENTITIES

- Upon [REDACTED], the Guarantees will constitute financial assistance received by our Group from our connected persons for the benefit of our Group under Rule 14A.90 of the Listing Rules. Since the Guarantees are on normal commercial terms or better for our Group and are not secured by the assets of our Group, the Guarantees are fully exempt from the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Notwithstanding the above, we believe our Group is financially independent of the Ms. Zhang Entities and their close associates for several reasons:

- (1) with respect to any new Facilities to be obtained by the Company, the Company will ensure that such Facilities will not require any guarantee from the Ms. Zhang Entities or their close associates;
- (2) we believe that our Group is able to obtain replacement financing from independent financial institutions if necessary without guarantees provided by the Ms. Zhang Entities. We have established stable banking relationships to support our operations. As of the Latest Practicable Date, we had obtained borrowings under credit facilities from banks, each an Independent Third Party, without guarantees from the Ms. Zhang Entities or their respective associates. As of March 31, 2026, the total unutilized amount under such credit facilities was RMB5,002.0 million (the “**Unutilized Credit Facilities**”), which significantly exceeded the expected amount of Unreleased Guaranteed Borrowings upon [REDACTED];
- (3) it is commercially beneficial for the Group to maintain the Unreleased Guaranteed Borrowings considering that (i) the Guarantees have never been enforced by the banks and financial leasing companies in relation to the Guaranteed Borrowings, (ii) it would not be in the interests of the Company and its Shareholders to incur the refinancing costs for Unreleased Guaranteed Borrowings, including the early repayment fees and refinancing fees, solely to unwind the Guarantee arrangements, and (iii) the Group has sufficient Unutilized Credit Facilities and is in a position to replace such borrowings if needed;
- (4) our Company has a demonstrated history of raising funds independently through equity financing. During the Track Record Period and up to the Latest Practicable Date, we had also received the Pre-[REDACTED] Investments from third-party investors independently. For details of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments.” Upon [REDACTED], the Company will consider [REDACTED] as and when needed, in compliance with the Listing Rules and applicable laws and regulations.

In view of our internal resources, our Unutilized Credit Facilities, the Release of Guarantee, our net cash generated from operating activities and the estimated net [REDACTED] from the [REDACTED], we do not rely on the Ms. Zhang Entities for financing support upon [REDACTED]. Our Directors also believe that, upon [REDACTED], the sustainability of our business will enhance our ability to obtain or renew loans and borrowings from banks on an independent basis without the support of or guarantee from the Ms. Zhang Entities.

Based on the above, our Directors consider that we have maintained, and will continue to maintain upon [REDACTED], financial independence from Ms. Zhang and the Ms. Zhang Entities.

DISCLOSURE UNDER RULE 8.10 OF THE LISTING RULES

As of the Latest Practicable Date, none of the Ms. Zhang Entities and our Directors had any interest in any business which competes or is likely to compete, either directly or indirectly, with our Company’s business which would require disclosure under Rule 8.10 of the Listing Rules.

RELATIONSHIP WITH THE MS. ZHANG ENTITIES

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders’ interests. We have adopted or will adopt the following corporate governance measures to resolve actual or potential conflict of interests between our Group and the Ms. Zhang Entities.

We will also adopt the following corporate governance measures to avoid potential conflict of interests between our Group and the Ms. Zhang Entities:

- (a) where a Shareholders’ meeting is to be held for considering proposed transactions in which the Ms. Zhang Entities or any of their respective close associates has a material interest, the Ms. Zhang Entities will not vote on the resolutions and shall not be counted in the quorum in the voting;
- (b) our Group has established internal control mechanisms to identify connected transactions. Upon [REDACTED], if any transaction is proposed between our Group and the Ms. Zhang Entities and their respective associates, we will comply with the requirements of the Articles of Association and the Listing Rules, including, where appropriate, the reporting, annual review by the independent non-executive Directors, announcement and independent shareholders’ approval;
- (c) our Board consists of a balanced composition of executive Directors, non-executive Directors and independent non-executive Directors, with independent non-executive Directors representing one-third of our Board to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to perform their duties. They will review whether there is any conflict of interests between our Group and the Ms. Zhang Entities and provide impartial and professional advice to protect the interests of our minority Shareholders;
- (d) where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company’s expenses; and
- (e) we have appointed Altus Capital Limited as our Compliance Adviser, who will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors’ duties and corporate governance, and inform us on a timely basis of any amendment or supplement to the Listing Rules or applicable laws and regulations in Hong Kong.

SUBSTANTIAL SHAREHOLDERS

As far as our Directors are aware, immediately following the completion of the [REDACTED], assuming the [REDACTED] is not exercised, the following persons will have interests and/or short positions (as applicable) in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of our Company:

Name of Substantial Shareholders	Nature of Interest	As of the Latest Practicable Date		Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised)		
		Number of Shares	Approximate percentage in the total registered share capital of the Company	Number of Shares	Approximate percentage of shareholding in the relevant type of Shares	Approximate percentage in the total registered share capital of the Company
Ms. Zhang ⁽²⁾	Interest in controlled corporations	57,094,498	19.28%	[REDACTED]	[REDACTED]	[REDACTED]
Xinchuang Green Energy ⁽²⁾⁽³⁾	Beneficial Interest	31,499,062	10.64%	[REDACTED]	[REDACTED]	[REDACTED]
	Interest of a party to an agreement regarding interest in our Company	4,907,232	1.66%	[REDACTED]	[REDACTED]	[REDACTED]
Shenzhen Guanyue ⁽²⁾	Beneficial Interest	8,950,472	3.02%	[REDACTED]	[REDACTED]	[REDACTED]
Smart Green ⁽²⁾	Beneficial Interest	2,477,732	0.84%	[REDACTED]	[REDACTED]	[REDACTED]
Shenzhen Guanchen ⁽²⁾	Beneficial Interest	3,920,598	1.32%	[REDACTED]	[REDACTED]	[REDACTED]
Shenzhen Guanhai ⁽²⁾	Beneficial Interest	4,237,142	1.43%	[REDACTED]	[REDACTED]	[REDACTED]
Shenzhen Guanxing ⁽²⁾	Beneficial Interest	1,102,260	0.37%	[REDACTED]	[REDACTED]	[REDACTED]
GIC (Ventures) Pte. Ltd. ⁽⁴⁾	Interest in controlled corporations	47,937,604	16.19%	[REDACTED]	[REDACTED]	[REDACTED]
Ceningan ⁽⁴⁾	Beneficial Interest	47,937,604	16.19%	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Jimmy Ching-Hsin Chang ⁽⁵⁾	Interest in controlled corporations	33,128,919	11.19%	[REDACTED]	[REDACTED]	[REDACTED]
Jeneration ⁽⁵⁾	Beneficial Interest	33,128,919	11.19%	[REDACTED]	[REDACTED]	[REDACTED]
Decarbonization Partners Holdings ⁽⁶⁾	Beneficial Interest	22,166,203	7.48%	[REDACTED]	[REDACTED]	[REDACTED]

Notes:

- (1) The calculation is based on the assumption that immediately following the completion of the [REDACTED], there will be a total number of [REDACTED] Shares (without taking into consideration the exercise of the [REDACTED]) in issue.
- (2) As of the Latest Practicable Date, Ms. Zhang wholly owns Xinchuang Green Energy and, by herself or through Shenzhen Guanzhi, is the general partner of Shenzhen Guanyue, Smart Green, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai, and as such, Ms. Zhang is deemed to be interested in the Shares held by Xinchuang Green Energy, Shenzhen Guanyue, Smart Green, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai under the SFO.
- (3) Pursuant to the Voting Proxy Agreement, Xinchuang Green Energy is entitled to the voting rights of 4,907,232 Shares held by Wending Investment and therefore is deemed to be interested such Shares held by Wending Investment under the SFO. See the section headed “History, Development and Corporate Structure — Voting Proxy Arrangements” for further details.
- (4) As of the Latest Practicable Date, Ceningan is a company wholly-owned by GIC Infra Holdings Pte. Ltd., which is ultimately and wholly-owned by GIC (Ventures) Pte. Ltd.. Therefore, GIC (Ventures) Pte. Ltd. is deemed to be interested in the Shares held by Ceningan under the SFO.

SUBSTANTIAL SHAREHOLDERS

- (5) As of the Latest Practicable Date, Jeneration is wholly owned by JenCap Metro, which is a wholly-owned subsidiary of Jeneration Capital Partners II L.P. Jeneration Capital GP II is the general partner of Jeneration Capital Partners II L.P. and Jeneration Capital GP II is ultimately controlled by Mr. Jimmy Ching-Hsin Chang. Therefore, Mr. Jimmy Ching-Hsin Chang is deemed to be interested in the Shares held by Jeneration under the SFO.
- (6) As of the Latest Practicable Date, Decarbonization Partners Holdings is wholly owned by Decarbonization Partners I Master SCSp, whose general partner is Decarbonization Partners GP, S.à r.l.. Decarbonization Partners is a joint venture between BlackRock, Inc. and Temasek Holdings (Private) Limited.

Save as disclosed above and in “Statutory and General Information — C. Further Information about our Directors — 3. Disclosure of Interests — (a) Substantial Shareholders” in Appendix IV to this document, our Directors are not aware of any other person who will, immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), have any interest and/or short positions in our Shares or underlying Shares which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of our Company or any other member of our Group. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

SHARE CAPITAL

AUTHORIZED AND ISSUED SHARE CAPITAL

Share capital immediately before the [REDACTED]

As of the Latest Practicable Date, the registered share capital of our Company was RMB296,165,577, consisting of 296,165,577 Shares, with a nominal value of RMB1.00 each.

Share capital immediately following the completion of the [REDACTED]

Immediately after the [REDACTED] and Conversion of [REDACTED] Shares into H Shares, assuming the [REDACTED] is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of shares	Approximate % of the enlarged issued share capital after the [REDACTED]
H Shares to be converted from [REDACTED] Shares	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED].	[REDACTED]	[REDACTED]
Total	[REDACTED]	100%

Assuming the [REDACTED] is exercised in full, the share capital of our Company immediately following the [REDACTED] and Conversion of [REDACTED] Shares into H Shares will be as follows:

Description of Shares	Number of shares	Approximate % of the enlarged issued share capital after the [REDACTED]
H Shares to be converted from [REDACTED] Shares	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED].	[REDACTED]	[REDACTED]
Total	[REDACTED]	100%

Our Shares

Upon completion of the [REDACTED] and Conversion of [REDACTED] Shares into H Shares, our Shares will consist of [REDACTED] only.

Our H Shares may only be subscribed for and traded in Hong Kong dollars. Apart from certain qualified domestic institutional investors in the PRC, through Shanghai-Hong Kong Stock Connect, or through Shenzhen-Hong Kong Stock Connect or other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities, our H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC.

We shall pay all dividends in respect of H Shares in Hong Kong dollars and all dividends in respect of [REDACTED] Shares in RMB. See “Appendix III — Summary of the Articles of Association” for details of the circumstances under which general meetings of our Company are required. In addition to cash, dividends may be distributed in the form of Shares. For holders of H Shares, dividends in the form of Shares will be distributed in the form of additional H Shares.

SHARE CAPITAL

The [REDACTED] will rank *pari passu* in all respects with all Shares currently in issue or to be issued as mentioned in this document and will qualify and rank equally for all dividends or other distributions declared, made or paid on the Shares on a record date which falls after the date of this document.

CONVERSION OF [REDACTED] SHARES INTO H SHARES

If any of the [REDACTED] Shares are to be converted, [REDACTED] and traded as H Shares on the Hong Kong Stock Exchange, such conversion, [REDACTED] and trading will need to be filed with the relevant PRC regulatory authorities, including the CSRC, and the approval of the Hong Kong Stock Exchange.

Filing with the CSRC for Full Circulation

In accordance with the Overseas Listing Trial Measures and related guidelines, H-share [REDACTED] companies which apply for the conversion of [REDACTED] shares into H shares for [REDACTED] and [REDACTED] on the Hong Kong Stock Exchange shall file with the CSRC by filing materials on key compliance issues. An [REDACTED] domestic joint stock company may apply for “full circulation” when applying for an overseas [REDACTED].

We applied for a [REDACTED] when filing with the CSRC for an overseas [REDACTED] on [REDACTED], and submitted the filing reports, authorization documents of the shareholders of [REDACTED] Shares which applied for the H-share [REDACTED], undertaking on the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

We have received the filing notice from the CSRC dated [REDACTED] in relation to the overseas [REDACTED] and [REDACTED], pursuant to which certain Shareholders (“[REDACTED] Participating Shareholders”) could convert [REDACTED] Shares into [REDACTED] on a one-for-one basis upon the completion of the [REDACTED].

[REDACTED] Approval by the Hong Kong Stock Exchange

We have applied to the [REDACTED] Committee of the Hong Kong Stock Exchange for the granting of [REDACTED] of, and permission to deal in, our H Shares to be issued pursuant to the [REDACTED], and the H Shares to be converted from [REDACTED] Shares on the Hong Kong Stock Exchange, which is subject to the approval by the Hong Kong Stock Exchange.

We will perform the following procedures for the Conversion of [REDACTED] Shares into H Shares after receiving the approval of the Hong Kong Stock Exchange: (1) giving instructions to our [REDACTED] regarding relevant share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible [REDACTED] by [REDACTED] for deposit, clearance and settlement in the [REDACTED].

This mandate only relates to repurchases on the Stock Exchange or on any other stock exchange on which the securities of our Company may be [REDACTED] and which is recognized by the SFC and the Stock Exchange for this purpose, and in accordance with all applicable laws and the requirements under the Listing Rules or equivalent rules or regulations of any other stock exchange as amended from time to time.

SHARE CAPITAL

LOCK-UP PERIODS

In accordance with Article 160 of the PRC Company Law, the shares issued prior to any [REDACTED] of shares by a company cannot be transferred within one year from the date on which such [REDACTED] shares are [REDACTED] and traded on the relevant stock exchange. As such, the Shares issued by the Company prior to the [REDACTED] will be subject to such statutory restriction on transfer within a period of one year from the [REDACTED].

Our Directors and members of senior management shall declare their shareholdings in the Company and any changes in their shareholdings. Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in the Company. The Shares that the aforementioned persons held in the Company cannot be transferred within one year from the date on which the shares are [REDACTED] and traded, nor within half a year after they leave their positions in the Company. The Articles of Association may contain other restrictions on the transfer of our Shares held by our Directors and members of senior management.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of shareholders increase its capital or decrease its capital or capital redemption reserve. See “Appendix III — Summary of the Articles of Association” in this document for further details.

FINANCIAL INFORMATION

You should read the following discussion and analysis in conjunction with our consolidated financial statements included in “Appendix I — Accountants’ Report” to this document, together with the accompanying notes. Our consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) Accounting Standards issued by the International Accounting Standards Board (“IASB”). You should read the entire Accountants’ Report and not merely rely on the information contained in this section.

This discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and our financial performance and involve risks and uncertainties. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions, and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of any number of factors. In evaluating our business, you should carefully consider the information provided in this document, including “Risk Factors” and “Business” in this document.

For the purpose of this section, unless the context otherwise requires, references to 2023, 2024 and 2025 refer to our financial years ended December 31 of such years. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

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.

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%.

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BASIS OF PRESENTATION

Our historical financial information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the IASB. All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, have been consistently adopted by us in the preparation of the historical financial information throughout the Track Record Period.

The historical financial information has been prepared under the historical cost convention except for certain financial instruments which have been measured at fair value at the end of each period of the Track Record Period.

The preparation of the historical financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the historical financial information, are disclosed in Note 3 to the Accountants’ Report in Appendix I to this document.

As of December 31, 2025, we had net current liabilities of RMB10,246,899,000, which included liabilities of RMB5,299,287,000 associated with the preferential shares with redemption rights. Pursuant to Shareholders’ Agreement, the redemption rights have been terminated immediately prior to the first filing of the [REDACTED] to the Stock Exchange and shall be automatically restored in full force and subject to certain conditions. The Directors are of the opinion that the Company is not obligated to settle the redemption rights in the next twelve months from December 31, 2025. Excluding the liabilities associated with the preferential shares, our net current liabilities were RMB4,947,612,000 on December 31, 2025. On the same date, we had unutilized bank facilities of RMB5.9 billion. In addition, we have performed a working capital forecast for the next twelve months, considering the anticipated cash flows to be generated by us and the available financing resources. The Directors are of the opinion that, taking into account the terminated redemption rights, the unutilized bank facilities, and the working capital forecast, we will have sufficient working capital to fund our operations in the next twelve months from December 31, 2025. Accordingly, the Directors consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations and financial performance are influenced by a variety of industry-wide and business-specific drivers. The following discussion sets out the principal factors that management believes are most significant to our results of operations during the Track Record Period and beyond.

Our Market Position and Overall Growth of Market Demand

We are a leading provider of intelligent logistics EV management solutions in China, ranking 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, according to Frost & Sullivan. Therefore, our results of operations are significantly affected by the market demand for intelligent management solutions for logistics EVs in China. Moreover, maintaining and improving our leading market position and competitive edges are conducive to enhancing our financial performance.

The market where we operate is experiencing rapid growth and demonstrating high growth potential, as the replacement of commercial fuel-powered vehicles with commercial electric vehicles is expected to accelerate in the coming years, which is driven by, among others, technological advancements, infrastructure transformation, AI-driven product and business model innovation and

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favorable policy support. In China, a comprehensive policy support framework has been established, providing a solid foundation for the development of EV logistics. According to Frost & Sullivan, the market size for logistics EV management services in China is projected to grow from RMB60.9 billion in 2025 to RMB325.1 billion in 2030, representing a CAGR of 39.8% from 2025 to 2030. See “Risk Factors — Risks Related to Our Business and Industry — We may suffer from adverse developments in the EV service industry and other sectors directly related to our services” and “Risk Factors — Risks Related to Our Business and Industry — We operate in a competitive industry and any impediment in our business development caused by failure to compete successfully against existing and new competitors may result in losses of our customers or failure to attract new customers and reduction of our market share, and our business, financial condition, operating results and prospects could be materially and adversely affected” in this document for further details.

Our Ability to Continue Expanding Fleet Size

Fleet size expansion is one of the key drivers to our business growth. The number of logistics EVs under our management grew from 106,024 as of December 31, 2023 to 224,546 as of December 31, 2025, representing a CAGR of 45.5%. Our fleet under management is the backbone of our business operation, which we leverage for our diverse service offerings. We initially started with offering EV leasing bundled with EV management services to customers, and then introduced additional value-added EV management services to existing customers while further expanding our entrusted and served fleet base via an asset-light business model. Therefore, whether we can successfully continue expanding our fleet size is pivotal to scaling our business and driving revenue growth. See “Business — Our Strategies — Expanding Market Share through Increasing Fleet Size and Network Coverage” in this document for further details.

Our Ability to Maintain and Expand Customer Base

Our financial performance and future growth are affected by our ability to maintain long-term and stable relationships with our existing customers, deepen our cooperation with them across a broader range of service and product offerings, and attract new customers to expand our customer base. Customer demand for our products is affected by various factors, such as general market conditions and our ability to ensure stable and efficient delivery of high-quality solutions. We rely on our industry insights, technological capabilities, and customer service experience to maintain our existing customer base as well as attracting new customers and promoting long-term sustainable partnership with them.

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. In the future, we will continue to strategically focus on the EV management service business, and expect to continue to deepen our understanding of customer needs and strategies, providing better differentiated and optimized services to our existing and incoming customers to further enhance customer loyalty and facilitate customer acquisition.

Our Strategy and Ability to Optimize Our Service and Product Mix

Our business model is based on a comprehensive service and product portfolio comprising EV management services, EV leasing and EV sales. These diverse businesses involve different cost structures and profitability levels. Therefore, the optimization of our service and product structure is crucial to improving our profitability.

In 2023, 2024 and 2025, we had gross profit of RMB401.7 million, RMB652.4 million and RMB870.6 million, respectively, and gross profit margin of 17.1%, 20.3% and 21.0%, respectively, which presented a continuously increasing trend primarily driven by the optimized service and product mix. The EV management services business is our most profitable business with the highest gross profit

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margin across all businesses, which amounted to 17.4%, 28.2% and 28.3% in 2023, 2024 and 2025, respectively. The revenue contribution proportion of our EV management services has increased from 34.6% in 2023 to 40.1% in 2024 and 46.0% in 2025, driving the steady growth of our overall gross profit margin during the same periods. We will continue to optimize our service and product mix by further increasing the revenue contribution of EV management services, which is a key driver to our profitability.

Cost Control and Operational Efficiency

Our ability to maintain and improve profitability partially depends on our ability to control our costs and expenses and enhance our operating efficiency.

In 2023, 2024 and 2025, our cost of sales amounted to RMB1,947.8 million, RMB2,563.7 million and RMB3,268.1 million, respectively, accounting for 82.9%, 79.7% and 79.0% of our total revenue in the corresponding periods. Depreciation costs were the largest component of our cost of sales. See “— Major Factors Affecting Our Results of Operations — Our Depreciation Policy and Residual Value Estimates” in this section for details. In 2023, 2024 and 2025, we incurred insurance costs of RMB487.1 million, RMB689.2 million and RMB985.8 million, respectively, representing 25.0%, 26.9% and 30.2% of our total cost of sales during the same periods. See “— Path to Profitability — Pathway to Profitability — Improving Gross Profit Margin” in this section for details of our measures to control insurance costs.

Our financial performance is also dependent on our operational efficiency. We strive to our various expenses to improve our profitability. For example, we have enhanced the efficiency of our administrative and selling activities as our business scale grows. Our administrative expenses amounted to RMB288.4 million, RMB309.2 million and RMB310.6 million in 2023, 2024 and 2025, respectively, accounting for 12.3%, 9.6% and 7.5% of our revenue in the corresponding periods, which presented a steady decreasing trend. Our selling and distribution expenses amounted to RMB174.1 million, RMB204.7 million and RMB178.6 million in 2023, 2024 and 2025, respectively, accounting for 7.4%, 6.4% and 4.3% of our revenue in the corresponding periods, which also continuously declined. We will strive to further optimize our operational efficiency and control expenses capitalizing on economies of scale as our business continues to grow, thereby achieving higher productivity and profitability. See “— Path to Profitability — Pathway to Profitability” in this section for further details of our measures to control expenses.

Our Ability to Obtain Bank Borrowings or Financing

Our ability to obtain bank borrowings or financing will affect our growth and liquidity position. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our total interest-bearing bank and other borrowings amounted to RMB4,717.9 million, RMB7,738.7 million, RMB11,841.1 million and RMB12,101.4 million, respectively, which continuously increased as we leveraged external borrowings to fund our fleet expansion. The fleet expansion has been a key driver to our business growth, and thus our ability to obtain further bank borrowings or financing also plays a pivotal role in our business expansion. Further, our liquidity position is also affected by our ability to obtain bank borrowings or financing. We recorded net current liabilities of RMB6,762.2 million, RMB8,706.4 million, RMB10,246.9 million and RMB10,702.4 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. We may need to incur additional bank borrowings or financing to improve our liquidity position and support our fleet expansion from time to time. Benefiting from China’s policy support for green finance promoting low-cost funding for EV fleet operations, our robust revenue growth underpinned by our extensive customer base, robust service network and digitalized operations, and our healthy operating cash inflows, we are well positioned to obtain further borrowings as needed.

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During the Track Record Period, our finance costs amounted to RMB263.8 million, RMB360.4 million and RMB524.2 million in 2023, 2024 and 2025, respectively, accounting for 11.2%, 11.2% and 12.7%, respectively, of our revenue in the corresponding periods. Substantially all our finance costs during the Track Record Period were related to the interest on our interest-bearing bank and other borrowings. Consequently, our borrowing and interest level may significantly affect our finance costs, which may in turn affect our overall profitability and financial performance.

Our Depreciation and Residual Value Estimates

Depreciation costs represented the largest component of our cost of sales, which amounted to RMB830.8 million, RMB1,173.2 million and RMB1,475.8 million in 2023, 2024 and 2025, respectively, representing 42.7%, 45.8% and 45.2% of our total cost of sales during the same periods. Such costs were mainly related to the depreciation of our fleet. We generally hold vehicles in our fleet for a term of seven to ten years. Our depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. See Note 2.3 to the Accountants’ Report in Appendix I to this document for further details of our depreciation policy. In 2023, 2024 and 2025, we recorded impairment losses related to vehicles of RMB94.6 million, RMB85.5 million and RMB16.7 million, respectively, and we recorded a small amount of aggregate net losses on disposal related to vehicles during the Track Record Period. In light of our fleet size and its continuous expansion, our depreciation and residual value estimates related to our fleet may have material impact on our cost of sales, which may further affect our profitability.

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 new 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 degree of seasonality may vary each year, and our operating and financial results for an interim period may not be representative of our overall performance for a year.

PATH TO PROFITABILITY

Since our inception in 2015, we have been at a ramp-up stage in terms of longer-term business development. Back in 2015 when the EV logistics industry was still in its infancy, we have just started to build and develop our business. Leveraging the tailwind of the EV logistics industry growth in China, we have endeavored to build and expand the scale of our business operation, underpinned by fleet size expansion, service network development and digitalized fleet management system. As we further scale up, we expect our operating results and financial performance to continue benefiting from economies of scale, which leads to improvement in margins. Despite the net losses during the Track Record Period, we have achieved positive and strong growth trajectory of EBITDA (*non-IFRS measure*) in the same periods and expect to turn profitable in the future, although the path to profitability may take time, which is seen as a common pattern in our industry. According to Frost & Sullivan, fleet management companies in the U.S. and China generally take over ten years to turn profitable, despite different operating environment and phases of industry development.

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Summary of Our Historical Financial Performance

We have experienced sustained business growth during the Track Record Period. Our revenue increased from RMB2,349.5 million in 2023 to RMB3,216.1 million in 2024, and further increased to RMB4,138.6 million in 2025, representing a CAGR of 32.7%. Our gross profit increased from RMB401.7 million in 2023 to RMB652.4 million in 2024, and further increased to RMB870.6 million in 2025, representing a CAGR of 47.2%. We have also improved the profitability of our business with our gross profit margin increasing from 17.1% in 2023 to 20.3% in 2024, and further to 21.0% in 2025. For a detailed analysis regarding such growth, see “— Period-to-Period Comparison of Results of Operations” in this section.

Despite the robust growth, our revenue and gross profit had not been able to fully cover the various costs and expenses incurred during the Track Record Period, and as a result, we incurred loss for the year of RMB841.7 million, RMB770.6 million and RMB655.6 million in 2023, 2024 and 2025, respectively, corresponding to the net loss margin 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. See “— Non-IFRS Financial Measures” and “— Key Financial Ratios” in this section for details. The loss and net loss margin, as well as the adjusted loss (*non-IFRS measure*) and adjusted loss margin (*non-IFRS measure*), all continuously decreased throughout the Track Record Period, mainly because of an increase in our gross profit of RMB250.7 million from 2023 to 2024 and RMB218.2 million from 2024 to 2025, partially offset by an increase in our finance costs of RMB96.6 million from 2023 to 2024 and RMB163.9 million from 2024 to 2025. For a detailed analysis regarding such increases in our gross profit and finance costs, see “— Period-to-Period Comparison of Results of Operations” in this section.

Our recurring loss and adjusted loss (*non-IFRS measure*) during the Track Record Period were primarily due to the following costs and expenses:

- **Finance Costs.** We recorded finance costs of RMB263.8 million, RMB360.4 million and RMB524.2 million in 2023, 2024 and 2025, respectively, accounting for 11.2%, 11.2% and 12.7%, respectively, of our revenue in the corresponding periods. During the Track Record Period, our finance cost primarily comprised the interest on interest-bearing bank and other borrowings, which amounted to RMB255.9 million, RMB345.2 million and RMB502.8 million in 2023, 2024 and 2025, respectively. We incurred such borrowings to fund our business growth, particularly the purchase of additional vehicles to expand our fleet size. The number of logistics EVs under our management grew from 106,024 as of December 31, 2023 to 224,546 as of December 31, 2025, representing a CAGR of 45.5%.
- **Administrative Expenses.** We recorded administrative expenses of RMB288.4 million, RMB309.2 million and RMB310.6 million in 2023, 2024 and 2025, respectively, accounting for 12.3%, 9.6% and 7.5%, respectively, of our revenue in the corresponding periods. Our administrative expenses as a percentage of revenue continuously declined throughout the Track Record Period attributable to enhanced administrative efficiency and economies of scale. Employee compensation was the largest component of our administrative expenses during the Track Record Period, amounting to RMB139.3 million in 2025, accounting for 44.8% of our total administrative expenses in the same year. Our administrative employee compensation remained high during the Track Record Period as we made strategic upfront investment in administrative talent, which is indispensable in light of our continuous business expansion.

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- ***Selling and Distribution Expenses.*** We recorded selling and distribution expenses of RMB174.1 million, RMB204.7 million and RMB178.6 million in 2023, 2024 and 2025, respectively, accounting for 7.4%, 6.4% and 4.3%, respectively, of our revenue in the corresponding periods. During the Track Record Period, our selling and distribution expenses as a proportion of revenue consistently decreased, reflecting our (i) high customer retention, (ii) improved distribution efficiency due to enhanced brand awareness and digitalized selling process and (iii) the benefits of economies of scale. Employee compensation was the largest component of our selling and distribution expenses during the Track Record Period, amounting to RMB88.7 million in 2025, accounting for 49.7% of our total selling and distribution expenses in the same year. We incurred high employee compensation related to our sales team during the Track Record Period as we conceived maintaining a sizable and well-compensated sales team as essential for us to establish and develop a robust sales network and achieve effective customer acquisition particularly in cities where we had not fully penetrated.

Our recurring loss during the Track Record Period was also attributable to finance costs associated with shares with preferential rights. We recorded finance costs associated with shares with preferential rights of RMB336.7 million, RMB442.5 million and RMB437.9 million in 2023, 2024 and 2025, respectively, accounting for 14.3%, 13.8% and 10.6%, respectively, of our revenue in the corresponding periods. During the Track Record Period, our finance costs associated with shares with preferential rights primarily represented the interest expenses of the shares with preferential rights issued to our Pre-[REDACTED] Investors, which were measured at amortized costs. Certain of our Pre-[REDACTED] Investors were granted special rights in relation to our Company, including, among others, redemption rights, rights of first refusal, anti-dilution rights, liquidation preferences, information rights and rights to nominate directors. All existing special rights will be terminated upon [REDACTED] with the redemption rights terminated immediately before the first filing of the [REDACTED]. For details, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors.”

Despite the net losses, we have recorded robust net cash inflows from operating activities of RMB654.8 million, RMB743.6 million and RMB1,461.6 million in 2023, 2024 and 2025, respectively, and maintained cash and cash equivalents of RMB428.1 million, RMB316.0 million and RMB200.1 million as of December 31, 2023, 2024 and 2025, respectively.

Pathway to Profitability

To achieve profitability, we aim to (i) continue driving our revenue growth; (ii) improve our gross profit margin by strategically prioritizing high-margin businesses; and (iii) achieve effective control of costs and expenses, in particular our finance costs, administrative expenses, and selling and distribution expenses.

Driving Revenue Growth

We aim to further drive revenue growth across all businesses comprising (i) EV management services; (ii) EV leasing; and (iii) EV sales. To support our revenue growth, we will continue to expand our fleet size so that we are well positioned on the supply side to capture the opportunity to satisfy the robust customer demand for our EV management services and EV leasing.

- ***EV Management Services.*** EV management services have become the largest revenue contributor across our businesses, the revenue from which amounted to RMB1,904.3 million in 2025, representing 46.0% of our total revenue in the same year. We expect the revenue growth of our EV management services to be the key driver to our overall revenue growth in the future. We anticipate our EV management services will benefit significantly from the

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rapidly growing market demand. According to Frost & Sullivan, in terms of revenue the market size of logistics EV management services in China has grown rapidly from RMB14.1 billion in 2021 to RMB60.9 billion in 2025, representing a CAGR of 44.3%, which is expected to reach RMB325.1 billion by 2030, with a CAGR of 39.8% from 2025 to 2030. We plan to leverage the market tailwind to achieve further penetration and increased service orders. In addition, we plan to further develop and expand our nationwide intelligent service network combining offline service capabilities with online digital-driven operations. 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. We expect our further investment in service network development will enhance the competitive edge of our EV management services and empower customer reach, thus contributing to our order acquisition. Further, we plan to continue expanding our service scope and increasing service types so that we can cover more demand that has not been fully addressed by our existing service offerings. See “Business — Our Strategies — Expanding Market Share through Increasing Fleet Size and Network Coverage” in this document for further details.

- **EV Leasing.** We plan to achieve further revenue growth from the EV leasing business leveraging rising market demand. According to Frost & Sullivan, in terms of leasing revenue the market size of China’s logistics EV leasing increased from RMB1.2 billion in 2021 to RMB6.3 billion in 2025, representing a CAGR of 51.3% from 2021 to 2025, which is expected to further grow to RMB40.4 billion by 2030, with a CAGR of 45.0% from 2025 to 2030. Additionally, we plan to utilize our nationwide service network to enhance customer reach, and continue expanding our fleet size to ensure sufficient EV supply, particularly by introducing more entrusted vehicles for leasing, which is consistent with our asset-light strategy.
- **EV Sales.** We expect further revenue growth from our EV sales attributable to an increase in market demand. According to Frost & Sullivan, from 2021 to 2025, in terms of sales revenue the sales market size of logistics EVs in China increased from RMB15.1 billion to RMB72.8 billion, representing a CAGR of 48.2% from 2021 to 2025, which is expected to further grow to RMB296.8 billion by 2030, representing a CAGR of 32.5% from 2025 to 2030. We also plan to enhance cross-selling by increasing EV sales to our EV management service and leasing customers, particularly those highly appreciating our service quality and hence tending to prioritize our products while purchasing EVs.

Improving Gross Profit Margin

We plan to further improve our business profitability by optimizing our service and product mix through further increasing the revenue contribution of EV management services, which was our most profitable business with gross profit margins of 17.4%, 28.2% and 28.3% in 2023, 2024 and 2025, respectively. We aim to further improve the gross profit margin of our EV management services by scaling such business and controlling relevant costs.

We plan to further improve the profitability of our EV management services by expanding the size of this business, which enables us to benefit from economies of scale. For instance, as our business scaled, our fixed costs, comprising service center costs, service staff costs, vehicles and charging piles-related miscellaneous costs and other miscellaneous fixed costs, as a percentage of revenue from EV management services decreased from 17.7% in 2023 to 11.6% in 2024 and 8.0% in 2025. See “— Path to Profitability — Pathway to Profitability — Driving Revenue Growth” in this section for details as to scaling our EV management services. In addition, we will strive to control operating costs. We

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intend to further lower our overall procurement costs by leveraging bulk purchases and bargaining power as our business scales up. In particular, we expect our insurance costs as a percentage of revenue to decline over time, substantially alleviating the pressure on our profitability. In addition to the bulk purchase strategy, we will also strive to control insurance costs by (i) optimized insurance planning and procurement strategies, including ensuring the period of vehicle insurance we procured matches the period of EV management services our customers procured so as to reduce unnecessary insurance costs; and (ii) obtaining a more favorable insurance fee level through (a) reducing our accident occurrence rate with risk management technologies and precise customer risk assessment; and (b) streamlining the insurance claim process.

Effective Control of Finance Costs and Operational Expenses

Effective control of finance costs and operational expenses has been an important driver of net margin improvement. During the Track Record Period, our finance costs, administrative expenses, and selling and distribution expenses remained high as we scaled business. To improve profitability, we are focusing not only on growing revenue and improving gross margins, but also on effectively controlling such costs and expenses.

- ***Control of Finance Costs.*** During the Track Record Period, our finance costs as a percentage of revenue remained stable at 11.2% in both 2023 and 2024, before slightly increasing to 12.7% in 2025. The increase was driven by additional borrowings incurred to fund vehicle purchases, as we anticipated the higher vehicle acquisition tax rate in 2026. We expect finance costs as a percentage of revenue to decline over time, although their absolute amounts may increase in certain periods as our business continues to grow. Through driving continuous growth in revenue and gross profit margin, we expect the increased marginal return on our investment in business expansion, including fleet size expansion, will outweigh the marginal costs of financing. We will also manage the borrowing pace to slow down the increase in borrowings as we continue to shift towards a more asset-light business structure by steadily increasing the proportion of entrusted and served EVs within our managed fleet. Further, we will endeavor to control finance costs through achieving lower interest rates by leveraging our enhanced bargaining power based on our expanded business size.
- ***Control of Administrative Expenses.*** During the Track Record Period, our administrative expenses as a percentage of revenue declined from 12.3% in 2023 to 9.6% in 2024 and 7.5% in 2025. We also expect administrative expenses as a percentage of revenue to continue declining over time partly attributable to economies of scale, although their absolute amounts may increase in certain periods as our business continues to grow. We also plan to control administrative expenses through enhancing efficiency of administrative staff so that we can maintain a moderate size of administrative team and avoid a rapid increase in administrative employee compensation. For example, we have required our administrative staff to improve efficiency by using advanced AI tools.
- ***Control of Selling and Distribution Expenses.*** During the Track Record Period, our selling and distribution expenses as a percentage of revenue declined from 7.4% in 2023 to 6.4% in 2024 and 4.3% in 2025. We also expect selling and distribution expenses as a percentage of revenue to continue declining over time partly attributable to economies of scale, although their absolute amounts may increase in certain periods as our business continues to grow. We will also endeavor to control selling and distribution expenses by enhancing sales efficiency. For instance, we will leverage our existing customer resources for cross-selling and upselling as well as new customer referral, which is more cost efficient. In addition, we will take advantage of automatized sales processes as well as advanced AI sales tools, including offering tailored solutions to customers by leveraging AI analytical tools.

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- **Continuous investment in R&D.** We will continue investing in R&D initiatives to develop our technological capabilities, which are critical to not only driving our business growth, but also further enhancing our operating efficiency by more advanced tools, particularly efficiency of our administrative and selling and distribution activities, which may also contribute to our expense control and profitability.

Further, our shares with preferential rights did not affect our profitability of regular business operations, working capital sufficiency and operating cash flow during the Track Record Period. All existing special rights will be terminated upon [REDACTED] with the redemption rights terminated immediately before the first filing of the [REDACTED]. Furthermore, our shares with preferential rights will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares and our net current liabilities would significantly decrease upon [REDACTED]. For details, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors.”

The foregoing forward-looking statements on our future revenue and profitability are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Our business growth and long-term profitability is subject to known and unknown risks, uncertainties and other factors, some of which are beyond our control, and they may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements set out above. Investors should read this section together with the sections headed “Risk Factors” and “Future Plans and Use of [REDACTED]” in this document, as well as the Accountants’ Report set out in Appendix I to this document.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Set forth below are our certain material accounting policies, which are important for understanding our financial condition and results of operations. See Note 2.3 to the Accountants’ Report in Appendix I to this document for further details of our material accounting policies.

Revenue Recognition

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which we will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognized under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

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Information about our performance obligations is summarized below:

- **EV Management Services:** We provide services that are either rendered separately or bundled with the leasing of EVs to a customer. The services can be obtained from other providers and do not significantly customize or modify the products. Contracts for bundled leasing of EVs and management services comprise two performance obligations because the promises to lease the EVs and provide management services are capable of being distinct and separately identifiable. Accordingly, the transaction price is allocated based on the relative stand-alone prices of the EV leasing and management services. The performance obligation is satisfied over time as services are rendered or at a point upon completion of services;
- **EV Leasing:** Rental income is recognized on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognized as income in the accounting period in which they are incurred; and
- **EV Sales:** We sell vehicles and service parts to customers, and revenue from sales of such goods is recognized at the point in time when control of the assets are transferred to the customer, generally upon delivery and acceptance of goods.

Property, Plant and Equipment and Depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as maintenance and repair, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalized in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, we recognize such parts as individual assets with specific useful lives and depreciate them accordingly. Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Category	Principal annual rates (%)
Vehicles	9 to 13
Office and electronic equipment	19 to 33
Charging piles and equipment for vehicles	13 to 50
Leasehold improvements	17 to 50
Others	20 to 33

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Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end. An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the statement of profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset. Construction in progress is stated at cost less any impairment losses and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Financial Liabilities at Amortized Cost

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortized cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the statement of profit or loss.

Estimates, Assumptions and Judgments

Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments relating to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and results of operations. Our management continually evaluates such estimates, assumptions and judgments based on historical experiences and other factors, including industry practices and expectations of future events that are believed to be reasonable under the circumstances. There has not been any material deviation between our management’s estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future. See Note 3 to the Accountants’ Report in Appendix I to this document for details.

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

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

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Revenue	2,349,547	100.0	3,216,079	100.0	4,138,633	100.0
Cost of sales	(1,947,815)	(82.9)	(2,563,670)	(79.7)	(3,268,056)	(79.0)
Gross profit	401,732	17.1	652,409	20.3	870,577	21.0
Other income and gains	65,824	2.8	125,550	3.9	40,085	1.0
Selling and distribution expenses	(174,112)	(7.4)	(204,652)	(6.4)	(178,614)	(4.3)
Administrative expenses	(288,417)	(12.3)	(309,173)	(9.6)	(310,588)	(7.5)
Research and development expenses	(60,864)	(2.6)	(55,558)	(1.7)	(50,939)	(1.2)
Impairment losses of financial assets, net.	(30,962)	(1.3)	(29,959)	(0.9)	(11,076)	(0.3)
Other expenses	(114,837)	(4.9)	(109,702)	(3.4)	(49,634)	(1.2)
Finance costs associated with shares with preferential rights	(336,706)	(14.3)	(442,475)	(13.8)	(437,941)	(10.6)
Finance costs	(263,777)	(11.2)	(360,357)	(11.2)	(524,237)	(12.7)
Share of profits and losses of associates and joint ventures	(14,560)	(0.6)	1,189	0.0*	903	0.0*
Loss before tax	(816,679)	(34.8)	(732,728)	(22.8)	(651,464)	(15.7)
Income tax expenses	(25,004)	(1.1)	(37,830)	(1.2)	(4,132)	(0.1)
Loss for the year	(841,683)	(35.8)	(770,558)	(24.0)	(655,596)	(15.8)

Note:

* Less than 0.1%.

NON-IFRS FINANCIAL MEASURES

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted loss (*non-IFRS measure*) and adjusted EBITDA (*non-IFRS measure*) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of certain items.

We believe these measures provide useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measures as we presented may not be directly comparable to similar measures presented by other companies. The use of these non-IFRS measures should not be considered as substitute for analysis of our results of operations or financial condition as reported under IFRS.

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We define adjusted loss (*non-IFRS measure*) as loss for the year adjusted by finance costs associated with shares with preferential rights, [REDACTED] expenses, and equity-settled share award schemes expenses. We define adjusted EBITDA (*non-IFRS measure*) as loss for the year adjusted by (i) income tax expense, (ii) finance costs, (iii) finance costs associated with shares with preferential rights, (iv) depreciation of property, plant and equipment, (v) depreciation of right-of-use assets, and (vi) amortization of intangible assets, which is EBITDA (*non-IFRS measure*), further adjusted by (i) [REDACTED] expenses, and (ii) equity-settled share award schemes expenses.

The following table reconciles our adjusted loss (*non-IFRS measure*) and adjusted EBITDA (*non-IFRS measure*) presented to the most directly comparable financial measures calculated and presented in accordance with IFRS.

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Loss for the year	(841,683)	(770,558)	(655,596)
Adjusted for:			
— Finance costs associated with shares with preferential rights	336,706	442,475	437,941
— [REDACTED] expenses	3,694	122	13,213
— Equity-settled share award schemes expenses	6,757	—	2,738
Adjusted loss for the year (<i>non-IFRS measure</i>)	(494,526)	(327,961)	(201,704)

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Loss for the year	(841,683)	(770,558)	(655,596)
Adjusted for:			
— Income tax expense	25,004	37,830	4,132
— Finance costs	263,777	360,357	524,237
— Finance costs associated with shares with preferential rights	336,706	442,475	437,941
— Depreciation of property, plant and equipment	820,817	1,159,831	1,459,358
— Depreciation of right-of-use assets	30,898	34,844	35,599
— Amortization of intangible assets	5,112	6,460	7,984
EBITDA (<i>non-IFRS measure</i>)	640,631	1,271,239	1,813,655
Adjusted for:			
— [REDACTED] expenses	3,694	122	13,213
— Equity-settled share award schemes expenses	6,757	—	2,738
Adjusted EBITDA (<i>non-IFRS measure</i>)	651,082	1,271,361	1,829,606

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DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, our revenue was primarily derived from (i) EV management services, including digital fleet management, safety and risk management, battery charging and swapping, maintenance and repair and residual value management; (ii) EV leasing, featuring scenario-based deployment, multi-cycle leasing and flexible lease terms; and (iii) EV sales, representing the sale of logistics EVs and service parts.

The following table sets forth our revenue breakdown by type of products and services in absolute amounts and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
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

Revenue by Geographic Markets

We generated substantially all our revenue from Chinese mainland during the Track Record Period. The following table sets out a breakdown of our revenue by geographical location, in absolute amounts and as a percentage of our total revenue, for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Chinese mainland	2,259,607	96.2	3,211,264	99.9	4,138,546	100.0
Others ⁽¹⁾	89,940	3.8	4,815	0.1	87	0.0*
Total	2,349,547	100.0	3,216,079	100.0	4,138,633	100.0

Note:

* Less than 0.1%.

(1) Others mainly included Singapore and South Korea. Our revenue from other regions significantly decreased from RMB89.9 million in 2023 to RMB4.8 million in 2024 and RMB87 thousand in 2025 mainly due to a decrease in EV sales in overseas markets as we had strategically focused on the domestic market during this period.

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Cost of Sales

Our cost of sales primarily consists of depreciation costs, insurance costs, cost of EV sales, maintenance and repair costs, and employee compensation. In 2023, 2024 and 2025, we recorded cost of sales of RMB1,947.8 million, RMB2,563.7 million and RMB3,268.1 million, respectively, accounting for 82.9%, 79.7% and 79.0%, respectively, of our total revenue in the corresponding periods.

The following table sets forth our cost of sales breakdown by nature in absolute amounts and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentage)						
Depreciation costs	830,757	42.7	1,173,189	45.8	1,475,782	45.2
Insurance costs	487,104	25.0	689,204	26.9	985,751	30.2
Cost of EV sales	367,070	18.8	373,672	14.6	315,786	9.7
Maintenance and repair costs . .	106,454	5.5	165,785	6.5	297,431	9.1
Employee compensation	41,090	2.1	44,916	1.8	40,168	1.2
Others ⁽¹⁾	115,340	5.9	116,904	4.6	153,138	4.7
Total	1,947,815	100.0	2,563,670	100.0	3,268,056	100.0

Note:

(1) Others mainly included service center costs, transportation costs, electricity costs and other miscellaneous costs.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less cost of sales, and our gross profit margin represents gross profit divided by our revenue, expressed as a percentage. In 2023, 2024 and 2025, we had gross profit of RMB401.7 million, RMB652.4 million and RMB870.6 million, respectively, and gross profit margin of 17.1%, 20.3% and 21.0%, respectively.

The following table sets forth our gross profit and gross profit margin breakdown by service and product types for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
(RMB in thousands, except for percentages)						
EV management services	141,565	17.4	363,347	28.2	538,346	28.3
EV leasing	261,779	22.4	290,742	18.7	307,976	16.3
EV sales	(1,612)	(0.4)	(1,680)	(0.5)	24,255	7.1
Total	401,732	17.1	652,409	20.3	870,577	21.0

We recorded a gross loss margin for EV sales of 0.4% and 0.5% in 2023 and 2024, primarily as we adopted a more competitive pricing strategy to facilitate order acquisition.

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Other Income and Gains

During the Track Record Period, our other income and gains primarily consisted of the bank interest income, gains from additional deduction of the value-added tax, gains on disposal of items of property, plant and equipment, government grants, gain on disposal of associates and joint ventures, and gain on fair value changes of financial assets at FVTPL. Our other income and gains amounted to RMB65.8 million, RMB125.6 million and RMB40.1 million in 2023, 2024 and 2025, respectively, accounting for 2.8%, 3.9% and 1.0%, respectively, of our total revenue in the corresponding periods. The following table sets forth a breakdown of our other income and gains in absolute amounts and as a percentage of our total other income and gains for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Other income						
Bank interest income	5,948	9.0	5,953	4.7	5,225	13.0
Others ⁽¹⁾	770	1.2	2,096	1.7	1,242	3.1
Subtotal	<u>6,718</u>	<u>10.2</u>	<u>8,049</u>	<u>6.4</u>	<u>6,467</u>	<u>16.1</u>
Gains						
Gains from additional deduction of value-added tax	21,300	32.4	—	—	—	—
Gains on disposal of items of property, plant and equipment	19,989	30.4	—	—	—	—
Government grants	13,726	20.9	12,178	9.7	19,283	48.1
Gain on disposal of associates and joint ventures	1,476	2.2	101,000 ⁽²⁾	80.4	110	0.3
Foreign exchange gains	—	—	1,587	1.3	—	—
Investment income	715	1.1	471	0.4	2	0.0*
Gain on disposal of subsidiaries	—	—	542	0.4	—	—
Gain on disposal of items of right of use assets	—	—	623	0.5	202	0.5
Gain on disposal of financial assets at FVTPL — an unlisted equity investment . .	—	—	—	—	21	0.1
Gain on fair value changes of financial assets at FVTPL . .	1,900	2.9	1,100	0.9	14,000	34.9
Subtotal	<u>59,106</u>	<u>89.8</u>	<u>117,501</u>	<u>93.6</u>	<u>33,618</u>	<u>83.9</u>
Total	<u>65,824</u>	<u>100.0</u>	<u>125,550</u>	<u>100.0</u>	<u>40,085</u>	<u>100.0</u>

Notes:

* Less than 0.1%.

(1) Others included income from disposal of scrap materials and other miscellaneous income.

(2) In December 2024, we exchanged equity interest in an associate for shares of an equity investment, resulting in investment income of RMB101.0 million in 2024.

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Selling and Distribution Expenses

During the Track Record Period, our selling and distribution expenses primarily consisted of employee compensation, advertising and promotion expenses, referral fees, travel and business development expenses, and consultancy service fees as well as share-based compensation of our sales staff. Our selling and distribution expenses amounted to RMB174.1 million, RMB204.7 million and RMB178.6 million in 2023, 2024 and 2025, respectively, accounting for 7.4%, 6.4% and 4.3%, respectively, of our revenue in the corresponding periods. The following table sets forth a breakdown of our selling and distribution expenses in absolute amounts and as a percentage of our total selling and distribution expenses for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
Employee compensation	81,300	46.7	77,097	37.7	88,706	49.7
Advertising and promotion expenses	63,735	36.6	68,515	33.5	57,359	32.1
Referral fees	13,292	7.6	39,514	19.3	11,377	6.4
Travel expenses and business development expenses. . . .	10,205	5.9	11,080	5.4	10,802	6.0
Consultancy service fees	1,269	0.7	4,289	2.1	1,081	0.6
Share-based compensation . . .	—	—	—	—	508	0.3
Others ⁽¹⁾	4,311	2.5	4,157	2.0	8,781	4.9
Total	174,112	100.0	204,652	100.0	178,614	100.0

Note:

- (1) Others included technical service fees, depreciation and amortization, renovation costs and other miscellaneous expenses related to our marketing activities.

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Administrative Expenses

During the Track Record Period, our administrative expenses mainly consisted of employee compensation, consultancy service fees, handling fees related to financial leasing and banking services, depreciation and amortization, travel and business accommodation expenses, office expenses, and technical service fees. Our administrative expenses amounted to RMB288.4 million, RMB309.2 million and RMB310.6 million in 2023, 2024 and 2025, respectively, accounting for 12.3%, 9.6% and 7.5%, respectively, of our revenue in the corresponding periods. The following table sets forth a breakdown of our administrative expenses in absolute amounts and as a percentage of our total administrative expenses for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Employee compensation	143,368	49.7	156,801	50.7	139,337	44.9
Consultancy service fees	28,199	9.8	32,157	10.4	37,689	12.1
Handling fees	12,180	4.2	27,476	8.9	30,075	9.7
Depreciation and amortization	25,922	9.0	27,771	9.0	26,627	8.6
Travel and business accommodation expenses	15,033	5.2	15,986	5.2	15,440	5.0
Office expenses	11,428	4.0	9,832	3.2	12,977	4.2
Technical service fees	16,005	5.5	12,335	4.0	8,272	2.7
Severance expenses	3,682	1.3	7,042	2.3	8,268	2.7
Vehicle miscellaneous expenses	2,067	0.7	2,808	0.9	5,121	1.6
Share-based compensation	6,757	2.3	—	—	1,991	0.6
Others ⁽¹⁾	23,776	8.2	16,965	5.5	24,791	8.0
Total	288,417	100.0	309,173	100.0	310,588	100.0

Note:

(1) Others included labor service fees and other miscellaneous expenses related to our administrative activities.

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Research and Development Expenses

During the Track Record Period, our research and development expenses primarily consisted of (i) employee compensation comprising salaries, bonuses and social security expenditure related to our R&D staff, (ii) technical service fees, representing expenditure on servers, internet access and technical support services related to R&D initiatives, and (iii) depreciation and amortization related to our software, devices and equipment used for R&D purposes. Our research and development expenses amounted to RMB60.9 million, RMB55.6 million and RMB50.9 million in 2023, 2024 and 2025, respectively, accounting for 2.6%, 1.7% and 1.2%, respectively, of our revenue in the corresponding periods. The following table sets forth a breakdown of our research and development expenses in absolute amounts and as a percentage of our total research and development expenses for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Employee compensation	55,616	91.4	51,842	93.3	39,556	77.7
Technical service fees	4,512	7.4	2,177	3.9	8,828	17.3
Depreciation and amortization	79	0.1	142	0.3	496	1.0
Others ⁽¹⁾	657	1.1	1,397	2.5	2,059	4.0
Total	60,864	100.0	55,558	100.0	50,939	100.0

Note:

- (1) Others included travel and business accommodation expenses, share-based compensation and other miscellaneous expenses related to our R&D activities.

Impairment Losses of Financial Assets, Net

During the Track Record Period, our impairment losses of financial assets, net primarily represented the provision or reversal of bad debt reserves for trade receivables. The relevant changes were related to the scale of our receivables, the aging structure and the status of customer payments. Our impairment losses of financial assets, net amounted to RMB31.0 million, RMB30.0 million and RMB11.1 million in 2023, 2024 and 2025, respectively.

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Other Expenses

During the Track Record Period, our other expenses primarily consisted of the impairment of property, plant and equipment, losses on disposal of items of property, plant and equipment, and accident and litigation compensation. Our other expenses amounted to RMB114.8 million, RMB109.7 million and RMB49.6 million in 2023, 2024 and 2025, respectively, accounting for 4.9%, 3.4% and 1.2%, respectively, of our total revenue in the corresponding periods. The following table sets forth a breakdown of our other expenses in absolute amounts and as a percentage of our total other expenses for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentage)						
Impairment of property, plant and equipment	94,585	82.4	85,461	77.9	16,669	33.6
Losses on disposal of items of property, plant and equipment	—	—	12,084	11.0	20,903	42.1
Accident and litigation compensation.	14,044	12.2	12,157	11.1	12,039	24.3
Foreign exchange losses.	3,122	2.7	—	—	23	0.0*
Impairment loss on investment in an associate	3,086	2.7	—	—	—	—
Total	114,837	100.0	109,702	100.0	49,634	100.0

Note:

* Less than 0.1%

Finance Costs Associated with Shares with Preferential Rights

During the Track Record Period, our finance costs associated with shares with preferential rights primarily represented the interest expenses of the shares with preferential rights issued to our Pre-[REDACTED] Investors, which were measured at amortized costs. Certain of our Pre-[REDACTED] Investors were granted special rights in relation to our Company, including, among others, redemption rights, rights of first refusal, anti-dilution rights, liquidation preferences, information rights and rights to nominate directors. All existing special rights will be terminated upon [REDACTED] with the redemption rights terminated immediately before the first filing of the [REDACTED]. For details, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors.” Our finance costs associated with shares with preferential rights amounted to RMB336.7 million, RMB442.5 million and RMB437.9 million in 2023, 2024 and 2025, respectively.

Finance Costs

During the Track Record Period, our finance costs primarily included the interest on interest-bearing bank and other borrowings, interest on discounted bills receivables and interest on lease liabilities. Our finance costs amounted to RMB263.8 million, RMB360.4 million and RMB524.2 million in 2023, 2024 and 2025, respectively, accounting for 11.2%, 11.2% and 12.7%, respectively, of our revenue in the corresponding periods. Our interest on interest-bearing bank and other borrowings accounted for RMB255.9 million, RMB345.2 million and RMB502.8 million of the total finance costs in 2023, 2024 and 2025, respectively. Our borrowings continuously increased throughout the Track

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Record Period to support our fleet expansion, and we will enhance management on finance costs as part of our profitability strategy. For details, see “— Path to Profitability — Pathway to Profitability — Effective Control of Finance Costs and Operational Expenses” in this section. Our interest on discounted bills receivables accounted for RMB2.7 million, RMB7.7 million and RMB15.2 million of the total finance costs in 2023, 2024 and 2025, respectively. Our interest on lease liabilities accounted for RMB5.2 million, RMB7.4 million and RMB6.2 million of the total finance costs in 2023, 2024 and 2025, respectively.

Share of Profits and Losses of Associates and Joint Ventures

During the Track Record Period, our share of profits and losses of associates and joint ventures was primarily related to their operation results. We assess at the end of each reporting period to consider whether there is any indication of impairment on the interests in the associates and joint ventures and further assess if they have suffered any impairment. See Note 18 to the Accountants’ Report in Appendix I to this document for further details. Our share of profits and losses of associates and joint ventures amounted to losses of RMB14.6 million, profits of RMB1.2 million and profits of RMB0.9 million in 2023, 2024 and 2025, respectively.

Income Tax Expenses

Although we incurred net losses during the Track Record Period, we recorded income tax expenses of RMB25.0 million, RMB37.8 million and RMB4.1 million in 2023, 2024 and 2025, respectively, due to the profitability of certain subsidiaries as well as the impact of deferred tax. During the Track Record Period and as of the Latest Practicable Date, we did not have any disputes or unresolved tax issues with the relevant tax authorities.

Chinese Mainland

Under the PRC Corporate Income Tax Law and the respective regulations, the corporate income tax for the Company and its subsidiaries is calculated at a statutory rate of 25% unless subject to preferential tax treatments as set out below.

One of our PRC subsidiaries is a software enterprise and a High and New Technology Enterprise, and it is entitled to total exemption from corporate income tax for the first two years and a preferential corporate tax rate of 12.5% for the following three years starting from January 1, 2021. Our certain other subsidiaries were qualified as small and micro enterprises and their taxable income were deducted to 25%, with the applicable corporate income tax rate of 20% during the Track Record Period.

Hong Kong

Hong Kong profits tax was calculated at 16.5% on the estimated assessable profits during the Track Record Period. No provision for Hong Kong profits tax has been made as our Hong Kong subsidiary did not generate any assessable profits arising in Hong Kong during the Track Record Period.

Loss for the Year

As a result of the foregoing, our loss for the year continuously decreased from RMB841.7 million in 2023 to RMB770.6 million in 2024 and RMB655.6 million in 2025.

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PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared with Year Ended December 31, 2024

Revenue

Our revenue increased by 28.7% from RMB3,216.1 million in 2024 to RMB4,138.6 million in 2025. The increase was primarily attributable to (i) an increase in revenue from our EV management services by 47.6% from RMB1,290.0 million in 2024 to RMB1,904.3 million in 2025 mainly due to additional EV service customers we served in 2025 and the continuous revenue growth from EV service customers we already served in 2024, as well as the continuous expansion of our service scope such as introducing the FleetGuard (安行達) safety system; and (ii) an increase in revenue from our EV leasing by 21.9% from RMB1,554.1 million in 2024 to RMB1,894.3 million in 2025 mainly due to an increase in the customer orders from both new and existing customers for our EV leasing. The increase in both the number of customers and volume of orders for our EV management services and EV leasing reflected the increasing market demand for EVs, as well as the enhanced perception of our service and brand within the marketplace.

The increase in revenue from EV management services and EV leasing business was partially offset by a decrease in revenue from EV sales by 8.6% from RMB372.0 million in 2024 to RMB340.0 million in 2025 accompanied by a decrease in the number of EVs we sold, mainly because we have strategically focused on high-margin businesses such as EV management services, and reduced the R&D and marketing resources invested in EV sales.

Cost of Sales

Our cost of sales increased by 27.5% from RMB2,563.7 million in 2024 to RMB3,268.1 million in 2025, mainly due to the increases in (i) depreciation costs in line with the expansion of our fleet size; and (ii) insurance costs and maintenance and repair costs, which were mainly attributable to the growth of our EV management service business.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 33.4% from RMB652.4 million in 2024 to RMB870.6 million in 2025. Our gross profit margin increased from 20.3% in 2024 to 21.0% in 2025, primarily attributable to the optimized service and product mix with the proportion of revenue contributions from EV management services increasing from 40.1% in 2024 to 46.0% in 2025 due to our proactive strategic adjustment as this business involved a relatively higher gross profit margin. Moreover, the gross profit margin of our EV management services slightly increased from 28.2% in 2024 to 28.3% in 2025, driven by (i) economies of scale as our business scaled up; and (ii) more favorable terms offered by our supply chain to enable cost savings.

The gross profit margin of our EV leasing decreased from 18.7% in 2024 to 16.3% in 2025, mainly as we adopted a more competitive pricing strategy to facilitate order acquisition. The gross profit margin of our EV sales reached 7.1% in 2025 in contrast with the gross loss margin of 0.5% in 2024, mainly as we prioritized high-margin orders.

Other Income and Gains

Our other income and gains decreased by 68.1% from RMB125.6 million in 2024 to RMB40.1 million in 2025. The decrease was primarily due to a decrease in the gain on disposal of associates and joint ventures attributable to the one-off gain on the associate disposal in 2024, which was not recurring

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in 2025, and such decrease was partially offset by an increase in gains from fair value changes of financial assets at FVTPL. The percentage of our other income and gains to our total revenue decreased from 3.9% in 2024 to 1.0% in 2025.

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 12.8% from RMB204.7 million in 2024 to RMB178.6 million in 2025. The decrease was primarily attributable to (i) a decrease in referral fees as a result of our change in sales strategy and decreased EV sales; and (ii) a decrease in advertising and promotion expenses as we enhanced the efficiency of our advertising activities by leveraging automation tools and decreasing the use of third-party advertising services. The percentage of our selling and distribution expenses to our total revenue decreased from 6.4% in 2024 to 4.3% in 2025, primarily due to our high customer retention, economies of scale and improved marketing and selling efficiency.

Administrative Expenses

Our administrative expenses remained relatively stable at RMB309.2 million in 2024 and RMB310.6 million in 2025. The percentage of our administrative expenses to our total revenue decreased from 9.6% in 2024 to 7.5% in 2025, primarily due to our optimized administrative efficiency and economies of scale.

Research and Development Expenses

Our research and development expenses decreased by 8.5% from RMB55.6 million in 2024 to RMB50.9 million in 2025. The decrease was primarily attributable to a decrease in our employee compensation due to our streamlined R&D workforce as we enhanced R&D efficiency leveraging AI, partially offset by an increase in technical service fees related to our R&D initiatives. The percentage of our research and development expenses to our total revenue decreased from 1.7% in 2024 to 1.2% in 2025 attributable to improved R&D efficiency.

Impairment Losses of Financial Assets, Net

Our impairment losses of financial assets, net decreased from RMB30.0 million in 2024 to RMB11.1 million in 2025. The decrease was primarily attributable to a decrease in bad debt as a result of our enhanced trade receivables management and collection efforts.

Other Expenses

Our other expenses decreased by 54.8% from RMB109.7 million in 2024 to RMB49.6 million in 2025. The decrease was primarily due to a decrease in impairment of property, plant and equipment attributable to our improved operation and maintenance of fixed assets.

Finance Costs Associated with Shares with Preferential Rights

Our finance costs associated with shares with preferential rights remained relatively stable at RMB442.5 million in 2024 and RMB437.9 million in 2025.

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Finance Costs

Our finance costs increased by 45.4% from RMB360.4 million in 2024 to RMB524.2 million in 2025. The increase was primarily attributable to the increased interests on interest-bearing bank and other borrowings as we increased borrowings to support our business growth, particularly the expansion of our fleet size.

Share of Profits of Associates and Joint Ventures

Our share of profits of associates and joint ventures decreased from RMB1.2 million in 2024 to RMB0.9 million in 2025. The decrease was primarily linked to the operational results of our associates and joint ventures.

Income Tax Expenses

Our income tax expenses decreased from RMB37.8 million in 2024 to RMB4.1 million in 2025. The decrease was primarily attributable to the change in profitability of certain subsidiaries.

Loss for the Year

As a result of the foregoing, our loss for the year decreased from RMB770.6 million in 2024 to RMB655.6 million in 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue increased by 36.9% from RMB2,349.5 million in 2023 to RMB3,216.1 million in 2024. The increase was primarily attributable to (i) an increase in revenue from our EV management services by 58.5% from RMB814.0 million in 2023 to RMB1,290.0 million in 2024 mainly due to additional EV service customers we served in 2024 and the continuous revenue generation from EV service customers we already served in 2023, as well as the expansion of our service scope such as technical advisory services related to vehicle designing; (ii) an increase in revenue from our EV leasing by 32.8% from RMB1,170.1 million in 2023 to RMB1,554.1 million in 2024 mainly due to an increase in the customer orders from both existing and new customers for our EV leasing, which reflected the increasing market demand for EVs, as well as the enhanced perception of our service and brand within the marketplace; and (iii) an increase in revenue from EV sales by 1.8% from RMB365.5 million in 2023 to RMB372.0 million in 2024 accompanied by an increase in the number of EVs we sold, mainly due to our enhanced marketing and selling efforts.

Cost of Sales

Our cost of sales increased by 31.6% from RMB1,947.8 million in 2023 to RMB2,563.7 million in 2024. The increase was mainly driven by the increased depreciation costs and insurance costs, which was in line with our business growth, particularly the enlarged fleet size.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 62.4% from RMB401.7 million in 2023 to RMB652.4 million in 2024. Our gross profit margin increased from 17.1% in 2023 to 20.3% in 2024, primarily attributable to the optimized service and product mix with the proportion of revenue contributions from EV management services increasing from 34.6% in 2023 to 40.1% in 2024 due to our proactive strategic adjustment as this business involved a relatively higher gross profit margin.

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Moreover, the gross profit margin of our EV management services increased from 17.4% in 2023 to 28.2% in 2024 driven by (i) economies of scale as our business scaled up; and (ii) more favorable terms offered by our supply chain to enable cost savings.

The gross profit margin of our EV leasing business decreased from 22.4% in 2023 to 18.7% in 2024, and we recorded a gross loss margin for EV sales of 0.4% and 0.5% in 2023 and 2024, primarily as we adopted a more competitive pricing strategy to facilitate order acquisition.

Other Income and Gains

Our other income and gains increased by 90.9% from RMB65.8 million in 2023 to RMB125.6 million in 2024. The increase was primarily attributable to an increase in the gain on disposal of associates and joint ventures due to the one-off gain on the associate disposal in 2024, partially offset by a decrease in our gains from additional deduction of value-added tax and a decrease in our gains on disposal of items of property, plant and equipment. The percentage of our other income and gains to our total revenue increased from 2.8% in 2023 to 3.9% in 2024.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 17.6% from RMB174.1 million in 2023 to RMB204.7 million in 2024. The increase was primarily attributable to an increase in referral fees as we enhanced marketing and selling efforts. The percentage of our selling and distribution expenses to our total revenue decreased from 7.4% in 2023 to 6.4% in 2024, primarily due to our high customer retention, economies of scale and improved marketing and selling efficiency.

Administrative Expenses

Our administrative expenses increased by 7.2% from RMB288.4 million in 2023 to RMB309.2 million in 2024. The increase was primarily attributable to (i) an increase in our handling fees in line with our increased demand for financial leasing and banking services; and (ii) an increase in our employee compensation mainly due to an increase in our administrative workforce to support business expansion. The percentage of our administrative expenses to our total revenue decreased from 12.3% in 2023 to 9.6% in 2024, primarily due to our optimized administrative efficiency and economies of scale.

Research and Development Expenses

Our research and development expenses decreased by 8.7% from RMB60.9 million in 2023 to RMB55.6 million in 2024. The decrease was primarily attributable to (i) a decrease in our employee compensation due to our streamlined R&D workforce as we enhanced R&D efficiency; and (ii) a decrease in technical service fees as we improved our project management and enhanced cost control. The percentage of our research and development expenses to our total revenue decreased from 2.6% in 2023 to 1.7% in 2024 as we improved R&D efficiency.

Impairment Losses of Financial Assets, Net

Our impairment losses of financial assets, net remained relatively stable at RMB31.0 million in 2023 and RMB30.0 million in 2024.

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Other Expenses

Our other expenses decreased by 4.4% from RMB114.8 million in 2023 to RMB109.7 million in 2024. The decrease was primarily due to a decrease in impairment of property, plant and equipment attributable to improved maintenance, a decrease in foreign exchange losses and the non-recurrence in 2024 of the one-off impairment loss on investment in an associate recorded in 2023, partially offset by an increase in losses on disposal of items of property, plant and equipment which are redundant.

Finance Costs Associated with Shares with Preferential Rights

Our finance costs associated with shares with preferential rights increased from RMB336.7 million in 2023 to RMB442.5 million in 2024. The increase was primarily attributable to the completion of relevant financing in late 2023 and 2024, which increased the principal of shares with preferential rights.

Finance Costs

Our finance costs increased by 36.6% from RMB263.8 million in 2023 to RMB360.4 million in 2024. The increase was primarily attributable to the increased interests on interest-bearing bank and other borrowings mainly due to our increased borrowings to support our business growth, particularly the expansion of our fleet size.

Share of Profits and Losses of Associates and Joint Ventures

Our share of losses of associates and joint ventures amounted to RMB14.6 million in 2023 mainly due to the operational loss of our associate company in Singapore, while our share of profits of associates and joint ventures amounted to RMB1.2 million in 2024 primarily as a result of the improved operational results of an associate company engaged in insurance services.

Income Tax Expenses

Our income tax expenses increased from RMB25.0 million in 2023 to RMB37.8 million in 2024. The increase was primarily attributable to the improved profitability of certain subsidiaries as well as the impact of deferred income tax.

Loss for the Year

As a result of the foregoing, our loss for the year was RMB841.7 million in 2023 and RMB770.6 million in 2024.

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DISCUSSION ON KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Total current assets	2,873,597	3,535,552	4,202,590
Total non-current assets	6,276,258	9,033,489	12,602,463
Total assets	9,149,855	12,569,041	16,805,053
Total current liabilities	9,635,814	12,241,942	14,449,489
Total non-current liabilities	2,510,312	4,083,056	6,759,698
Total liabilities	12,146,126	16,324,998	21,209,187
Net liabilities	(2,996,271)	(3,755,957)	(4,404,134)
Paid-in capital/Share capital	282,595	286,906	286,906
Reserves	(3,281,076)	(4,042,152)	(4,694,227)
Deficit	(2,998,481)	(3,755,246)	(4,407,321)
Non-controlling interests	2,210	(711)	3,187
Total deficit	(2,996,271)	(3,755,957)	(4,404,134)
Total liabilities and total deficit	9,149,855	12,569,041	16,805,053

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The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of
	2023	2024	2025	March 31,
	(RMB in thousands)			2026
				(unaudited)
Current assets				
Inventories	86,197	83,560	167,684	165,731
Trade and bills receivables	854,082	1,280,831	1,384,920	1,780,784
Prepayments, other receivables and other assets	953,840	1,155,876	1,707,453	1,800,413
Financial assets at FVTPL	9,050	111,210	125,060	125,060
Restricted and pledged deposits	542,367	588,036	617,422	581,621
Cash and cash equivalents	428,061	316,039	200,051	225,701
Total current assets	2,873,597	3,535,552	4,202,590	4,679,310
Current liabilities				
Trade and bills payables	1,878,261	2,488,596	2,723,780	3,053,678
Other payables and accruals	469,773	481,471	512,864	663,805
Advances from customers	472,650	476,302	563,279	510,560
Contract liabilities	88,723	63,154	65,216	289,766
Interest-bearing bank and other borrowings	2,354,642	3,826,430	5,230,966	5,400,894
Lease liabilities	28,247	30,881	31,697	35,643
Tax payable	10,220	13,762	22,400	5,592
Shares with preferential rights	4,333,298	4,861,346	5,299,287	5,421,813
Total current liabilities	9,635,814	12,241,942	14,449,489	15,381,751
Net current liabilities	(6,762,217)	(8,706,390)	(10,246,899)	(10,702,441)

Our net current liabilities increased by 4.4% from RMB10,246.9 million as of December 31, 2025 to RMB10,702.4 million as of March 31, 2026, primarily as the increase in current liabilities outweighed the increase in current assets. The current liabilities increased primarily due to the increase in trade and bills payables of RMB329.9 million, the increase in contract liabilities of RMB224.6 million, the increase in interest-bearing bank and other borrowings of RMB169.9 million, the increase in other payables and accruals of RMB150.9 million and the increase in shares with preferential rights of RMB122.5 million. The current assets increased primarily due to the increase in trade and bills receivables of RMB395.9 million and the increase in prepayments, other receivables and other assets of RMB93.0 million. Our shares with preferential rights did not affect our profitability of regular business operations, working capital sufficiency and operating cash flow during the Track Record Period. Furthermore, our shares with preferential rights will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares and our net current liabilities would significantly decrease upon [REDACTED].

Our net current liabilities increased by 17.7% from RMB8,706.4 million as of December 31, 2024 to RMB10,246.9 million as of December 31, 2025, primarily as the increase in current liabilities outweighed the increase in current assets. The current liabilities increased primarily due to the increase in interest-bearing bank and other borrowings of RMB1,404.5 million, the increase in shares with preferential rights of RMB437.9 million and the increase in trade and bills payables of RMB235.2 million. The current assets increased primarily due to the increase in prepayments, other receivables

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and other assets of RMB551.6 million, the increase in trade and bills receivables of RMB104.1 million and the increase in inventories of RMB84.1 million, partially offset by the decrease in cash and cash equivalents of RMB116.0 million.

Our net current liabilities increased by 28.8% from RMB6,762.2 million as of December 31, 2023 to RMB8,706.4 million as of December 31, 2024, primarily as the increase in current liabilities outweighed the increase in current assets. The current liabilities increased primarily due to the increase in interest-bearing bank and other borrowings of RMB1,471.8 million, the increase in trade and bills payables of RMB610.3 million and the increase in shares with preferential rights of RMB528.0 million. The current assets increased primarily due to the increase in trade and bills receivables of RMB426.7 million, the increase in prepayments, other receivables and other assets of RMB202.0 million and the increase in financial assets at FVTPL of RMB102.2 million, partially offset by the decrease in cash and cash equivalents of RMB112.0 million.

Inventories

Our inventories primarily consisted of service parts and vehicles for sale. The following table sets out a breakdown of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Service parts	16,682	52,547	13,837
Vehicles for sale	69,797	32,496	155,006
	86,479	85,043	168,843
Impairment allowance	(282)	(1,483)	(1,159)
Total	86,197	83,560	167,684

Our inventories remained relatively stable at RMB86.2 million as of December 31, 2023 and RMB83.6 million as of December 31, 2024. Our inventories increased from RMB83.6 million as of December 31, 2024 to RMB167.7 million as of December 31, 2025 primarily as we purchased more vehicles and held more vehicles for sale in 2025 in anticipation of the higher vehicle acquisition tax in 2026.

Our management periodically reviews our inventory levels for slow-moving inventory, obsolescence or decline in market value. Allowance is made when the net realizable value of inventories falls below the cost or any of the inventories is identified as obsolete. We assess the net realizable value of the inventories as well as the required amount of write-down of inventories at the end of each reporting period, which involves significant judgment on determination of the estimated selling price of our products in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on our current market condition, the contract price of products if they are held for particular contracts and the historical experience of distributing and selling products of similar nature. In 2024, we made provision for impairment of inventories of RMB1.2 million while in 2023 and 2025, we made reversal of impairment of inventories of RMB0.2 million and RMB0.3 million, respectively. Our management believes that sufficient provision has been made for each of the reporting periods.

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The following table sets forth our inventory turnover days for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
Inventory turnover days ⁽¹⁾	79	84	147

Note:

- (1) Inventory turnover days are calculated using the average of opening balance and closing balance of inventories (excluding impairment) for a period divided by cost of EV sales for the relevant period and multiplied by 365 days.

Our inventory turnover days remained relatively stable at 79 days in 2023 and 84 days in 2024, which then increased to 147 days in 2025 as we purchased more vehicles and held more vehicles for sale in 2025 in anticipation of the higher vehicle acquisition tax in 2026.

As of March 31, 2026, RMB55.4 million, or 32.8% of our inventory as of December 31, 2025 had been utilized or sold.

Trade and Bills Receivables

The following table sets forth a breakdown of our trade and bills receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Trade receivables	901,795	1,341,386	1,387,755
Bills receivable	200	17,258	58,745
Less: Impairment of trade receivables	(47,913)	(77,813)	(61,580)
Trade receivables, net	854,082	1,280,831	1,384,920

Our trade and bills receivables increased by 50.0% from RMB854.1 million as of December 31, 2023 to RMB1,280.8 million as of December 31, 2024, primarily because we granted relatively long credit terms to certain customers. Our trade and bills receivables further increased by 8.1% from RMB1,280.8 million as of December 31, 2024 to RMB1,384.9 million as of December 31, 2025, which was in line with our business expansion and revenue growth.

Our trading terms with customers are mainly on credit and the credit period is generally not more than six months. As to new customers and one-off purchase order customers, we normally require payment in advance. The following table sets forth the aging analysis of our trade receivables (net of loss allowance), based on invoice dates, as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Within one year	839,833	1,184,689	1,306,793
One to three years	52,933	157,655	127,533
Over three years	9,229	16,300	12,174
Impairment allowance	(47,913)	(77,813)	(61,580)
Total	854,082	1,280,831	1,384,920

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The following table sets forth our trade and bills receivables turnover days for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
Trade and bills receivables turnover days ⁽¹⁾ . .	122	128	124

Note:

- (1) Trade and bills receivables turnover days are calculated using the average of opening balance and closing balance of trade and bills receivables (excluding impairment) for a period divided by revenue for the relevant period and multiplied by 365 days.

Our trade and bills receivables turnover days increased from 122 days in 2023 to 128 days in 2024, primarily as we granted relatively long credit terms to certain new customers. Our trade and bills receivables turnover days then decreased to 124 days as of December 31, 2025, primarily due to the more stringent management on granting credit terms.

As of March 31, 2026, RMB591.5 million, or 40.9% of our trade and bills receivables as of December 31, 2025 had been settled.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consisted of value-added tax recoverable, prepaid expense for insurance, deposits and other receivables, prepayments related to EV purchases and [REDACTED] expenses. The following table sets forth a breakdown of our prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Value-added tax recoverable	333,867	416,412	704,235
Prepaid expense for insurance	356,232	452,381	617,670
Deposits and other receivables ⁽¹⁾	230,300	210,093	310,111
Prepayments	49,047	92,614	87,586
[REDACTED] expenses	1,231	1,272	5,120
Subtotal	970,677	1,172,772	1,724,722
Impairment of other receivables	(16,837)	(16,896)	(17,269)
Total	953,840	1,155,876	1,707,453

Note:

- (1) Deposits and other receivables mainly included vehicles, depots and office buildings rental deposits.

Our prepayments, other receivables and other assets increased from RMB953.8 million as of December 31, 2023 to RMB1,155.9 million as of December 31, 2024, primarily due to increases in value-added tax recoverable related to vehicle purchases, prepayments, and prepaid expense for insurance. Our prepayments, other receivables and other assets further increased from RMB1,155.9 million as of December 31, 2024 to RMB1,707.5 million as of December 31, 2025 mainly due to (i) an increase in value-added tax recoverable related to vehicle purchases; (ii) an increase in prepaid expense for insurance; and (iii) an increase in our deposits and other receivables related to vehicle purchases.

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Financial Assets at FVTPL

Our financial assets at FVTPL primarily consisted of unlisted equity investment. Our financial assets at FVTPL increased from RMB9.1 million as of December 31, 2023 to RMB111.2 million as of December 31, 2024, mainly because we exchanged equity interest in an associate for shares of an equity investment in December 2024. The fair value of the converted shares amounted to RMB101.0 million as of December 31, 2024, resulting in an investment income of RMB101.0 million in 2024. Our financial assets at FVTPL further increased from RMB111.2 million as of December 31, 2024 to RMB125.1 million as of December 31, 2025, primarily due to an increase in the fair value of our investment in the target companies, which was related to the operational results of such target companies. See Note 24 to the Accountants’ Report in Appendix I to this document for more details.

Trade and Bills Payables

The following table sets forth a breakdown of our trade and bills payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Trade payables	638,462	1,344,809	1,582,467
Bills payables	1,239,799	1,143,787	1,141,313
Total	1,878,261	2,488,596	2,723,780

Our trade and bills payables increased from RMB1,878.3 million as of December 31, 2023 to RMB2,488.6 million as of December 31, 2024 and further increased to RMB2,723.8 million as of December 31, 2025. Such continuous increases were mainly due to our increased purchases of various goods and services, particularly vehicles, to support our business expansion.

Our trade and bills payables are non-interest-bearing and are normally settled within six months. The financial liabilities that are part of our supplier finance arrangements included in trade and bills payables are normally settled on 60-day terms or 180-day terms. We have established supplier finance arrangements that are offered to some of our key suppliers in Chinese mainland. Participation in the arrangements is at the suppliers’ own discretion. Suppliers that participate in the supplier finance arrangements will receive early payments or payments at the original due dates on invoices sent to us from our external finance provider. If suppliers choose to receive early payments, they pay a fee to the finance provider. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices must have been approved by us. Payments to suppliers ahead of or at the invoice due date are processed by the finance provider and, in all cases, we settle the original invoice by paying the finance provider in line with the original invoice maturity date or at a later date as agreed with the finance provider. Payment terms with suppliers have not been renegotiated in conjunction with the arrangements. We provide no security to the finance provider. We entered into supplier finance arrangements with several commercial banks (“**Discounting Banks**”). Under these supplier finance arrangements, our suppliers can elect to have their undue bill receivables from us discounted by the Discounting Banks. Upon our approval, the Discounting Banks will pay the suppliers directly for the discounted receivables. We will subsequently make payments to the Discounting Banks to settle the discounted bill receivables. The term of the above supplier finance arrangements is usually not more than six months.

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The following table sets forth the aging analysis of our trade and bills payables as of the dates indicated based on the invoice date:

	As of December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Within one year	1,861,964	2,460,182	2,679,531
Over one year	16,297	28,414	44,249
Total	1,878,261	2,488,596	2,723,780

The following table sets forth our trade and bills payables turnover days for the Track Record Period:

	Year ended December 31,		
	2023	2024	2025
Trade and bills payables turnover days ⁽¹⁾	338	311	291

Note:

- (1) Trade and bills payables turnover days are calculated using the average of opening balance and closing balance of trade and bills payables for a period divided by cost of sales used for the relevant period and multiplied by 365 days.

Our trade and bills payables turnover days decreased from 338 days in 2023 to 311 days in 2024 and 291 days in 2025 as we agreed to prompter settlement in exchange for more favorable purchase terms.

As of March 31, 2026, RMB1,616.1 million, or 59.3% of our trade and bills payables as of December 31, 2025 had been settled.

Other Payables and Accruals

Our other payables and accruals primarily consisted of deposit payables, accrued salaries and welfare, and other tax payables. The following table sets forth a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Deposit payables	207,980	269,156	390,931
Accrued salaries and welfare	45,622	45,752	40,207
Other tax payables	3,306	4,742	10,382
Other payables ⁽¹⁾	212,865	161,821	71,344
Total	469,773	481,471	512,864

Note:

- (1) Other payables mainly included payables for miscellaneous purchases irrelevant to our key business operations, which were unsecured, non-interest-bearing and repayable on demand.

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Our other payables and accruals increased from RMB469.8 million as of December 31, 2023 to RMB481.5 million as of December 31, 2024 and RMB512.9 million as of December 31, 2025. The increases were primarily due to the continuous increases in EV leasing and EV sales customer deposits, which were in line with our business growth.

Advances from Customers

Our advances from customers represented the advances from EV lessees. Our advances from customers slightly increased from RMB472.7 million as of December 31, 2023 to RMB476.3 million as of December 31, 2024, which further increased to RMB563.3 million as of December 31, 2025. Such fluctuations were primarily related to the changes in the year-end market demand and customer orders for our EV leasing business.

Contract Liabilities

Our contract liabilities included advances received to deliver goods and services. The changes in contract liabilities during the Track Record Period were mainly due to the changes in advances received from the EV sales or EV management services. Our contract liabilities decreased from RMB88.7 million as of December 31, 2023 to RMB63.2 million as of December 31, 2024 primarily because we strategically focused on larger customers who typically traded with us on credit terms. Our contract liabilities remained relatively stable at RMB65.2 million as of December 31, 2025.

Shares with Preferential Rights

We recorded current liabilities related to shares with preferential rights of RMB4,333.3 million, RMB4,861.3 million and RMB5,299.3 million as of December 31, 2023 and 2024 and 2025, respectively. The changes primarily represented changes in amortized costs of the convertible redeemable preferred shares issued to our Pre-[REDACTED] Investors. See Note 31 to the Accountants’ Report in Appendix I to this document for further details. Certain of our Pre-[REDACTED] Investors were granted special rights in relation to our Company, including, among others, redemption rights, rights of first refusal, anti-dilution rights, liquidation preferences, information rights and rights to nominate directors. All existing special rights will be terminated upon [REDACTED] with the redemption rights terminated immediately before the first filing of the [REDACTED]. Our shares with preferential rights did not affect our profitability of regular business operations, working capital sufficiency and operating cash flow during the Track Record Period. Furthermore, our shares with preferential rights will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares and our net current liabilities would significantly decrease upon [REDACTED]. For details, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors.”

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Property, Plant and Equipment

Our property, plant and equipment consisted of vehicles, construction in progress, charging piles and equipment for vehicles, office and electronic equipment, and leasehold improvements. The following table sets out a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Vehicles ⁽¹⁾	4,809,332	6,961,613	9,937,500
Construction in progress ⁽²⁾	516,001	736,583	883,740
Charging piles and equipment for vehicles . . .	91,724	88,744	175,371
Office and electronic equipment	5,554	4,371	3,494
Leasehold improvements	4,319	3,814	2,595
Others	264,056	301,150	416,530
Total	5,690,986	8,096,275	11,419,230

Notes:

- (1) Vehicles included self-owned EVs and most entrusted EVs which are ready for leasing.
- (2) Construction in progress represented EVs having not satisfied the conditions for leasing.

Our property, plant and equipment increased from RMB5,691.0 million as of December 31, 2023 to RMB8,096.3 million as of December 31, 2024 and RMB11,419.2 million as of December 31, 2025 primarily due to an increase in the vehicles we held to support our business expansion.

Right-of-Use Assets

Our right-of-use assets were primarily related to our leased depots and office buildings as well as entrusted vehicles which we leased from third parties. Our right-of-use assets decreased from RMB93.9 million as of December 31, 2023 to RMB89.1 million as of December 31, 2024 and RMB80.7 million as of December 31, 2025, primarily due to ordinary course depreciation charges.

Other Intangible Assets

Our other intangible assets consisted of procured software assets. Our other intangible assets increased from RMB52.7 million as of December 31, 2023 to RMB60.8 million as of December 31, 2024 and RMB68.1 million as of December 31, 2025, primarily as we procured additional software assets.

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Investments in Associates and Joint Ventures

Our investments in associates and joint ventures mainly represented our investments in associate companies in the new energy industry. We assess at the end of each reporting period to consider whether there is any indication of impairment on the interests in the associates and joint ventures and further assess if they have suffered any impairment. In 2023, the impairment loss of our interest in an associate, Strides DST Pte. Ltd., of RMB3,086,000 was recognized. The recoverable amount was nil, and we had made a full provision of RMB3,086,000 for impairment of our investment in associates as of December 31, 2023. See Note 18 to the Accountants’ Report in Appendix I to this document for further details. Our investments in associates and joint ventures increased from RMB5.7 million as of December 31, 2023 to RMB16.1 million as of December 31, 2024 and remained relatively stable at RMB16.3 million as of December 31, 2025. The changes in our investments in associates and joint ventures were mainly related to the operating results and market valuation of the relevant associates.

Other Non-current Assets

The following table sets out a breakdown of our other non-current assets as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Deposit for interest-bearing borrowings	255,843	372,656	563,180
Value-added tax recoverable	131,606	148,217	279,414
Prepayment for property, plant and equipment.	41,809	240,396	126,798
Prepayment for other intangible assets	2,323	5,211	8,739
Long-term prepayment	818	4,223	39,577
Total	432,399	770,703	1,017,708

Our other non-current assets consisted of deposit for interest-bearing borrowings, value-added tax recoverable, prepayment for property, plant and equipment, prepayment for other intangible assets, and long-term prepayment.

Our other non-current assets increased from RMB432.4 million as of December 31, 2023 to RMB770.7 million as of December 31, 2024, primarily due to an increase in the prepayment for property, plant and equipment and an increase in the deposit for interest-bearing borrowings. Our other non-current assets increased from RMB770.7 million as of December 31, 2024 to RMB1,017.7 million as of December 31, 2025, primarily due to an increase in the deposit for interest-bearing borrowings and an increase in the value-added tax recoverable, partially offset by a decrease in the prepayment for property, plant and equipment.

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INDEBTEDNESS

As of December 31, 2023, 2024 and 2025 and March 31, 2026, our indebtedness included interest-bearing bank and other borrowings and lease liabilities. The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			(unaudited)
Interest-bearing bank and other borrowings				
Current				
Bank loans — unsecured	57,469	—	—	—
Bank loans — secured	693,500	1,152,955	1,661,235	1,882,386
Other loans — secured	145,304	260,276	200,867	171,100
Current portion of long-term bank loans — unsecured	571	—	—	—
Current portion of long-term other loans — secured	1,457,798	2,413,199	3,368,864	3,347,408
Subtotal	2,354,642	3,826,430	5,230,966	5,400,894
Non-current				
Bank loans-term loans — secured	—	—	40,000	80,000
Other loans — secured	2,363,254	3,912,295	6,570,097	6,620,480
Subtotal	2,363,254	3,912,295	6,610,097	6,700,480
Total interest-bearing bank and other borrowings.	4,717,896	7,738,725	11,841,063	12,101,374
Lease liabilities				
Current portion	28,247	30,881	31,697	35,643
Non-current portion	69,005	61,353	49,610	40,632
Total lease liabilities	97,252	92,234	81,307	76,275
Total	4,815,148	7,830,959	11,922,370	12,177,649

Interest-bearing Bank and Other Borrowings

Our interest-bearing bank and other borrowings (including current and non-current portions) primarily consisted of secured and unsecured bank loans, as well as other secured and unsecured loans. Certain of our vehicles with net carrying amounts of approximately RMB3,971.4 million, RMB6,608.6 million and RMB9,628.4 million as of December 31, 2023, 2024 and 2025, respectively, were pledged to secure our financial leasing with leasing companies. As of the Latest Practicable Date, our credit facilities of approximately RMB11,473.26 million (the “**Guaranteed Borrowings**”) were secured by (a) the Group’s vehicles and (b) a concurrent guarantee by Ms. Zhang and/or entities controlled by her (the “**Guarantees**”). Such Guarantees are not secured by the assets of our Group and were provided on normal commercial terms in line with the typical arrangements of financial leasing in the PRC. As of the Latest Practicable Date, the Company has obtained confirmation letters from the relevant lending banks and financial leasing companies in relation to approximately 91.01% of such Guaranteed Borrowings, pursuant to which such banks and financial leasing companies have confirmed that they will either release the relevant Guarantees or undertake to discharge the relevant Guarantees upon [REDACTED] of the Company. For the remaining Guaranteed Borrowings (the “**Unreleased Guaranteed Borrowings**”), the Company does not intend to renew these Unreleased Guaranteed Borrowings upon expiry and does not expect to enter into additional Unreleased Guaranteed

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Borrowings. Based on the maturity date of the Unreleased Guaranteed Borrowings, the Company expects that the aggregate amount of the Guarantees upon [REDACTED] would be approximately RMB612.94 million, and all Unreleased Guaranteed Borrowings will mature by July 2030. See “Relationship with the Ms. Zhang Entities — Independence from the Ms. Zhang Entities — Financial Independence” in this document for details. See Note 30 to the Accountants’ Report in Appendix I to this document for details of the interest rates and the maturity.

Our interest-bearing bank and other borrowings, current portion, increased from RMB2,354.6 million as of December 31, 2023 to RMB3,826.4 million as of December 31, 2024, RMB5,231.0 million as of December 31, 2025 and RMB5,400.9 million as of March 31, 2026. Moreover, our interest-bearing bank and other borrowings, non-current portion, increased from RMB2,363.3 million as of December 31, 2023 to RMB3,912.3 million as of December 31, 2024, RMB6,610.1 million as of December 31, 2025 and RMB6,700.5 million as of March 31, 2026. We recorded such increases primarily because we incurred more borrowings to fund our business growth, particularly the expansion of our fleet size, which was funded mostly by external borrowings. We will manage the borrowing pace to slow down the increase in borrowings as we continue to shift towards a more asset-light business structure by steadily increasing the proportion of entrusted and served EVs within our managed fleet. We will also strive to achieve lower interest rates leveraging our enhanced bargaining power based on our expanded business size.

As of December 31, 2025 and March 31, 2026, we had unutilized banking facilities of RMB5.9 billion and RMB6.0 billion, respectively.

Lease Liabilities

Our lease liabilities (including current and non-current portions) were primarily related to lease contracts for depots and office buildings, and vehicles.

Our lease liabilities, current portion, increased from RMB28.2 million as of December 31, 2023 to RMB30.9 million as of December 31, 2024, RMB31.7 million as of December 31, 2025 and RMB35.6 million as of March 31, 2026, primarily due to our increased leases.

Our lease liabilities, non-current portion, decreased from RMB69.0 million as of December 31, 2023 to RMB61.4 million as of December 31, 2024, RMB49.6 million as of December 31, 2025 and RMB40.6 million as of March 31, 2026, primarily due to (i) the termination and expiry of certain lease contracts related to our non-current lease liabilities; and (ii) favorable rent adjustments related to certain leases.

No Other Outstanding Indebtedness

Our Directors confirm that there was no material covenant or undertaking on any of our outstanding debt and we had complied with covenants in all material respects, and that we did not experience any difficulty in obtaining bank loans and other borrowings during the Track Record Period and up to the date of this document.

Except as disclosed above, as of March 31, 2026, being the most recent practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Our Directors have confirmed that there has been no material change in our indebtedness from March 31, 2026 to the date of this document.

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LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

The following table sets forth a summary of our cash flow for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Net cash flows from operating activities	654,805	743,597	1,461,599
Net cash flows used in investing activities . . .	(2,560,082)	(3,500,537)	(4,902,520)
Net cash flows from financing activities	2,051,905	2,644,918	3,324,933
Net increase/(decrease) in cash and cash equivalents	146,628	(112,022)	(115,988)
Cash and cash equivalents at the beginning of the year	281,433	428,061	316,039
Cash and cash equivalents at the end of year	428,061	316,039	200,051

Net Cash Flows from Operating Activities

In 2025, our net cash flows generated from operating activities was RMB1,461.6 million, primarily attributable to our loss before tax of RMB651.5 million, adjusted by adding back non-cash items, primarily comprising depreciation of property, plant and equipment of RMB1,459.4 million, finance costs of RMB524.2 million and finance costs associated with shares with preferential rights of RMB437.9 million. The amount was further adjusted by changes in working capital, primarily comprising the increase in advances from customers of RMB87.0 million, the increase in trade and bills payables of RMB38.2 million and the increase in other payables and accruals of RMB30.6 million, partially offset by the increase in other non-current assets of RMB166.6 million, the increase in prepayments, other receivables and other assets of RMB145.9 million and the increase in trade and bills receivables of RMB139.8 million.

In 2024, our net cash flows generated from operating activities was RMB743.6 million, primarily attributable to our loss before tax of RMB732.7 million, adjusted by adding back non-cash items, primarily comprising depreciation of property, plant and equipment of RMB1,159.8 million, finance costs associated with shares with preferential rights of RMB442.5 million and finance costs of RMB360.4 million, partially offset by gain on disposal of associates and joint ventures of RMB101.0 million. The amount was further adjusted by changes in working capital, primarily comprising the increase in trade and bills payables of RMB95.2 million, partially offset by the increase in trade and bills receivables of RMB475.2 million and the increase in prepayments, other receivables and other assets of RMB131.5 million.

In 2023, our net cash flows generated from operating activities was RMB654.8 million, primarily attributable to our loss before tax of RMB816.7 million, adjusted by adding back non-cash items, primarily comprising depreciation of property, plant and equipment of RMB820.8 million, finance costs associated with shares with preferential rights of RMB336.7 million and finance costs of RMB263.8 million. The amount was further adjusted by changes in working capital, primarily comprising the increase in other payables and accruals of RMB179.4 million and the increase in advances from customers of RMB174.2 million, partially offset by the increase in trade and bills receivables of RMB239.9 million and the decrease in contract liabilities of RMB95.5 million.

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Net Cash Flows Used in Investing Activities

In 2025, our net cash flows used in investing activities were RMB4,902.5 million, primarily attributable to the purchase of items of property, plant and equipment of RMB5,103.7 million, partially offset by proceeds from disposal of items of property, plant and equipment of RMB218.0 million.

In 2024, our net cash flows used in investing activities were RMB3,500.5 million, primarily attributable to the purchase of items of property, plant and equipment of RMB3,751.1 million, partially offset by proceeds from disposal of items of property, plant and equipment of RMB276.9 million.

In 2023, our net cash flows used in investing activities were RMB2,560.1 million, primarily attributable to the purchase of items of property, plant and equipment of RMB2,866.0 million, partially offset by proceeds from disposal of items of property, plant and equipment of RMB332.0 million.

Net Cash Flows from Financing Activities

In 2025, our net cash flows generated from financing activities were RMB3,324.9 million, primarily attributable to proceeds from interest-bearing bank and other borrowings of RMB9,424.7 million, partially offset by repayment of bank and other loans of RMB5,364.8 million.

In 2024, our net cash flows generated from financing activities were RMB2,644.9 million, primarily attributable to proceeds from interest-bearing bank and other borrowings of RMB6,179.6 million, partially offset by repayment of bank and other loans of RMB3,186.7 million.

In 2023, our net cash flows generated from financing activities were RMB2,051.9 million, primarily attributable to proceeds from interest-bearing bank and other borrowings of RMB4,706.0 million, partially offset by repayment of bank and other loans of RMB2,838.3 million.

WORKING CAPITAL SUFFICIENCY

As of December 31, 2025, we had cash and cash equivalents of RMB200.1 million, restricted and pledged deposits of RMB617.4 million, and financial assets at FVTPL of RMB125.1 million, and as of March 31, 2026, we had unutilized bank facilities of RMB6.0 billion. We also recorded net cash inflows from our operating activities of RMB654.8 million, RMB743.6 million and RMB1,461.6 million in 2023, 2024 and 2025, respectively. Moreover, we estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] after deducting [REDACTED] and other estimated expenses paid and payable by us in connection with the [REDACTED] and based upon an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range in this document, and assuming no exercise of the [REDACTED]. Further, we recorded current liabilities related to shares with preferential rights of RMB4,333.3 million, RMB4,861.3 million and RMB5,299.3 million as of December 31, 2023 and 2024 and 2025, respectively. All existing special rights will be terminated upon [REDACTED] with the redemption rights terminated immediately before the first filing of the [REDACTED]. Our shares with preferential rights did not affect our profitability of regular business operations, working capital sufficiency and operating cash flow during the Track Record Period. Furthermore, our shares with preferential rights will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares and our net current liabilities would significantly decrease upon [REDACTED]. For details, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors.”

Although we recorded significant net current liabilities during the Track Record Period, taking into consideration the financial resources available to us, including our cash and cash equivalents, restricted and pledged deposits, financial assets at FVTPL, unutilized bank facilities, operating cash

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inflows, the estimated net [REDACTED] from the [REDACTED], the automatic conversion of our shares with preferential rights into ordinary shares upon [REDACTED], and the absence of any call loan for which the lender can require repayment at any time, in the absence of unforeseeable circumstances, the Directors confirm that we have sufficient working capital to meet our present requirements and for at least the next 12 months from the date of this document.

We also expect further improvement in our working capital sufficiency by way of (i) optimizing our customer base and credit period management to facilitate prompt settlement of trade receivables; (ii) negotiating with suppliers for extended credit terms; (iii) enhancing management on interest-bearing bank and other borrowings, particularly through continuing to shift towards a more asset-light business structure by steadily increasing the proportion of entrusted and served EVs within our platform; and (iv) enhancing profitability, which will further solidify our working capital positions. For details of our approach to enhancing profitability, including enhancing management on interest-bearing bank and other borrowings, see “— Path to Profitability” in this section.

Our Directors confirm that we had no material default on trade and non-trade payables or bank loans and other borrowings during the Track Record Period and up to the date of this document.

CAPITAL EXPENDITURES AND COMMITMENTS

During the Track Record Period, our capital expenditures primarily consisted of (i) purchases of items of property, plant and equipment and (ii) purchases of other intangible assets. The table below sets forth our capital expenditure for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Purchases of items of property, plant and equipment	2,866,019	3,751,069	5,103,695
Purchases of other intangible assets	18,076	17,454	18,818
Total	2,884,095	3,768,523	5,122,513

We had capital expenditures of RMB2,884.1 million, RMB3,768.5 million and RMB5,122.5 million in 2023, 2024 and 2025, respectively. We funded the expenditure mainly with cash generated from business operations and financing activities.

Following the [REDACTED], we will continue to incur capital expenditures to grow our business. We plan to fund our planned capital expenditures primarily with cash flows generated from our operations, bank and other borrowings, and the net [REDACTED] received from the [REDACTED]. See “Future Plans and Use of [REDACTED].” We may adjust our capital expenditures for any given year according to our development plans or in light of market conditions and other factors we believe to be appropriate.

We had capital commitments primarily related to the purchase of vehicles. As of December 31, 2023, 2024 and 2025, our capital commitments were RMB547.0 million, RMB816.5 million and RMB527.2 million, respectively. We plan to fund such capital commitments mainly through [REDACTED] from financial leasing, cash flows generated from our operations and the net [REDACTED] received from the [REDACTED].

FINANCIAL INFORMATION

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025, save as disclosed in this document, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against us or any member of the Group that is likely to have a material and adverse effect on our business, financial condition and result of operations.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates or for the periods indicated:

	As of/For the year ended December 31,		
	2023	2024	2025
Revenue growth rate	N/A	36.9%	28.7%
Gross profit margin ⁽¹⁾	17.1%	20.3%	21.0%
Net loss margin ⁽²⁾	(35.8)%	(24.0)%	(15.8)%
Adjusted loss margin (<i>non-IFRS measure</i>) ⁽³⁾	(21.0)%	(10.2)%	(4.9)%
Adjusted EBITDA margin (<i>non-IFRS measure</i>) ⁽⁴⁾	27.7%	39.5%	44.2%
Debt ratio ⁽⁵⁾	51.6%	61.6%	70.5%

Notes:

- (1) Calculated by dividing gross profit by revenue for the year multiplied by 100%.
- (2) Calculated by dividing loss by revenue for the year multiplied by 100%.
- (3) Calculated by dividing adjusted loss (*non-IFRS measure*) by revenue for the year multiplied by 100%. For details of the adjusted loss (*non-IFRS measure*), see “— Non-IFRS Financial Measures.”
- (4) Calculated by dividing adjusted EBITDA (*non-IFRS measure*) by revenue for the year multiplied by 100%. For details of the adjusted EBITDA (*non-IFRS measure*), see “— Non-IFRS Financial Measures.”
- (5) Calculated by dividing total debts by total assets as of the end of the year multiplied by 100%. Total debts represent the sum of the current and non-current interest-bearing bank and other borrowings as of the end of the year.

We incurred debt ratio of 51.6%, 61.6% and 70.5% in 2023, 2024 and 2025, respectively. According to Frost & Sullivan, it is normal to incur high debt ratios for companies adopting the FMaaS model.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. As of December 31, 2023, 2024 and 2025, we recorded non-trade amounts due to related parties of RMB45.0 million, RMB86.7 million and nil, respectively. For further details of our material related party transactions, see Note 38 to the Accountants’ Report in Appendix I to this document.

Our Directors are of the view that each of the related party transactions set out in Note 38 to the Accountants’ Report in Appendix I to this document was conducted in the ordinary course of business on an arm’s length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

FINANCIAL INFORMATION

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners’ equity. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or R&D services with us.

FINANCIAL RISKS DISCLOSURE

We are exposed to various market risks, including interest rate risk, foreign currency risk, credit risk and liquidity risk as set out below. We manage and monitor these exposures to ensure appropriate measures are implemented in a timely and effective manner. For more details, including the relevant sensitivity analysis, see Note 42 to the Accountants’ Report in Appendix I to this document.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our interest-bearing bank and other borrowings. We currently do not have a specific policy to manage our interest rate risk and have not entered into interest rate swaps.

Foreign Currency Risk

We have transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units’ functional currencies. In addition, certain bank loans are denominated in currencies other than the functional currencies of the entities to which they relate. We tend to accept foreign currency exchange risk avoidance or allocation terms when arriving at purchase and sale contracts. Due to our limited foreign currency transactions, we are not subject to significant foreign currency risk.

Credit Risk

We trade only with recognized and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and our exposure to bad debts is not significant.

Liquidity Risk

We monitor our risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both our financial instruments and financial assets and projected cash flows from operations. Our objectives for managing capital are to safeguard our ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to enhance shareholders’ value in the long term. Our management reviews the capital structure regularly. As part of this review, our management considers the cost of capital and the risks associated with each class of capital. Based on the recommendations of our management, we balance our overall capital structure through the issuance of new shares as well as borrowings.

FINANCIAL INFORMATION

DIVIDENDS

Dividend distribution to our Shareholders is recognized as a liability in the period in which the dividends are approved by our Shareholders. During the Track Record Period, we had not declared or paid any dividend.

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any dividend policy or fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As confirmed by our PRC Legal Adviser, according to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] expenses will be approximately RMB[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range) and no exercise of the [REDACTED]), representing [REDACTED]% of the [REDACTED] (based on the mid-point of our indicative price range for the [REDACTED] and assuming that the [REDACTED] is not exercised) of the [REDACTED]. During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED], of which RMB[REDACTED] was charged to the consolidated statements of profit or loss as administrative expenses and approximately RMB[REDACTED] was capitalized as deferred expenses in the consolidated statements of financial position to be charged against equity upon [REDACTED]. We expect to incur additional [REDACTED] expenses of RMB[REDACTED], of which RMB[REDACTED] is expected to be recognized in the consolidated statements of profit or loss as administrative expenses and RMB[REDACTED] is expected to be recognized as a deduction in equity directly upon [REDACTED]. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our [REDACTED] expenses are composed of (i) [REDACTED] of RMB[REDACTED], and (ii) [REDACTED] related expenses of RMB[REDACTED], which consist of fees and expenses of legal advisers and reporting accountant of RMB[REDACTED] and other fees and expenses of RMB[REDACTED].

FINANCIAL INFORMATION

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix II — Unaudited [REDACTED] Financial Information.”

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

See the section headed “Business — Our Strategies” for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that, after deducting [REDACTED] and other estimated expenses payable by us in connection with the [REDACTED], we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED], and assuming that neither the reallocation nor the [REDACTED] is exercised), or approximately HK\$[REDACTED] (if the reallocation and the [REDACTED] are exercised in full).

We intend to use the net [REDACTED] from the [REDACTED] for the following purposes:

- **Research and Development for Upgrading Digital Infrastructure:** Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used for the ongoing R&D and investment in our digital infrastructure including IoT network, proprietary software system and decision-making models.
 - o Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be dedicated to strengthening our AI-related investment, including the development and optimization of intelligent vehicles deployment, fleet management, risk control and residual value assessment model, with a view to improving asset operating efficiency and return on assets through technological innovation. Over the next five years, we expect to recruit approximately 90 specialized professionals in software and AI-related fields. We also plan to procure software or obtain relevant licenses, including AI services, cloud services and development platforms, for our R&D work.
 - o Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used to continuously upgrade our IoT network to enhance data collecting and processing capability, system stability and information security. More specifically, we plan to procure and upgrade our vehicle IoT devices and service centers IoT equipments.
- **Expansion of EV and Autonomous Vehicle Portfolio:** Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used to expand our EV asset portfolio to meet the growing demand in diverse usage scenarios in urban logistics.
 - o Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used over the next five years to procure logistics EVs, including core models such as microvans, medium vans and light trucks, to address greater and more diverse customer demand. By procuring and deploying the latest customized vehicle models, we can efficiently serve more customers, reach more cities and further strengthen our brand image, which is expected to have a positive impact on the growth of our management services revenue.
 - o Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be invested strategically in the testing and map scanning of autonomous vehicles. We will cooperate with leading autonomous vehicle companies to jointly develop the next generation logistics vehicles that are suitable for high-frequency usage scenarios such as express delivery and retail distribution. We expect to increase the proportion of autonomous vehicles in our asset portfolio to further enhance our overall operational efficiency.

FUTURE PLANS AND USE OF [REDACTED]

- **Deepening and Expanding the Nationwide Service Network:** Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used to enhance the coverage density and breadth of our service network to provide customers with more accessible end-to-end services.
 - o Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used to increase the density of service centers in under-served markets, improving service ability and operational efficiency. We plan to add approximately 300 service centers over the next three years across China. In addition, we expect to expand the coverage of our service centers capable of servicing autonomous vehicles by adding approximately 1,000 autonomous vehicle service mini-stations over the next three years.
 - o Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used to expand our sales and marketing networks, penetrating into more under-served markets and industrial clusters to acquire users. We plan to expand sales personnel across several domestic regional areas at a pace of adding approximately 30 to 40 new sales personnel nationwide to strengthen our customer acquisition capabilities.
- **Repayment of Existing Debts:** Approximately [REDACTED]% (or approximately HK\$[REDACTED]), will be used for the partial repayment of the principals and interests of certain of our bank borrowings, which have principal amounts ranging from RMB40 million to RMB70 million with an aggregate amount of RMB438 million and with a fixed term of one year or two years. These bank borrowings bear fixed interest rates from 2.60% to 5.50% per annum, and are set to mature from December 2026 and later. We incurred these bank borrowings to finance the purchase of our EVs and support our other operating activities.
- **Working Capital and General Corporate Purposes:** Approximately [REDACTED]% (or approximately HK\$[REDACTED]) will be used to supplement our working capital and for other general corporate purposes to support our continuous business growth.

If the [REDACTED] is set at HK\$[REDACTED] per [REDACTED], being the high end of the indicative [REDACTED] range, and assuming that neither the reallocation nor the [REDACTED] is exercised, the net [REDACTED] from the [REDACTED] will increase by approximately HK\$[REDACTED]. If the [REDACTED] is set at HK\$[REDACTED] per [REDACTED], being the low end of the indicative [REDACTED] range, and assuming that neither the reallocation nor the [REDACTED] is exercised, the net [REDACTED] from the [REDACTED] will decrease by approximately HK\$[REDACTED]. If the [REDACTED] is set at a level higher or lower than the mid-point of the indicative [REDACTED] range, the allocation of the above net [REDACTED] will be adjusted on a pro rata basis.

If the reallocation and the [REDACTED] are exercised in full, the net [REDACTED] that we will receive after deducting [REDACTED] and other estimated expenses paid and payable by us in connection with the [REDACTED] will be (i) approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the high end of the indicative [REDACTED] range); (ii) approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the midpoint of the indicative [REDACTED] range) and (iii) approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the low end of the indicative [REDACTED] range). In the event that the reallocation or the [REDACTED] is exercised, we intend to apply the additional net [REDACTED] to the aforementioned purposes in the proportions mentioned above.

If the net [REDACTED] of the [REDACTED] are not immediately used for the purposes described above, to the extent permitted by the relevant laws and regulations, we will only deposit the net [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions. In such circumstances, we will comply with the relevant disclosure requirements under the Listing Rules.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

[To insert the letterhead of the firm]

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF DST SUSTAINABLE TECHNOLOGY (SHENZHEN) CO., LTD., CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND CITIGROUP GLOBAL MARKETS ASIA LTD

Introduction

We report on the historical financial information of DST Sustainable Technology (Shenzhen) Co., Ltd. (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages [I-3] to [I-90], which comprises the consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 (the “**Relevant Periods**”), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025 and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages [I-3] to [I-90] forms an integral part of this report, which has been prepared for inclusion in this document of the Company dated [•] (the “**document**”) in connection with the [REDACTED] of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants’ Reports on Historical Financial Information in Investment Circulars* as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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ACCOUNTANTS’ REPORT

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023, 2024 and 2025, and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page [I-3] have been made.

Dividends

We refer to note 12 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

[•]

Certified Public Accountants

Hong Kong

[Date]

APPENDIX I

ACCOUNTANTS’ REPORT

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing as issued by the HKICPA (the “**Underlying Financial Statements**”).

The Historical Financial Information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	<i>Notes</i>	Year ended 31 December		
		2023	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	5	2,349,547	3,216,079	4,138,633
Cost of sales		(1,947,815)	(2,563,670)	(3,268,056)
Gross profit		401,732	652,409	870,577
Other income and gains	5	65,824	125,550	40,085
Selling and distribution expenses		(174,112)	(204,652)	(178,614)
Administrative expenses		(288,417)	(309,173)	(310,588)
Research and development expenses		(60,864)	(55,558)	(50,939)
Impairment losses on financial assets, net . .		(30,962)	(29,959)	(11,076)
Other expenses	6	(114,837)	(109,702)	(49,634)
Finance costs associated with shares with preferential rights	31	(336,706)	(442,475)	(437,941)
Finance costs	7	(263,777)	(360,357)	(524,237)
Share of profits and losses of associates and joint ventures		(14,560)	1,189	903
LOSS BEFORE TAX	8	(816,679)	(732,728)	(651,464)
Income tax expenses	11	(25,004)	(37,830)	(4,132)
LOSS FOR THE YEAR		<u>(841,683)</u>	<u>(770,558)</u>	<u>(655,596)</u>
Attributable to:				
Owners of the parent		(841,649)	(768,755)	(659,524)
Non-controlling interests		(34)	(1,803)	3,928
		<u>(841,683)</u>	<u>(770,558)</u>	<u>(655,596)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT				
Basic and diluted (RMB)	13	<u>(3.30)</u>	<u>(2.70)</u>	<u>(2.30)</u>

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended 31 December		
		2023	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
LOSS FOR THE YEAR		(841,683)	(770,558)	(655,596)
OTHER COMPREHENSIVE INCOME				
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:				
Exchange differences:				
Exchange differences on translation of foreign operations		284	314	(38)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods		284	314	(38)
OTHER COMPREHENSIVE INCOME/(LOSS)FOR THE YEAR, NET OF TAX		284	314	(38)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR.		(841,399)	(770,244)	(655,634)
Attributable to:				
Owners of the parent		(841,365)	(768,441)	(659,562)
Non-controlling interests		(34)	(1,803)	3,928
		(841,399)	(770,244)	(655,634)

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December		
	Notes	2023	2024	2025
		RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	14	5,690,986	8,096,275	11,419,230
Right-of-use assets	15(a)	93,859	89,111	80,664
Other intangible assets	16	52,715	60,821	68,127
Investments in associates and joint ventures .	18	5,671	16,136	16,300
Deferred tax assets	19	628	443	434
Other non-current assets	20	432,399	770,703	1,017,708
Total non-current assets		6,276,258	9,033,489	12,602,463
CURRENT ASSETS				
Inventories	21	86,197	83,560	167,684
Trade and bills receivables	22	854,082	1,280,831	1,384,920
Prepayments, other receivables and other assets	23	953,840	1,155,876	1,707,453
Financial assets at fair value through profit or loss (“FVTPL”)	24	9,050	111,210	125,060
Restricted and pledged deposits	25	542,367	588,036	617,422
Cash and cash equivalents	25	428,061	316,039	200,051
Total current assets		2,873,597	3,535,552	4,202,590
CURRENT LIABILITIES				
Trade and bills payables	26	1,878,261	2,488,596	2,723,780
Other payables and accruals	27	469,773	481,471	512,864
Advances from customers	28	472,650	476,302	563,279
Contract liabilities	29	88,723	63,154	65,216
Interest-bearing bank and other borrowings .	30	2,354,642	3,826,430	5,230,966
Lease liabilities	15(b)	28,247	30,881	31,697
Tax payable		10,220	13,762	22,400
Shares with preferential rights	31	4,333,298	4,861,346	5,299,287
Total current liabilities		9,635,814	12,241,942	14,449,489
NET CURRENT LIABILITIES		(6,762,217)	(8,706,390)	(10,246,899)
TOTAL ASSETS LESS CURRENT LIABILITIES				
		(485,959)	327,099	2,355,564
NON-CURRENT LIABILITIES				
Interest-bearing bank and other borrowings .	30	2,363,254	3,912,295	6,610,097
Lease liabilities	15(b)	69,005	61,353	49,610
Deferred income		15	—	—
Deferred tax liabilities	19	78,038	109,408	99,991
Total non-current liabilities		2,510,312	4,083,056	6,759,698
Net liabilities		(2,996,271)	(3,755,957)	(4,404,134)
EQUITY				
Equity attributable to owners of the parent				
Paid-in capital/Share capital	32	282,595	286,906	286,906
Reserves	33	(3,281,076)	(4,042,152)	(4,694,227)
Deficit		(2,998,481)	(3,755,246)	(4,407,321)
Non-controlling interests		2,210	(711)	3,187
Total deficit		(2,996,271)	(3,755,957)	(4,404,134)

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent								
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Other reserves*	Exchange fluctuation reserve*	Accumulated losses*	Total	Non-controlling interests	Total deficit
	RMB'000 (Note 32)	RMB'000 (Note 33)	RMB'000 (Note 34)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	252,790	2,582,630	13,515	(2,707,885)	268	(2,316,679)	(2,175,361)	6,237	(2,169,124)
Loss for the year.	—	—	—	—	—	(841,649)	(841,649)	(34)	(841,683)
Other comprehensive income for the year:									
Exchange differences related to foreign operations . . .	—	—	—	—	284	—	284	—	284
Loss and total comprehensive loss for the year	—	—	—	—	284	(841,649)	(841,365)	(34)	(841,339)
Capital injection from shareholders.	29,805	546,563	—	—	—	—	576,368	—	576,368
Recognition of shares with preferential rights	—	—	—	(576,368)	—	—	(576,368)	—	(576,368)
Acquisitions of minority shareholders' interest . . .	—	(4)	—	—	—	—	(4)	(3,993)	(3,997)
Contribution from shareholders.	—	11,492	—	—	—	—	11,492	—	11,492
Equity-settled share-based payment arrangement. . .	—	—	6,757	—	—	—	6,757	—	6,757
At 31 December 2023 . . .	282,595	3,140,681	20,272	(3,284,253)	552	(3,158,328)	(2,998,481)	2,210	(2,996,271)

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ACCOUNTANTS’ REPORT

Year ended 31 December 2024

	Attributable to owners of the parent								
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Other reserves*	Exchange fluctuation reserve*	Accumulated losses*	Total	Non-controlling interests	Total deficit
	RMB'000 (Note 32)	RMB'000 (Note 33)	RMB'000 (Note 34)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	282,595	3,140,681	20,272	(3,284,253)	552	(3,158,328)	(2,998,481)	2,210	(2,996,271)
Loss for the year.	—	—	—	—	—	(768,755)	(768,755)	(1,803)	(770,558)
Other comprehensive income for the year:									
Exchange differences related to foreign operations . . .	—	—	—	—	314	—	314	—	314
Loss and total comprehensive loss for the year	—	—	—	—	314	(768,755)	(768,441)	(1,803)	(770,244)
Capital injection from shareholders.	4,311	81,262	—	—	—	—	85,573	—	85,573
Recognition of shares with preferential rights	—	—	—	(85,573)	—	—	(85,573)	—	(85,573)
Acquisitions of minority shareholders' interest . . .	—	2,238	—	—	—	—	2,238	(2,718)	(480)
Capital injection from non-controlling Interests .	—	—	—	—	—	—	—	1,600	1,600
Contribution from shareholders.	—	9,438	—	—	—	—	9,438	—	9,438
Equity-settled share-based payment arrangement. . .	—	20,272	(20,272)	—	—	—	—	—	—
At 31 December 2024 . . .	<u>286,906</u>	<u>3,253,891</u>	<u>—</u>	<u>(3,369,826)</u>	<u>866</u>	<u>(3,927,083)</u>	<u>(3,755,246)</u>	<u>(711)</u>	<u>(3,755,957)</u>

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ACCOUNTANTS’ REPORT

Year ended 31 December 2025

	Attributable to owners of the parent								
	Paid-in capital/ Share capital	Capital reserve*	Share-based payment reserve*	Other reserves*	Exchange fluctuation reserve*	Accumulated losses*	Total	Non-controlling interests	Total deficit
	RMB'000 (Note 32)	RMB'000 (Note 33)	RMB'000 (Note 34)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	286,906	3,253,891	—	(3,369,826)	866	(3,927,083)	(3,755,246)	(711)	(3,755,957)
Loss for the year.	—	—	—	—	—	(659,524)	(659,524)	3,928	(655,596)
Other comprehensive loss for the year:									
Exchange differences related to foreign operations . . .	—	—	—	—	(38)	—	(38)	—	(38)
Loss and total comprehensive loss for the year	—	—	—	—	(38)	(659,524)	(659,562)	3,928	(655,634)
Disposals of minority shareholders’ interest . . .	—	(6)	—	—	—	—	(6)	(30)	(36)
Contribution from shareholders.	—	4,755	—	—	—	—	4,755	—	4,755
Conversion into joint stock company	—	(923,581)	—	—	—	923,581	—	—	—
Equity-settled share-based payment arrangement . .	—	—	2,738	—	—	—	2,738	—	2,738
At 31 December 2025 . . .	<u>286,906</u>	<u>2,335,059</u>	<u>2,738</u>	<u>(3,369,826)</u>	<u>828</u>	<u>(3,663,026)</u>	<u>(4,407,321)</u>	<u>3,187</u>	<u>(4,404,134)</u>

* These reserve accounts comprise the consolidated deficits of RMB3,281,076,000, RMB4,042,152,000 and RMB4,694,227,000 in the consolidated statements of financial position as at 31 December 2023, 2024 and 2025, respectively.

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ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December		
	Notes	2023	2024	2025
		RMB'000	RMB'000	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax.		(816,679)	(732,728)	(651,464)
Adjustments for:				
Share of profits and losses of associates and joint ventures	18	14,560	(1,189)	(903)
Bank interest income	5	(5,948)	(5,953)	(5,225)
Finance costs	7	263,777	360,357	524,237
Finance costs associated with shares with preferential rights	8	336,706	442,475	437,941
Depreciation of property, plant and equipment.	14	820,817	1,159,831	1,459,358
Depreciation of right-of-use assets.	8	30,898	34,844	35,599
Amortisation of intangible assets.	8	5,112	6,460	7,984
(Gain)/loss on disposal of items of property, plant and equipment	5/6	(19,989)	12,084	20,903
Impairment loss on trade receivables	8	15,359	29,900	10,703
Impairment loss on other receivables.	8	15,603	59	373
Gain on disposal of associates and joint ventures	5	(1,476)	(101,000)	(110)
Gain on disposal of financial assets at FVTPL	5	—	—	(21)
Gain on disposal of subsidiaries		—	(542)	—
Impairment loss on investments in an associate.	8	3,086	—	—
Impairment of items of property, plant and equipment.	6	94,585	85,461	16,669
Equity-settled share award schemes expenses.		6,757	—	2,738
Gain on disposal of items of right-of-use assets	5	—	(623)	(202)
Gain on fair value changes of financial assets at FVTPL	5	(1,900)	(1,100)	(14,000)
(Reversal of impairment)/impairment of inventories	8	(182)	1,201	(324)
Investment income	5	(715)	(471)	(2)
Foreign exchange differences, net	5/6	3,122	(1,587)	23
		763,493	1,287,479	1,844,277
Increase in inventories		(14,517)	1,436	(83,800)
Increase in trade and bills receivables		(239,926)	(475,202)	(139,826)
Increase in prepayments, other receivables and other assets.		(83,485)	(131,462)	(145,928)
Increase in restricted and pledged deposits.		(11,184)	(7,123)	(4,778)
Increase in other non-current assets		(53,542)	(20,018)	(166,551)
Increase in trade and bills payables		34,549	95,188	38,238
Increase in other payables and accruals		179,363	12,012	30,604
Increase in advances from customers		174,158	3,652	86,977
(Decrease)/increase in contract liabilities		(95,524)	(25,569)	2,062
Decrease in deferred income		(56)	(15)	—
Cash generated from operations.		653,329	740,378	1,461,275
Income tax paid		(4,472)	(2,734)	(4,901)
Interest received		5,948	5,953	5,225
Net cash flows from operating activities		654,805	743,597	1,461,599

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ACCOUNTANTS’ REPORT

	Year ended 31 December		
Notes	2023	2024	2025
	RMB'000	RMB'000	RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of items of property, plant and equipment	(2,866,019)	(3,751,069)	(5,103,695)
Purchases of other intangible assets	(18,076)	(17,454)	(18,818)
Proceeds from disposal of items of property, plant and equipment	332,039	276,852	218,021
Addition to investments in associates	(8,751)	(9,700)	—
Purchase of financial assets at FVTPL	(150)	(60)	—
Dividends from associates	160	423	699
Disposal of financial assets at FVTPL	715	471	173
Disposal of a subsidiary	—	—	1,100
Net cash flows used in investing activities . .	(2,560,082)	(3,500,537)	(4,902,520)
CASH FLOWS FROM FINANCING ACTIVITIES			
Acquisitions of non-controlling interest	—	(480)	—
Capital injection from shareholders	576,368	85,573	—
Capital injection from non-controlling interests	—	1,600	—
Placement of deposits for interest-bearing borrowings	(154,358)	(102,488)	(242,756)
New interest-bearing bank and other borrowings	4,706,039	6,179,564	9,424,653
Repayment of bank and other borrowings . .	(2,838,261)	(3,186,708)	(5,364,793)
Interest paid for interest-bearing bank and other borrowings	(204,366)	(290,120)	(444,954)
Principal portion of lease payments	(27,449)	(34,617)	(37,877)
Interest portion of lease payments	(5,210)	(7,365)	(6,208)
[REDACTED] expense	(858)	(41)	(3,132)
Net cash flows from financing activities . . .	2,051,905	2,644,918	3,324,933
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year	281,433	428,061	316,039
CASH AND CASH EQUIVALENTS AT END OF YEAR	428,061	316,039	200,051
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the consolidated statements of financial position and statements of cash flows	428,061	316,039	200,051

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ACCOUNTANTS’ REPORT

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

Information about the statements of financial position of the Company at the end of each of the Relevant Periods is as follows:

		As at 31 December		
	Notes	2023	2024	2025
		RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	14	1,128,848	2,421,339	3,838,811
Right-of-use assets	15(a)	68,461	51,936	39,541
Other intangible assets		34,747	32,974	30,122
Investments in subsidiaries	17	396,834	407,309	432,832
Investments in associates and joint ventures .	18	5,671	11,333	11,625
Other non-current assets	20	343,001	476,992	851,394
Total non-current assets		1,977,562	3,401,883	5,204,325
CURRENT ASSETS				
Inventories	21	22,217	14,079	25,136
Trade and bills receivables	22	666,451	1,000,592	1,121,033
Prepayments, other receivables and other current assets	23	464,465	319,743	385,960
Amounts due from subsidiaries		5,945,307	8,041,623	6,657,373
Financial assets at fair value through profit or loss	24	—	101,000	113,000
Restricted and pledged deposits	25	135,215	75,577	170,753
Cash and cash equivalents	25	306,726	213,795	138,372
Total current assets		7,540,381	9,766,409	8,611,627
CURRENT LIABILITIES				
Trade payables	26	420,321	335,438	719,666
Other payables and accruals	27	342,480	311,700	396,674
Amounts due to subsidiaries		2,647,497	4,874,611	3,313,706
Advances from customers	28	60,583	73,879	61,619
Contract liabilities	29	159,591	51,946	28,142
Interest-bearing bank and other borrowings .	30	1,668,873	2,296,314	3,033,186
Lease liabilities	15(b)	15,776	16,766	13,536
Shares with preferential rights	31	4,333,298	4,861,346	5,299,287
Total current liabilities		9,648,419	12,822,000	12,865,816
NET CURRENT LIABILITIES		(2,108,038)	(3,055,591)	(4,254,189)
TOTAL ASSETS LESS CURRENT LIABILITIES				
		(130,476)	346,292	950,136
NON-CURRENT LIABILITIES				
Interest-bearing bank and other borrowings .	30	1,675,789	2,499,035	3,671,685
Lease liabilities	15(b)	56,196	39,651	27,940
Total non-current liabilities		1,731,985	2,538,686	3,699,625
Net liabilities		(1,862,461)	(2,192,394)	(2,749,489)
EQUITY				
Paid-in capital/Share capital	32	282,595	286,906	286,906
Reserves	33	(2,145,056)	(2,479,300)	(3,036,395)
Total deficit		(1,862,461)	(2,192,394)	(2,749,489)

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ACCOUNTANTS’ REPORT

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

DST Sustainable Technology (Shenzhen) Co., Ltd. (the “**Company**”) was established in the People’s Republic of China (the “**PRC**”) with limited liability on 24 April 2015. The registered office of the Company is located at Room 619, Main Tower, Haiyun Centre No. 59, Linhai Avenue, Nanshan Subdistrict, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, Guangdong Province, PRC. The Company was restructured from a limited company to a joint-stock company on 5 September 2025.

The Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in commercial fleet asset management, including electric vehicle (“**EV**”) life-span management and full-service aftermarket solutions (i.e., EV charging, vehicle maintenance and repair, and other value-added services).

In the opinion of the directors, the ultimate controlling shareholder of the Company is Haiying Zhang.

Information about subsidiaries

As at the end of the Relevant Periods, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies. The particulars of the principal subsidiaries are set out below:

Name	Place and date of registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Chengdu Xinchuang Lvneng Automobile Rental Co., Ltd 成都新創綠能汽車租賃有限公司* (note (a)).	PRC/Chinese Mainland/ 2 December 2015	RMB20,000,000	98	—	Sale of vehicles and provision of leasing service
Shenzhen Dishangtie Electric Vehicle Operation Co., Ltd 深圳市地上鐵新能源汽車運營有限公司* (note (b)).	PRC/Chinese Mainland/ 3 April 2018	RMB5,000,000	100	—	Vehicle leasing, vehicle sales, spare parts sales
Guangzhou Xinchuang Green Energy Electric Vehicle Service Co., Ltd 廣州新創綠能新能源汽車服務有限公司* (note (a)).	PRC/Chinese Mainland/ 4 June 2019	RMB5,000,000	—	100	Automobile leasing, vehicle sales, parts sales
Guangzhou Molang Automobile Co., Ltd 廣州墨朗汽車有限公司* (note (a)).	PRC/Chinese Mainland/ 18 December 2019	RMB5,000,000	—	100	Automobile leasing, vehicle sales, new energy vehicle related services
Shenzhen Yiwei Electric Vehicle Service Co., Ltd 深圳市易維新能源汽車服務有限公司* (note(a)).	PRC/Chinese Mainland/ 8 April 2018	RMB5,000,000	100	—	EV charging station sales, parts sales
Le'an County Chezhiyuan Service Co., Ltd 樂安縣車智源服務有限公司* (note (c)).	PRC/Chinese Mainland/ 24 June 2020	RMB50,000,000	—	100	Automobile leasing, parts sales, vehicle sales
Shenzhen Jiertong Technology Co., Ltd 深圳市技爾通科技有限公司* (note (a)).	PRC/Chinese Mainland/ 11 March 2014	RMB5,000,000	100	—	Research and development service
Dishangtie Green Technology (Shenzhen) Co., Ltd 地上鐵綠色科技(深圳)有限責任公司* (note (b)).	PRC/Chinese Mainland/ 1 August 2022	RMB1,000,000	100	—	Research and development service

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Name	Place and date of registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shandong Xinchuang Green Energy New Energy Technology Co., Ltd 山東新創綠能新能源科技有限公司* (note (a)).	PRC/Chinese Mainland/ 19 August 2021	RMB200,000,000	100	—	Vehicle leasing, vehicle sales
Shenzhen Yishen New Energy Vehicle Service Co., Ltd 深圳市倚申新能源汽車服務有限公司* (note (a)).	PRC/Chinese Mainland/ 27 June 2018	RMB5,000,000	—	100	Sale of vehicles and provision of leasing service
Suzhou Guanyue New Energy Technology Co., Ltd 蘇州觀岳新能源科技有限公司* (note (a)). . .	PRC/Chinese Mainland/ 7 August 2017	RMB5,000,000	—	100	Vehicle leasing, vehicle sales, parts sales, motor vehicle maintenance and repair
Fuzhou Ant Smart Green Supply Chain Co., Ltd. 撫州市螞蟻智綠供應鏈有限公司* (note (a)). .	PRC/Chinese Mainland/ 18 April 2016	RMB5,000,000	100	—	Sale of vehicles and provision of leasing service
Zhilv New Energy Technology (Shenzhen) Co., Ltd. 智綠新能源科技(深圳)有限公司* (note (a)). .	PRC/Chinese Mainland/ 25 October 2021	RMB1,200,000	100	—	Sale of vehicles and provision of leasing service
Jinxi County Natie Leasing Service Co., Ltd 金溪縣拿鐵租賃服務有限公司* (note (a)). . .	PRC/Chinese Mainland/ 27 March 2024	RMB10,000,000	—	100	Vehicle sales
Miaomiao Yun Network Technology (Tianjin) Co., Ltd 喵喵運網絡科技(天津)有限公司* (note (a)). .	PRC/Chinese Mainland/ 10 March 2020	RMB10,000,000	—	100	Transport capacity
Beijing Xinchuang Green Energy Electric Vehicle Technology Co., Ltd 北京新創綠能新能源汽車科技有限公司* (note (a)).	PRC/Chinese Mainland/ 6 June 2016	RMB30,000,000	100	—	Sale of vehicles and provision of leasing service
Shanghai Yishen New Energy Technology Co., Ltd 上海倚申新能源科技有限公司* (note (a)). . .	PRC/Chinese Mainland/ 18 October 2016	RMB15,000,000	100	—	Sale of vehicles and provision of leasing service
Qingdao Dishangtie New Energy Vehicle Service Co., Ltd 青島地上鐵新能源汽車服務有限公司* (note (a)).	PRC/Chinese Mainland/ 21 June 2018	RMB55,000,000	91	—	Sale of vehicles and provision of leasing service

* The English names of the PRC companies above represent management’s best efforts in translating the Chinese names of these companies as no English names have been registered.

Notes:

- (a) As at the date of this report, no audited financial statements have been prepared for these entities for the years ended 31 December 2023, 2024 and 2025 as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdiction of registration or were newly registered.
- (b) The statutory financial statements of these entities for the years ended 31 December 2023 and 2024 prepared in accordance with Accounting Standards for Business Enterprises issued by the Chinese Institute of Certified Public Accountants (“CICPA”) were audited by Shenzhen Great Wall Certified Public Accountants Co., Ltd, certified public accountants registered in Shenzhen.
- (c) The statutory financial statements of this entity for the years ended 31 December 2023 and 2024 prepared in accordance with Accounting Standards for Business Enterprises issued by the CICPA were audited by Shenzhen Yuehua Certified Public Accountants (General Partnership), certified public accountants registered in Shenzhen.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the Relevant Periods or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

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ACCOUNTANTS’ REPORT

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards which comprise all standards and interpretations approved by the International Accounting Standards Board (the “IASB”). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been consistently adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information has been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value at the end of each of the Relevant Periods.

As of 31 December 2025, the Group had net current liabilities of RMB10,246,899,000, which included liabilities of RMB5,299,287,000 associated with the preferential shares with redemption rights. Pursuant to the shareholders’ agreement dated on 7 August 2025, the redemption rights have been terminated immediately prior to the first submission of the [REDACTED] for [REDACTED] to the Stock Exchange and shall be automatically restored in full force and subject to certain conditions (see note 31). The directors of the Company are of the opinion that the Company is not obligated to settle the redemption rights in the next twelve months from 31 December 2025.

Excluding the liabilities associated with the preferential shares, the net current liabilities were RMB4,947,612,000 at 31 December 2025. On the same date, the Group had unutilised bank facilities of RMB5.9 billion at 31 December 2025. In addition, the Group has performed a working capital forecast for the next twelve months, considering the anticipated cash flows to be generated by the Group and the available financing resources. The directors of the Company are of the opinion that, taking into account the terminated redemption rights, the unutilised bank facilities, and the working capital forecast, the Group will have sufficient working capital to fund its operations in the next twelve months from 31 December 2025. Accordingly, the directors of the Company consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

Basis of consolidation

The Historical Financial Information includes the financial statements of the Company and its subsidiaries for the Relevant Periods. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

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The financial statements of the subsidiaries are prepared for the same reporting periods as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
<i>Annual Improvements to IFRS Accounting Standards — Volume 11</i>	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

The Group is in the process of making a detailed assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised IFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies and no significant impact on the Group’s financial performance and financial position is expected in the period of initial application. The application of IFRS 18 is not expected to

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have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and statement of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group’s financial information.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group’s investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group’s share of net assets under the equity method of accounting, less any impairment losses.

The Group’s share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group’s investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

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When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Fair value measurement

The Group measures its certain financial instruments at fair value at the end of each of the Relevant Periods. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the Relevant Periods.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for a non-financial asset is required (other than inventories and deferred tax assets), the asset’s recoverable amount is estimated. An asset’s recoverable amount is the higher of the asset’s or cash-generating unit’s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset

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does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the Relevant Periods as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

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- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as maintenance and repair, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Category	Principal annual rates
	(%)
Vehicles	9 to 13
Office and electronic equipment	19 to 33
Charging piles and equipment for vehicles	13 to 50
Leasehold improvements	17 to 50
Others	20 to 33

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

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Software

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 to 15 years.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new software and systems is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Depots and office buildings 1 (non-inclusive) to 10 years

Vehicles 4 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the

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Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that is considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

When the Group is an intermediate lessor, a sublease is classified as a finance lease or operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the on-balance sheet recognition exemption, the Group classifies the sublease as an operating lease.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

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The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for “Revenue recognition” below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

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This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group’s consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and

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supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity’s own equity instruments and is: (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity’s own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity’s own equity instruments.

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An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group’s financial liabilities include trade payables, other payables, amounts due to related parties and interest-bearing bank and other borrowings.

The Group classifies financial liabilities that arise from a supplier finance arrangement within trade and bills payables in the statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Group’s normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement. Cash flows related to liabilities arising from supplier finance arrangements that are classified in trade and bills payables in the statement of financial position are included in operating activities in the statement of cash flows. Otherwise, the financial liabilities are classified in interest-bearing bank borrowings in the statement of financial position and the related cash flows are included in financing activities in the statement of cash flows.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade payables, other payables, amounts due to related parties and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

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When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group’s cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

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Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, except for a research and development asset, the fair value is deducted from the carrying amount of the relevant asset and is released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

Information about the Group’s performance obligations is summarised below:

Rendering of electric vehicles management services (“EV management services”)

The Group provides services that are either rendered separately or bundled with the leasing of electric vehicles to a customer. The services can be obtained from other providers and do not significantly customise or modify the products.

Contracts for bundled leasing of electric vehicles and management services are comprised of two performance obligations because the promises to lease the electric vehicles and provide management services are capable of being distinct and separately identifiable. Accordingly, the transaction price is allocated based on the relative stand-alone prices of the EV leasing and management services.

The performance obligation is satisfied over time as services are rendered or at a point upon completion of services.

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Sales of electric vehicles and service parts (“EV sales”)

The Group sells vehicles and service parts to its customers. Revenue from sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery and acceptance of goods.

Revenue from other sources

Rental income from electric vehicles (“EV leasing”)

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Group operates a share option scheme. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (“**equity-settled transactions**”). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 34 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

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For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

Other employee benefits

Pension scheme

The employees of the Group’s subsidiaries which operate in Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund and other social insurances

The Company and the Company’s subsidiaries which operate in Chinese Mainland has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Company and the Company’s subsidiaries which operate in Chinese Mainland makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The liability of the Company and the Company’s subsidiaries which operate in Chinese Mainland in respect of these funds is limited to the contributions payable in each of the Relevant Periods.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

These financial statements are presented in RMB, which is the Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

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Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of each reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of each reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to the rates at the dates of the transactions for each reporting period.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group’s accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information.

Business models

The classification of financial assets at initial recognition depends on the Group’s business model for managing financial assets. When determining the business model, the Group considers how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity’s key management personnel, the risks affecting the performance of financial assets and the risk management, and the manner in which the relevant management receives remuneration. When assessing whether the objective is to collect contractual cash flows, the Group needs to analyse and judge the reason, timing, frequency and value of the sale before the maturity date of the financial assets.

Lease classification — Group as lessor

The Group has entered into lease agreements for its vehicles. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the vehicles and the present value of the minimum lease payments not amounting to substantially all the fair value of the vehicles, that it retains substantially all the significant risks and rewards incidental to ownership of these vehicles which are leased out and accounts for the contracts as operating leases.

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Determination of cash-generating units (“CGU”)

Judgement is applied in the definition of cash-generating units and in the selection of methodologies and assumptions for impairment tests. The determination of cash-generating units differs for the various business areas. The Group operates its fleet of vehicles and hub terminals in an integrated network considering the demand for capacity and the method of management through overall monitoring. Consequently, the fleet of vehicles used in the leasing business is tested for impairment and each vehicle is a single cash-generating unit. The recoverable amount of a CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is determined based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

Derecognition of financial assets

Where the Group has transferred the right to receive cash flows arising from an asset but has not transferred or has retained substantially all risks and rewards associated with such an asset, or has not transferred the controlling right in such an asset, the asset shall be recognised and accounted for so long as the Group continues to be involved in it. If the Group has not transferred or has retained substantially all risks and rewards associated with the asset or transferred the controlling right in the asset, the exercise of significant judgement is often required, and estimations need to be made as to the extent of the Group’s continued involvement in the asset.

Deferred tax assets

Deferred tax assets are recognised in respect of deductible temporary differences and unused tax losses. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the losses can be utilised, management’s judgement is required to assess the probability of future taxable profits.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm’s length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows.

Useful lives and residual values of property, plant and equipment

In determining the useful life and residual value of an item of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or

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service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. The depreciation amount will be adjusted if the estimated useful life and/or the residual value of an item of property, plant and equipment are different from the previous estimation. Useful lives and residual values are reviewed at each financial year end date based on changes in circumstances. Further details are included in note 2.3 to the Historical Financial Information.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“**IBR**”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

Fair value of share-based payment transactions

The fair value of the share awards in share-based payment transactions is determined by using the most appropriate valuation model based on the terms and conditions of the awards. Significant estimates on assumptions for estimating the fair value are made by the Group. Further details are included in note 34 to the Historical Financial Information.

Provision for expected credit losses on trade receivables, financial assets included in prepayments, other receivables and other assets

The Group uses a provision matrix to calculate ECLs for trade receivables and financial assets included in prepayments, other receivables and other assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type and rating).

The provision matrix is initially based on the Group’s historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future. The information about the ECLs on the Group’s trade receivables and financial assets included in prepayments, other receivables and other assets is disclosed in note 22 and note 23 to the Historical Financial Information.

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4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on its service and products and only has one reportable operating segment.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Chinese Mainland	2,259,607	3,211,264	4,138,546
Others	89,940	4,815	87
Total	2,349,547	3,216,079	4,138,633

The revenue information above is based on the locations of the customers.

(b) Non-current assets

Approximately all of the Group’s non-current assets are located in Chinese Mainland. Thus, no geographical information is presented.

Information about major customers

Revenue from a major customer which accounted for 10% or more of the Group’s revenue during the Relevant Periods are set out below:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Customer 1	287,355	*	*
Customer 2	281,242	*	*

* Less than 10% of the Group’s revenue

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5. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

(i) Disaggregated revenue information

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Types of goods or services			
EV management services.	814,009	1,290,027	1,904,292
EV leasing	1,170,080	1,554,060	1,894,300
EV sales	365,458	371,992	340,041
Total	<u>2,349,547</u>	<u>3,216,079</u>	<u>4,138,633</u>

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Geographical markets			
Chinese Mainland.	2,259,607	3,211,264	4,138,546
Others	89,940	4,815	87
Total	<u>2,349,547</u>	<u>3,216,079</u>	<u>4,138,633</u>

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue from contracts with customers			
Goods transferred at a point in time.	365,458	371,992	340,041
Services transferred at a point in time	213,178	504,837	695,664
Services transferred over time	600,831	785,190	1,208,628
Total	<u>1,179,467</u>	<u>1,662,019</u>	<u>2,244,333</u>
Revenue from other sources:			
EV leasing	<u>1,170,080</u>	<u>1,554,060</u>	<u>1,894,300</u>
Total	<u>2,349,547</u>	<u>3,216,079</u>	<u>4,138,633</u>

The following table shows the amounts of revenue recognised in the Relevant Periods that were included in contract liabilities at the beginning of the Relevant Periods.

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the year:			
EV management services.	<u>184,247</u>	<u>88,723</u>	<u>63,154</u>

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(ii) Performance obligations

Information about the Group’s performance obligations is summarised below:

EV management services

The performance obligation is satisfied over time as services are rendered or at a point upon completion of services. Payment is generally due within 30 to 90 days from the invoice date.

EV sales

The performance obligation is satisfied upon delivery and acceptance of goods and payment is generally due within 30 to 90 days from acceptance, except for vehicle sales, prepayment in advance is normally required.

An analysis of other income and gains, net is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Other income			
Bank interest income	5,948	5,953	5,225
Others	770	2,096	1,242
Subtotal	<u>6,718</u>	<u>8,049</u>	<u>6,467</u>
Gains			
Government grants	13,726	12,178	19,283
Gains from additional deduction of value-added tax	21,300	—	—
Gain on disposal of associates and joint ventures	1,476	101,000	110
Gain on disposal of subsidiaries	—	542	—
Gain on disposal of financial assets at FVTPL — an unlisted equity investment.	—	—	21
Gain on disposal of items of property, plant and equipment.	19,989	—	—
Gain on disposal of items of right-of- use assets	—	623	202
Gain on fair value changes of financial assets at FVTPL	1,900	1,100	14,000
Investment income	715	471	2
Foreign exchange gains.	—	1,587	—
Subtotal	<u>59,106</u>	<u>117,501</u>	<u>33,618</u>
Total	<u>65,824</u>	<u>125,550</u>	<u>40,085</u>

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6. OTHER EXPENSES

An analysis of other expenses is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Other expenses			
Impairment of property, plant and equipment .	94,585	85,461	16,669
Losses on disposal of items of property, plant and equipment.	—	12,084	20,903
Impairment loss on investment in an associate.	3,086	—	—
Foreign exchange losses	3,122	—	23
Accident and litigation compensation.	14,044	12,157	12,039
Total	114,837	109,702	49,634

7. FINANCE COSTS

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest on interest-bearing bank and other borrowings*	255,878	345,248	502,810
Interest on discounted bills receivable	2,689	7,744	15,219
Interest on lease liabilities.	5,210	7,365	6,208
Total	263,777	360,357	524,237

* As at 31 December 2023, 2024 and 2025, interest on other borrowings of RMB11,492,000, RMB9,438,000 and RMB4,755,000, respectively, was waived by a shareholder and deemed as capital contribution.

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8. LOSS BEFORE TAX

The Group’s loss before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Cost of EV sales		367,070	373,672	315,786
Cost of services provided*		1,580,745	2,189,998	2,952,270
Depreciation of property, plant and equipment**	14	820,817	1,159,831	1,459,358
Impairment of items of property, plant and equipment	14	94,585	85,461	16,669
Depreciation of right-of-use assets**	15(a)	30,898	34,844	35,599
Amortisation of intangible assets**	16	5,112	6,460	7,984
Impairment/(reversal of impairment) of inventories	21	(182)	1,201	(324)
Foreign exchange differences, net	5/6	3,122	(1,587)	23
Research and development costs		60,864	55,558	50,939
Lease payments not included in the measurement of lease liabilities	15(c)	7,302	10,367	9,746
Auditor’s remuneration		691	451	1,222
[REDACTED] expense		3,694	122	13,213
Government grants	5	(13,726)	(12,178)	(19,283)
(Gain)/loss on disposal of items of property, plant and equipment	5/6	(19,989)	12,084	20,903
Gain on disposal of associates and joint ventures	5	(1,476)	(101,000)	(110)
Gain on disposal of subsidiaries	5	—	(542)	—
Gain on disposal of financial assets at fair value through profit and loss	5	—	—	(21)
Gain on disposal of items of right-of-use assets	5	—	(623)	(202)
Bank interest income		(5,948)	(5,953)	(5,225)
Finance costs	7	263,777	360,357	524,237
Share of profits and losses of associates and joint ventures	18	14,560	(1,189)	(903)
Employee benefit expense (excluding directors’, supervisors’ and chief executive’s remuneration):				
Wages and salaries		276,850	280,107	255,326
Equity-settled share award expenses		3,887	—	1,458
Staff welfare expenses		16,123	18,534	18,562
Pension scheme contributions		9,318	10,008	11,296
Total		306,178	308,649	286,642

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	<i>Notes</i>	Year ended 31 December		
		2023	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Impairment losses on trade receivables, net .	22	15,359	29,900	10,703
Impairment of financial assets included in prepayments, other receivables and other assets	23	15,603	59	373
Impairment loss on investment in an associate	18	3,086	—	—
Gain on fair value changes of financial assets at FVTPL	5	(1,900)	(1,100)	(14,000)
Finance cost associated with shares with preferential rights	31	336,706	442,475	437,941

* Cost of services provided includes expenses relating to depreciation of property, plant and equipment and staff costs, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** The depreciation of property, plant and equipment, amortisation of intangible assets, and depreciation of right-of-use assets are included in “Cost of sales”, “Selling and distribution expenses”, “Administrative expenses”, and “Research and development expenses” in the consolidated statements of profit or loss.

9. DIRECTORS’, SUPERVISORS’ AND CHIEF EXECUTIVE’S REMUNERATION

The directors’, supervisors’ and chief executive’s total remuneration received from the Company and its subsidiaries during the Relevant Periods is summarised as follows:

	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Fees	—	—	125
Other emoluments:			
Salaries, allowances and benefits in kind	3,009	4,405	5,480
Performance related bonuses	2,662	703	2,486
Equity-settled share-based payment expenses*	2,870	—	1,280
Pension scheme contributions	194	257	297
Total	8,735	5,365	9,668

* Further details are included in note 34 to the Historical Financial Information.

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(a) Independent non-executive director

The fees paid to independent non-executive director during the Relevant Periods were as follows:

	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025
	RMB’000	RMB’000	RMB’000
Fang Xie (xxii)	—	—	125
Total	—	—	125

There were no other emoluments payable to the independent non-executive directors during the Relevant Periods.

(b) Executive directors, supervisors and the chief executive

Year ended 31 December 2023

	Salaries, allowances and benefits in kind	Performance related bonuses	Restricted share awards	Pension scheme contributions	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Chief executive:					
Haiying Zhang (i)	599	1,377	511	26	2,513
Executive directors:					
Yong Yu (ii)	492	144	433	29	1,098
Bin Huang (iv)	568	311	450	45	1,374
Pinglu Kang (v)	590	383	470	33	1,476
Guo Yuan (vi)	322	335	473	26	1,156
Hongcheng Yu (iii)	438	112	533	35	1,118
Non-executive directors:					
Junchao Lin (x)	—	—	—	—	—
Jimmy Ching-Hsin Chang (xi) .	—	—	—	—	—
SuetChee Chiong (xiv)	—	—	—	—	—
Wei Han (xii)	—	—	—	—	—
Bondy Ho Bong Lau (xiii) . . .	—	—	—	—	—
Supervisor:					
Xubao Liu (xv)	—	—	—	—	—
Total	3,009	2,662	2,870	194	8,735

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Year ended 31 December 2024

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Chief executive:				
Haiying Zhang (i)	985	76	26	1,087
Executive directors:				
Yong Yu (ii)	500	3	29	532
Hongcheng Yu (iii)	444	62	37	543
Bin Huang (iv)	598	64	45	707
Pinglu Kang (v)	657	113	33	803
Guo Yuan (vi)	439	74	26	539
Non-executive directors:				
Junchao Lin (x)	—	—	—	—
Jimmy Ching-Hsin Chang (xi)	—	—	—	—
Tian Luo (xvi)	—	—	—	—
SuetChee Chiong (xiv)	—	—	—	—
Wei Han (xii)	—	—	—	—
Bondy Ho Bong Lau (xiii)	—	—	—	—
Supervisors:				
Jian Wang (vii)	389	268	33	690
Zhengrong Wang (viii)	393	43	28	464
Xubao Liu (xv)	—	—	—	—
Youfa Yu (xvii)	—	—	—	—
Total	<u>4,405</u>	<u>703</u>	<u>257</u>	<u>5,365</u>

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Year ended 31 December 2025

	Salaries, allowances and benefits in kind	Performance related bonuses	Restricted share awards	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Chief executive:					
Haiying Zhang (i)	1,002	515	454	26	1,997
Executive directors:					
Yong Yu (ii)	503	241	108	29	881
Hongcheng Yu (iii)	443	227	84	38	792
Bin Huang (iv)	612	240	44	46	942
Pinglu Kang (v)	801	317	153	35	1,306
Guo Yuan (vi)	524	279	158	26	987
Xusheng Liu (ix)	745	242	58	32	1,077
Jian Wang (vii)	435	382	140	35	992
Non-executive directors:					
Jimmy Ching-Hsin Chang (xi)	—	—	—	—	—
Tian Luo (xvi)	—	—	—	—	—
SuetChee Chiong (xiv)	—	—	—	—	—
Wei Han (xii)	—	—	—	—	—
Bondy Ho Bong Lau (xiii)	—	—	—	—	—
Yangyang Liu (xviii)	—	—	—	—	—
Guangqiang Chen (xix)	—	—	—	—	—
Supervisors:					
Zhengrong Wang (viii)	415	43	81	30	569
Youfa Yu (xvii)	—	—	—	—	—
Jianfeng Chen (xx)	—	—	—	—	—
Junwen Huang (xxi)	—	—	—	—	—
Total.	5,480	2,486	1,280	297	9,543

Notes:

- (i) Ms. Haiying Zhang has been appointed as an executive director and chief executive of the Company with effect from 24 April 2015.
- (ii) Mr. Yong Yu has been appointed as an executive director of the Company with effect from 14 July 2017.
- (iii) Mr. Hongcheng Yu has been appointed as an executive director of the Company with effect from 3 November 2023.
- (iv) Mr. Bin Huang has been appointed as an executive director of the Company with effect from 25 June 2021.
- (v) Mr. Pinglu Kang has been appointed as an executive director of the Company with effect from 25 June 2021.
- (vi) Mr. Guo Yuan has been appointed as an executive director of the Company with effect from 25 June 2021.
- (vii) Mr. Jian Wang was appointed as a supervisor of the company from 22 December 2024 to 6 November 2025, and was later appointed as an executive director of the company from 6 November 2025.
- (viii) Ms. Zhengrong Wang served as a supervisor of the company from 22 December 2024, resigned on 7 August 2025, and then resumed her position as a supervisor of the company from 6 November 2025.
- (ix) Mr. Xusheng Liu served as an executive director of the company from 7 August 2025 to 6 November 2025.
- (x) Mr. Junchao Lin served as a non-executive director of the company from 12 November 2018 to 25 April 2024.

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- (xi) Mr. Jimmy Ching-Hsin Chang has been appointed as a non-executive director of the Company with effect from 18 March 2019.
- (xii) Mr. Wei Han served as a non-executive director of the company from 25 June 2021 to 6 November 2025.
- (xiii) Mr. Bondy Ho Bong Lau served as a non-executive director of the company from 6 December 2021 to 6 November 2025.
- (xiv) Ms. SuetChee Chiong has been appointed as a non-executive director of the Company with effect from 3 November 2023.
- (xv) Mr. Xubao Liu served as a supervisor of the company from 10 December 2021 to 22 December 2024.
- (xvi) Mr. Tian Luo has been appointed as a non-executive director of the Company with effect from 26 April 2024.
- (xvii) Mr. Youfa Yu served as a supervisor of the company from 22 December 2024 to 7 August 2025.
- (xviii) Ms. Yangyang Liu has been appointed as a non-executive director of the Company with effect from 6 November 2025.
- (xix) Mr. Guangqiang Chen has been appointed as a non-executive director of the Company with effect from 6 November 2025.
- (xx) Mr. Jianfeng Chen has been appointed as a supervisor of the Company with effect from 7 August 2025.
- (xxi) Mr. Junwen Huang has been appointed as a supervisor of the Company with effect from 7 August 2025.
- (xxii) Ms. Fang Xie has been appointed as an independent non-executive director of the Company with effect from 7 August 2025.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees for the years ended 31 December 2023, 2024 and 2025 included four directors, one director and four directors, respectively. Details of these directors’ remuneration are set out in note 9 above. Details of the remuneration for the Relevant Periods of the remaining highest paid employees who are neither a director nor chief executive of the Company are as follows:

	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Salaries, allowances and benefits in kind	565	3,320	809
Performance related bonuses	1,950	674	152
Equity-settled share-based payment expenses .	—	—	30
Pension scheme contributions	133	199	15
Total	<u>2,648</u>	<u>4,193</u>	<u>1,006</u>

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

	Number of employees		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025
Nil to HKD1,000,000	—	3	—
HKD1,000,001 to HKD2,000,000	—	1	1
HKD2,000,001 and above	1	—	—
Total	<u>1</u>	<u>4</u>	<u>1</u>

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11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled or operate.

PRC corporate income tax

Under the PRC Corporate Income Tax Law and the respective regulations, the corporate income tax for the Company and its subsidiaries is calculated at a statutory rate of 25% unless subject to preferential tax as set out below.

One of the Group’s PRC subsidiaries is a software enterprise and a High and New Technology Enterprise (“HNTe”) which enjoys a total exemption from corporate income tax for the first two years and a preferential corporate tax rate of 12.5% for the following three years starting from 1 January 2021.

Certain subsidiaries were qualified as small and micro enterprises and their taxable income were deducted to 25%, with the applicable corporate income tax rate of 20% during the years 2023, 2024 and 2025.

Hong Kong profits tax

Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the Relevant Periods. No provision for Hong Kong profits tax has been made as the Hong Kong subsidiary did not generate any assessable profits arising in Hong Kong for the Relevant Periods.

The income tax expense of the Group for the Relevant Periods is analysed as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current income tax	4,042	6,275	13,540
Deferred tax	20,962	31,555	(9,408)
Total tax expense for the year	25,004	37,830	4,132

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A reconciliation of the tax credit applicable to loss before tax at the statutory rate for the jurisdiction in which the Group’s major operating activities are conducted to the tax expense at the effective tax rate is as follows:

	Year ended 31 December		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Loss before tax.	(816,679)	(732,728)	(651,464)
Tax at the statutory tax rate.	(204,170)	(183,182)	(162,866)
Effect of different tax rates available to different jurisdictions.	8,710	8,382	1,457
Tax losses and deductible temporary differences not recognised	148,096	146,756	62,945
Non-deductible expenses.	85,033	112,253	110,135
Additional deductible allowance for qualified research and development costs	(794)	(811)	(907)
Tax losses utilised from previous periods.	(11,871)	(45,568)	(6,632)
Tax charge at the Group’s effective rate.	25,004	37,830	4,132

12. DIVIDENDS

No dividend has been paid or declared by the Company since its date of registration and up to the end of the Relevant Periods.

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to the ordinary equity holders of the parent and the weighted average numbers of ordinary shares outstanding during the Relevant Periods. The weighted average numbers of ordinary shares outstanding for 2023 and 2024 before the conversion into a joint stock company were determined by assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:1 as upon transformation into a joint stock company in September 2025.

No adjustment has been made to the basic loss per share amounts presented for the Relevant Periods in respect of a dilution as the impact of the restricted shares had an anti-dilutive effect on the basic loss per share amounts presented.

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The calculation of basic loss per share is based on:

	For the year ended 31 December		
	2023	2024	2025
Loss			
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (RMB'000)	(841,649)	(768,755)	(659,524)
Shares			
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation ('000)	255,274	284,391	286,906
Loss per share (basic and diluted) RMB per share	(3.30)	(2.70)	(2.30)

14. PROPERTY, PLANT AND EQUIPMENT

The Group

At 31 December 2023	Vehicles	Office and electronic equipment	Charging piles and equipment for vehicles	Leasehold improvements	Construction in process	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023							
Cost	4,543,588	13,335	135,961	8,563	633,200	260,002	5,594,649
Accumulated depreciation and impairment.	(1,616,104)	(6,571)	(75,936)	(4,958)	—	(85,987)	(1,789,556)
Net carrying amount	2,927,484	6,764	60,025	3,605	633,200	174,015	3,805,093
At 1 January 2023, net of accumulated depreciation and impairment	2,927,484	6,764	60,025	3,605	633,200	174,015	3,805,093
Additions	89,325	2,195	67,944	3,262	2,585,711	364,908	3,113,345
Disposals	(303,862)	(643)	(7,007)	(538)	—	—	(312,050)
Depreciation provided during the year	(591,196)	(2,762)	(35,781)	(2,010)	—	(189,068)	(820,817)
Impairment	(94,585)	—	—	—	—	—	(94,585)
Transfers	2,782,166	—	6,543	—	(2,702,910)	(85,799)	—
At 31 December 2023, net of accumulated depreciation and impairment	4,809,332	5,554	91,724	4,319	516,001	264,056	5,690,986
At 31 December 2023:							
Cost	6,737,743	12,006	193,866	9,996	516,001	514,235	7,983,847
Accumulated depreciation and impairment.	(1,928,411)	(6,452)	(102,142)	(5,677)	—	(250,179)	(2,292,861)
Net carrying amount	4,809,332	5,554	91,724	4,319	516,001	264,056	5,690,986

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The Group

At 31 December 2024	Vehicles	Office and electronic equipment	Charging piles and equipment for vehicles	Leasehold improvements	Construction in process	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024							
Cost	6,737,743	12,006	193,866	9,996	516,001	514,235	7,983,847
Accumulated depreciation and impairment.	(1,928,411)	(6,452)	(102,142)	(5,677)	—	(250,179)	(2,292,861)
Net carrying amount	<u>4,809,332</u>	<u>5,554</u>	<u>91,724</u>	<u>4,319</u>	<u>516,001</u>	<u>264,056</u>	<u>5,690,986</u>
At 1 January 2024, net of accumulated depreciation and impairment	4,809,332	5,554	91,724	4,319	516,001	264,056	5,690,986
Additions	216,148	1,805	29,652	2,193	3,327,257	367,780	3,944,835
Disposals	(287,738)	(106)	(6,410)	—	—	—	(294,254)
Depreciation provided during the year	(847,606)	(2,882)	(39,387)	(2,698)	—	(267,258)	(1,159,831)
Impairment	(85,461)	—	—	—	—	—	(85,461)
Transfers	3,156,938	—	13,165	—	(3,106,675)	(63,428)	—
At 31 December 2024, net of accumulated depreciation and impairment	<u>6,961,613</u>	<u>4,371</u>	<u>88,744</u>	<u>3,814</u>	<u>736,583</u>	<u>301,150</u>	<u>8,096,275</u>
At 31 December 2024:							
Cost	9,561,690	13,330	221,624	12,190	736,583	791,131	11,336,548
Accumulated depreciation and impairment.	(2,600,077)	(8,959)	(132,880)	(8,376)	—	(489,981)	(3,240,273)
Net carrying amount	<u>6,961,613</u>	<u>4,371</u>	<u>88,744</u>	<u>3,814</u>	<u>736,583</u>	<u>301,150</u>	<u>8,096,275</u>

The Group

At 31 December 2025	Vehicles	Office and electronic equipment	Charging piles and equipment for vehicles	Leasehold improvements	Construction in process	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025							
Cost	9,561,690	13,330	221,624	12,190	736,583	791,131	11,336,548
Accumulated depreciation and impairment.	(2,600,077)	(8,959)	(132,880)	(8,376)	—	(489,981)	(3,240,273)
Net carrying amount	<u>6,961,613</u>	<u>4,371</u>	<u>88,744</u>	<u>3,814</u>	<u>736,583</u>	<u>301,150</u>	<u>8,096,275</u>
At 1 January 2025, net of accumulated depreciation and impairment	6,961,613	4,371	88,744	3,814	736,583	301,150	8,096,275
Additions	64,355	1,430	131,679	966	4,482,878	357,429	5,038,737
Disposals	(234,025)	(43)	(5,687)	—	—	—	(239,755)
Depreciation provided during the year	(1,181,691)	(2,264)	(49,812)	(2,185)	—	(223,406)	(1,459,358)
Impairment	(16,669)	—	—	—	—	—	(16,669)
Transfers	4,343,918	—	10,446	—	(4,335,721)	(18,643)	—
At 31 December 2025, net of accumulated depreciation and impairment	<u>9,937,501</u>	<u>3,494</u>	<u>175,370</u>	<u>2,595</u>	<u>883,740</u>	<u>416,530</u>	<u>11,419,230</u>
At 31 December 2025:							
Cost	13,307,492	14,433	349,381	13,156	883,740	867,724	15,435,926
Accumulated depreciation and impairment.	(3,369,991)	(10,939)	(174,011)	(10,561)	—	(451,194)	(4,016,696)
Net carrying amount	<u>9,937,501</u>	<u>3,494</u>	<u>175,370</u>	<u>2,595</u>	<u>883,740</u>	<u>416,530</u>	<u>11,419,230</u>

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At the end of each of the Relevant Periods, certain of the Group’s vehicles were pledged to secure bank facilities granted to the Group for borrowings and the Group’s lease financing activities with leasing companies (note 30).

The Group performed an impairment test on vehicles with negative gross profit margin as at the end of each of the Relevant Periods. The recoverable amount was determined based on the higher of fair value less costs of disposal (“FVLCD”) and value in use (“VIU”). As at 31 December 2023, 2024 and 2025, the carrying amounts exceeded the recoverable amounts and impairment provisions of RMB94,585,000, RMB85,461,000 and RMB16,669,000 were made, respectively.

The Company

At 31 December 2023	Vehicles	Office and electronic equipment	Charging piles and equipment for vehicles	Leasehold improvements	Construction in process	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023						
Cost	295,839	6,625	2,349	2,659	243,448	550,920
Accumulated depreciation and impairment.	(141,820)	(3,970)	(1,221)	(2,277)	—	(149,288)
Net carrying amount	154,019	2,655	1,128	382	243,448	401,632
At 1 January 2023, net of accumulated depreciation and impairment.	154,019	2,655	1,128	382	243,448	401,632
Additions	1,859	1,226	—	—	824,762	827,847
Disposals	(23,452)	(378)	—	(72)	—	(23,902)
Depreciation provided during the year	(66,610)	(1,207)	(573)	—	—	(68,390)
Impairment	(8,339)	—	—	—	—	(8,339)
Transfers	837,987	—	—	—	(837,987)	—
At 31 December 2023, net of accumulated depreciation and impairment.	895,464	2,296	555	310	230,223	1,128,848
At 31 December 2023:						
Cost	1,069,582	5,429	2,350	1,925	230,223	1,309,509
Accumulated depreciation and impairment.	(174,118)	(3,133)	(1,795)	(1,615)	—	(180,661)
Net carrying amount	895,464	2,296	555	310	230,223	1,128,848

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The Company

At 31 December 2024	Vehicles	Office and electronic equipment	Charging piles and equipment for vehicles	Leasehold improvements	Construction in process	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024						
Cost	1,069,582	5,429	2,350	1,925	230,223	1,309,509
Accumulated depreciation and impairment.	(174,118)	(3,133)	(1,795)	(1,615)	—	(180,661)
Net carrying amount	895,464	2,296	555	310	230,223	1,128,848
At 1 January 2024, net of accumulated depreciation and impairment.	895,464	2,296	555	310	230,223	1,128,848
Additions	96,011	397	—	1,866	1,459,017	1,557,291
Disposals	(6,249)	(19)	(12)	—	—	(6,280)
Depreciation provided during the year	(249,202)	(1,169)	(451)	(797)	—	(251,619)
Impairment	(6,901)	—	—	—	—	(6,901)
Transfers	1,348,539	—	—	—	(1,348,539)	—
At 31 December 2024, net of accumulated depreciation and impairment.	2,077,662	1,505	92	1,379	340,701	2,421,339
At 31 December 2024:						
Cost	2,474,836	5,642	2,337	3,792	340,701	2,827,308
Accumulated depreciation and impairment.	(397,174)	(4,137)	(2,245)	(2,413)	—	(405,969)
Net carrying amount	2,077,662	1,505	92	1,379	340,701	2,421,339

The Company

At 31 December 2025	Vehicles	Office and electronic equipment	Charging piles and equipment for vehicles	Leasehold improvements	Construction in process	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025						
Cost	2,474,836	5,642	2,337	3,792	340,701	2,827,308
Accumulated depreciation and impairment.	(397,174)	(4,137)	(2,245)	(2,413)	—	(405,969)
Net carrying amount	2,077,662	1,505	92	1,379	340,701	2,421,339
At 1 January 2025, net of accumulated depreciation and impairment.	2,077,662	1,505	92	1,379	340,701	2,421,339
Additions	37,068	668	46	57	1,731,899	1,769,738
Disposals	(20,098)	(16)	—	—	—	(20,114)
Depreciation provided during the period	(330,759)	(719)	(3)	(539)	—	(332,020)
Impairment	(132)	—	—	—	—	(132)
Transfers	1,834,485	—	—	—	(1,834,485)	—
At 31 December 2025, net of accumulated depreciation and impairment.	3,598,226	1,438	135	897	238,115	3,838,811
At 31 December 2025:						
Cost	4,206,395	6,310	2,383	3,848	238,115	4,457,051
Accumulated depreciation and impairment.	(608,169)	(4,872)	(2,248)	(2,951)	—	(618,240)
Net carrying amount	3,598,226	1,438	135	897	238,115	3,838,811

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15. LEASES

The Group as a lessor

The Group leases its vehicles under operating lease arrangements. Details of rental income recognised are included in note 5.

The Group, as a lessor, entered into certain vehicle operating lease arrangements during the Relevant Periods. As at 31 December 2023, 2024, and 2025, the carrying amounts of vehicles in property, plant and equipment which are subject to operating lease arrangements were approximately RMB4,133,984,000, RMB6,078,053,000 and RMB8,665,770,000, respectively. As at 31 December 2023, 2024, and 2025, the carrying amounts of the vehicles in right-of-use assets which are subject to operating lease arrangements were approximately RMB18,349,000, RMB22,457,000 and RMB19,401,000, respectively.

At the end of each of the Relevant Periods, the undiscounted lease payments receivable by the Group in future periods under operating leases with its tenants are as follows:

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	1,338,571	1,617,904	2,534,830
After one year but within two years.	547,514	698,865	948,222
After two years but within three years.	167,875	285,763	407,335
After three years but within four years.	52,100	108,652	121,531
After four years but within five years.	15,479	45,896	28,269
After five years	1,414	1,365	36
Total	<u>2,122,953</u>	<u>2,758,445</u>	<u>4,040,223</u>

The Group as a lessee

The Group has lease contracts for various items of depots and office buildings, as well as vehicles used in its operations. Leases of premises generally have lease terms between 1 (non-inclusive) to 10 years and 4 to 5 years, respectively. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

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(a) *Right-of-use assets*

The carrying amounts of the Group’s right-of-use assets and the movements during the Relevant Periods are as follows:

The Group

	Depot and office buildings	Vehicles	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As at 1 January 2023	32,603	16,522	49,125
Additions	53,813	21,819	75,632
Depreciation charge	(25,437)	(5,461)	(30,898)
As at 31 December 2023	60,979	32,880	93,859
Additions	32,447	1,425	33,872
Depreciation charge	(26,049)	(8,795)	(34,844)
Termination of leases	(3,776)	—	(3,776)
As at 31 December 2024	63,601	25,510	89,111
Additions	30,219	513	30,732
Depreciation charge	(26,548)	(9,051)	(35,599)
Termination of leases	(3,580)	—	(3,580)
As at 31 December 2025	63,692	16,972	80,664

The Company

	Depots and office buildings	Vehicles	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As at 1 January 2023	458	16,522	16,980
Additions	40,264	21,819	62,083
Depreciation charge	(5,141)	(5,461)	(10,602)
As at 31 December 2023	35,581	32,880	68,461
Additions	298	—	298
Depreciation charge	(8,100)	(8,723)	(16,823)
As at 31 December 2024	27,779	24,157	51,936
Additions	4,923	—	4,923
Depreciation charge	(8,595)	(8,723)	(17,318)
As at 31 December 2025	24,107	15,434	39,541

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(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

The Group

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Carrying amount at 1 January	49,069	97,252	92,234
New leases	75,632	33,872	30,732
Accretion of interest recognised during the year	5,210	7,365	6,208
Payments	(32,659)	(41,982)	(44,085)
Termination of leases	—	(4,273)	(3,782)
Carrying amount at 31 December	97,252	92,234	81,307
Analysed into:			
Current portion	28,247	30,881	31,697
Non-current portion	69,005	61,353	49,610

The Company

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Carrying amount at 1 January	17,095	71,972	56,417
New leases	62,083	298	4,923
Accretion of interest recognised during the year	3,080	4,536	3,488
Payments	(10,286)	(20,389)	(23,352)
Carrying amount at 31 December	71,972	56,417	41,476
Analysed into:			
Current portion	15,776	16,766	13,536
Non-current portion	56,196	39,651	27,940

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest on lease liabilities	5,210	7,365	6,208
Depreciation charge of right-of-use assets . . .	30,898	34,844	35,599
Expense relating to leases of short-term and low-value assets	7,302	10,367	9,746
Total amount recognised in profit or loss . . .	43,410	52,576	51,553

(d) The total cash outflow for leases is disclosed in note 35 to the Historical Financial Information.

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16. OTHER INTANGIBLE ASSETS

	Software
	<i>RMB’000</i>
At 1 January 2023, net of accumulated amortisation	35,891
Additions	21,936
Amortisation	(5,112)
At 31 December 2023, net of accumulated amortisation	<u>52,715</u>
At 31 December 2023:	
Cost.	67,214
Accumulated amortisation	(14,499)
Net carrying amount	<u>52,715</u>
At 1 January 2024, net of accumulated amortisation	52,715
Additions	14,566
Amortisation	(6,460)
At 31 December 2024, net of accumulated amortisation	<u>60,821</u>
At 31 December 2024:	
Cost.	81,780
Accumulated amortisation	(20,959)
Net carrying amount	<u>60,821</u>
At 1 January 2025, net of accumulated amortisation	60,821
Additions	15,290
Amortisation	(7,984)
At 31 December 2025, net of accumulated amortisation	<u>68,127</u>

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17. INVESTMENTS IN SUBSIDIARIES

The Company

At the end of each of the Relevant Periods, the Company’s investments in subsidiaries were as follows:

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Shandong Xinchuang Green Energy New Energy Technology Co., Ltd.	200,000	200,000	200,000
Qingdao Dishangtie New Energy Vehicle Service Co., Ltd	100,000	100,000	100,000
Dishangtie Green Technology (Shenzhen) Co., Ltd*/**	6,275	16,270	16,293
Beijing Xinchuang Green Energy New Energy Vehicle Technology Co., Ltd**	12,165	12,165	12,303
Chengdu Dishangtie New Energy Vehicle Co., Ltd.	10,000	10,000	10,000
Others**	68,394	68,874	94,236
Total	396,834	407,309	432,832

* Xingfeng Technology (Shenzhen) Co., Ltd (行峰科技(深圳)有限公司) changed its name to Dishangtie Green Technology (Shenzhen) Co., Ltd (地上鐵綠色科技(深圳)有限公司) in January 2024.

** The increases in investments in subsidiaries are mainly due to restricted shares awarded to the directors and employees of the subsidiaries by the Company.

18. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The Group

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Associates	8,612	15,363	15,626
Joint ventures	145	773	674
Impairment of an associate (<i>Note</i>)	(3,086)	—	—
Total	5,671	16,136	16,300

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Note:

The Group assesses at the end of each reporting period whether there is any indication of impairment on the interests in the associates and joint ventures and further assesses if they have suffered any impairment. For the year ended 31 December 2023, an impairment loss of interest in an associate, Strides DST Pte. Ltd., of RMB3,086,000 was recognised. The recoverable amount was nil. The Group made a full provision of RMB3,086,000 for the impairment of its investments in associates at the end of 31 December 2023.

The following table illustrates the proportion of ownership interest in the Group’s associates, which was lower than 20%:

Name	Proportion of ownership interest		
	At 31 December		
Associates	2023	2024	2025
Chongqing Tangzhijiao New Energy Technology Co., Ltd. 重慶棠之嬌新能源科技有限公司	—	9.85%	9.85%
Jinhu Electric Vehicle (Chengdu) Co., Ltd 金琥新能源汽车(成都)有限公司	17.05%	—	—

Despite the fact that the Group’s equity interest in the associates was lower than 20%, the Group has significant influence over them. According to the Articles of Association, the Group is able to assign a board representative and has the right to participate in the financial and operating policy decisions of the associates.

The following table illustrates the aggregate financial information of the Group’s associates and joint ventures that are not individually material:

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Share of the associates and joint ventures’ (loss)/profit for the year	(14,560)	1,189	903
Share of the associates and joint ventures’ total comprehensive (loss)/income	(14,560)	1,189	903
Aggregate carrying amount of the Group’s investments in the associates and joint ventures	5,671	16,136	16,300

The Company

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Associates	5,526	11,333	11,625
Joint ventures	145	—	—
Total	5,671	11,333	11,625

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The following table illustrates the aggregate financial information of the Company’s associates and joint ventures that are not individually material:

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Share of the associates and joint ventures’ (loss)/profit for the year	(721)	985	1,032
Share of the associates and joint ventures’ total comprehensive (loss)/income	(721)	985	1,032
Aggregate carrying amount of the Company’s investments in the associates and joint ventures	5,671	11,333	11,625

19. DEFERRED TAX

The movements in deferred tax assets and liabilities during the Relevant Periods are as follows:

Deferred tax assets

The Group

	Accruals and other provisions	Losses available for offsetting against future taxable profits	Lease liabilities	Total
	RMB’000	RMB’000	RMB’000	RMB’000
At 1 January 2023	5,378	37,087	10,331	52,796
Deferred tax (charged)/credited to the statement of profit or loss during the year (<i>note 11</i>)	(2,635)	(11,356)	11,637	(2,354)
Gross deferred tax assets at 31 December 2023	2,743	25,731	21,968	50,442
Deferred tax charged to the statement of profit or loss during the year (<i>note 11</i>)	(841)	(6,733)	(1,310)	(8,884)
Gross deferred tax assets at 31 December 2024	1,902	18,998	20,658	41,558
Deferred tax charged to the statement of profit or loss during the year (<i>note 11</i>)	(456)	(1,753)	(2,275)	(4,484)
Gross deferred tax assets at 31 December 2025	1,446	17,245	18,383	37,074

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The Company

	Losses available for offsetting against future taxable profits	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	15,119	4,245	19,364
Deferred tax (charged)/credited to the statement of profit or loss during the year (note 11)	(6,290)	12,870	6,580
Gross deferred tax assets at 31 December 2023	8,829	17,115	25,944
Deferred tax charged to the statement of profit or loss during the year (note 11)	(3,877)	(4,131)	(8,008)
Gross deferred tax assets at 31 December 2024	4,952	12,984	17,936
Deferred tax charged to the statement of profit or loss during the year (note 11)	(1,529)	(3,099)	(4,628)
Gross deferred tax assets at 31 December 2025	3,423	9,885	13,308

Deferred tax liabilities

The Group

	Depreciation allowance in excess of related depreciation	Right-of-use assets	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	98,817	10,427	109,244
Deferred tax charged to the statement of profit or loss during the year (note 11)	6,929	11,679	18,608
Gross deferred tax liabilities at 31 December 2023	105,746	22,106	127,852
Deferred tax charged/(credited) to the statement of profit or loss during the year (note 11)	23,685	(1,014)	22,671
Gross deferred tax liabilities at 31 December 2024	129,431	21,092	150,523
Deferred tax credited to the statement of profit or loss during the year (note 11)	(11,674)	(2,218)	(13,892)
Gross deferred tax liabilities at 31 December 2025	117,757	18,874	136,631

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The Company

	Depreciation allowance in excess of related depreciation	Right-of-use assets	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	15,119	4,245	19,364
Deferred tax (credited)/charged to the statement of profit or loss during the year (note 11)	(6,290)	12,870	6,580
Gross deferred tax liabilities at 31 December 2023	8,829	17,115	25,944
Deferred tax credited to the statement of profit or loss during the year (note 11)	(3,877)	(4,131)	(8,008)
Gross deferred tax liabilities at 31 December 2024	4,952	12,984	17,936
Deferred tax credited to the statement of profit or loss during the year (note 11)	(1,529)	(3,099)	(4,628)
Gross deferred tax liabilities at 31 December 2025	3,423	9,885	13,308

The Group

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net deferred tax assets recognised in the consolidated statements of financial position	628	443	434
Net deferred tax liabilities recognised in the consolidated statements of financial position	(78,038)	(109,408)	(99,991)

Deferred tax assets have not been recognised in respect of the following items:

	31 December 2023	31 December 2024	31 December 2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Tax losses	365,299	367,259	435,182
Deductible temporary differences	23,589	36,515	28,172
Total	388,888	403,774	463,354

The Group had tax losses arising in Chinese Mainland that will expire in one to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

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The Company

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Company for financial reporting purposes:

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Net deferred tax assets recognised in the consolidated statements of financial position	—	—	—
Net deferred tax liabilities recognised in the consolidated statements of financial position	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>

20. OTHER NON-CURRENT ASSETS

The Group

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Prepayment for property, plant and equipment.	41,809	240,396	126,798
Deposit for interest-bearing borrowings	255,843	372,656	563,180
Value-added tax recoverable	131,606	148,217	279,414
Prepayment for other intangible assets	2,323	5,211	8,739
Long term prepayment	818	4,223	39,577
Total	<u>432,399</u>	<u>770,703</u>	<u>1,017,708</u>

The Company

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Long term prepayment	20,896	13,407	43,242
Prepayment for property, plant and equipment.	71,908	156,617	317,055
Prepayment for other intangible assets	2,323	3,185	7,429
Deposit for interest-bearing borrowings	247,874	303,783	483,668
Total	<u>343,001</u>	<u>476,992</u>	<u>851,394</u>

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21. INVENTORIES

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Service parts	16,682	52,547	13,837
Vehicles for sale	69,797	32,496	155,006
	86,479	85,043	168,843
Impairment allowance	(282)	(1,483)	(1,159)
Total	86,197	83,560	167,684

The movements in the impairment of inventories are as follows:

	As at 1 January 2023	Reversal	As at 31 December 2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Impairment of vehicles for sale	464	(182)	282
	282	1,201	1,483
	1,483	(324)	1,159

The reversal resulted from the recovery of net realizable value of the inventories.

The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Vehicles for sale	22,217	14,079	25,136

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22. TRADE AND BILLS RECEIVABLES

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	901,795	1,341,386	1,387,755
Bills receivable	200	17,258	58,745
Less: Impairment of trade receivables	(47,913)	(77,813)	(61,580)
Trade receivables, net	854,082	1,280,831	1,384,920

Trade and bills receivables included amounts arising from EV management services, EV leasing and EV sales. The Group’s trading terms with its customers are mainly on credit and the credit period is generally not more than six months. As to new customers and one-off purchase order customers, payment in advance is normally required. Each customer has a maximum credit limit. The Group seeks to enforce strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group’s trade receivables relate to customers with good track records, there is no significant concentration of credit risk.

The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	710,380	1,057,218	1,138,885
Bills receivable	273	11,174	24,672
Less: Impairment of trade receivables	(44,202)	(67,800)	(42,524)
Trade receivables, net	666,451	1,000,592	1,121,033

An ageing analysis of the trade and bills receivables as at the end of each of the relevant Periods, based on the invoice date and net of loss allowance, is as follows:

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	839,833	1,184,689	1,306,793
1 to 2 years	40,602	131,422	76,313
2 to 3 years	12,331	26,233	51,220
3 to 4 years	4,156	7,959	12,084
4 to 5 years	5,073	3,335	10
over 5 years	—	5,006	80
Impairment allowance	(47,913)	(77,813)	(61,580)
Total	854,082	1,280,831	1,384,920

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The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	662,908	914,902	1,074,583
1 to 2 years	30,363	119,860	59,272
2 to 3 years	8,961	16,879	21,465
3 to 4 years	4,104	8,458	5,704
4 to 5 years	4,317	4,030	2,358
Over 5 years	—	4,263	175
Impairment allowance	(44,202)	(67,800)	(42,524)
Total	666,451	1,000,592	1,121,033

The movements in the loss allowance for impairment of trade receivables are as follows:

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of year	(32,554)	(47,913)	(77,813)
Impairment losses, net	(15,359)	(29,900)	(10,703)
Write-off	—	—	26,936
At end of year	(47,913)	(77,813)	(61,580)

The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of year	(34,106)	(44,202)	(67,800)
Impairment losses, net	(10,096)	(23,598)	666
Write-off	—	—	24,610
At end of year	(44,202)	(67,800)	(42,524)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

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Set out below is the information about the credit risk exposure on the Group’s trade receivable using a provision matrix:

The Group

	Expected credit loss rate	Gross carrying amount	Expected credit losses
		<i>RMB’000</i>	<i>RMB’000</i>
As at 31 December 2023			
Within 1 year	1%	814,123	7,929
1 to 2 years	10%	36,641	3,532
2 to 3 years	24%	12,117	2,849
3 to 4 years	42%	3,679	1,549
4 to 5 years	66%	4,671	3,070
Over 5 years	—	—	—
		871,231	18,929
Individually assessed	95%	30,564	28,984
Total		901,795	47,913

	Expected credit loss rate	Gross carrying amount	Expected credit losses
		<i>RMB’000</i>	<i>RMB’000</i>
As at 31 December 2024			
Within 1 year	1%	1,136,209	15,648
1 to 2 years	9%	127,524	10,911
2 to 3 years	20%	22,375	4,379
3 to 4 years	36%	7,746	2,763
4 to 5 years	60%	2,858	1,712
Over 5 years	99%	4,604	4,550
		1,301,316	39,963
Individually assessed	94%	40,070	37,850
Total		1,341,386	77,813

	Expected credit loss rate	Gross carrying amount	Expected credit losses
		<i>RMB’000</i>	<i>RMB’000</i>
As at 31 December 2025			
Within 1 year	1%	1,238,251	14,971
1 to 2 years	13%	68,302	9,049
2 to 3 years	29%	48,858	13,950
3 to 4 years	45%	10,626	4,785
4 to 5 years	70%	10	7
Over 5 years	100%	80	80
		1,366,127	42,842
Individually assessed	87%	21,628	18,738
Total		1,387,755	61,580

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The Company

	Expected credit loss rate	Gross carrying amount	Expected credit losses
		<i>RMB'000</i>	<i>RMB'000</i>
As at 31 December 2023			
Within 1 year	1%	636,074	6,020
1 to 2 years	7%	26,121	1,846
2 to 3 years	24%	8,692	2,066
3 to 4 years	42%	3,675	1,547
4 to 5 years	66%	4,071	2,704
Over 5 years	—	—	—
		678,633	14,183
Individually assessed	95%	31,747	30,019
Total		710,380	44,202
	Expected credit loss rate	Gross carrying amount	Expected credit losses
		<i>RMB'000</i>	<i>RMB'000</i>
As at 31 December 2024			
Within 1 year	1%	897,024	12,060
1 to 2 years	8%	93,606	7,665
2 to 3 years	19%	12,695	2,369
3 to 4 years	36%	7,204	2,575
4 to 5 years	60%	3,339	2,001
Over 5 years	100%	4,018	4,012
		1,017,886	30,682
Individually assessed	94%	39,332	37,118
Total		1,057,218	67,800
	Expected credit loss rate	Gross carrying amount	Expected credit losses
		<i>RMB'000</i>	<i>RMB'000</i>
As at 31 December 2025			
Within 1 year	1%	1,040,189	11,919
1 to 2 years	8%	53,639	4,298
2 to 3 years	27%	17,743	4,722
3 to 4 years	45%	4,080	1,829
4 to 5 years	73%	2,358	1,713
Over 5 years	100%	175	175
		1,118,184	24,656
Individually assessed	86%	20,701	17,868
Total		1,138,885	42,524

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23. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Prepayments	49,047	92,614	87,586
Prepaid expense for insurance	356,232	452,381	617,670
Value-added tax recoverable	333,867	416,412	704,235
Deposits and other receivables	230,300	210,093	310,111
[REDACTED] expenses	1,231	1,272	5,120
	970,677	1,172,772	1,724,722
Impairment of other receivables	(16,837)	(16,896)	(17,269)
Total	953,840	1,155,876	1,707,453

The balances are interest-free and are not secured with collateral.

Deposits and other receivables are mainly rental deposits for vehicles, depots and office buildings. Where applicable, an impairment analysis is performed at the end of each reporting period. Expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group, as deposits and other receivables have no historical default. The financial assets included in the above balances are categorised in stage 1 without any significant increase in credit risk tracked since initial recognition. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The loss rates applied as at 31 December 2023, 2024 and 2025 were 7%, 8% and 6%, respectively.

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. In view of the fact that the Group’s deposits and other receivables relate to a large number of diversified counterparties, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its deposits and other receivable balances.

The Company

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Prepayments	292,997	160,965	207,396
Value-added tax recoverable	33,268	26,819	37,267
Deposits and other receivables	137,544	131,258	136,748
[REDACTED] expenses	1,231	1,272	5,120
	465,040	320,314	386,531
Impairment of other receivables	(575)	(571)	(571)
Total	464,465	319,743	385,960

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Unlisted equity investment, at fair value	9,050	111,210	125,060

The above equity investment was classified as financial assets at fair value through profit or loss as it was held for trading.

In December 2024, the Group exchanged its equity interest in an associate for shares of an equity investment, resulting in investment income of RMB101,000,000 for the year ended 31 December 2024.

The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Unlisted equity investment, at fair value	—	101,000	113,000

25. CASH AND CASH EQUIVALENTS AND RESTRICTED AND PLEDGED DEPOSITS

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and bank balances	428,061	316,039	200,051
Restricted and pledged deposits	542,367	588,036	617,422
Subtotal	970,428	904,075	817,473
Less: Restricted and pledged deposits			
— for restricted bank deposits	463,357	588,036	617,422
— for pledged bank deposits	79,010	—	—
Cash and cash equivalents	428,061	316,039	200,051
Denominated in:			
— RMB	401,759	313,354	199,639
— United States Dollar (“USD”)	25,031	2,107	47
— Singapore Dollar (“SGD”)	863	32	29
— HKD	408	546	336
Total	428,061	316,039	200,051

The RMB is not freely convertible into other currencies, however, under Chinese Mainland’s Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

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Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and bank balances	306,726	213,795	138,372
Restricted and pledged deposits	135,215	75,577	170,753
Subtotal	441,941	289,372	309,125
Less: Restricted and pledged deposits			
— for restricted bank deposits	135,215	75,577	170,753
Cash and cash equivalents	306,726	213,795	138,372
Denominated in:			
— RMB	306,720	213,788	138,365
— USD	6	7	7
Total	306,726	213,795	138,372

26. TRADE AND BILLS PAYABLES

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	638,462	1,344,809	1,582,467
Bills payable	1,239,799	1,143,787	1,141,313
Total	1,878,261	2,488,596	2,723,780

An ageing analysis of the trade and bills payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	1,861,964	2,460,182	2,679,531
Over 1 year	16,297	28,414	44,249
Total	1,878,261	2,488,596	2,723,780

The trade and bills payables are non-interest-bearing and are normally settled within 6 months.

The financial liabilities that are part of the Group’s supplier finance arrangements included in trade and bills payables are normally settled on 60-day terms or 180-day terms.

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The Group has established supplier finance arrangements that are offered to some of the Group’s key suppliers in Chinese Mainland. Participation in the arrangements is at the suppliers’ own discretion. Suppliers that participate in the supplier finance arrangements will receive early payments or payments at the original due dates on invoices sent to the Group from the Group’s external finance provider. If suppliers choose to receive early payments, they pay a fee to the finance provider. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices must have been approved by the Group. Payments to suppliers ahead of or at the invoice due date are processed by the finance provider and, in all cases, the Group settles the original invoice by paying the finance provider in line with the original invoice maturity date or at a later date as agreed with the finance provider. Payment terms with suppliers have not been renegotiated in conjunction with the arrangements. The Group provides no security to the finance provider. The Group entered into supplier finance arrangements with Bank of Communications Co., Ltd (BOCOM), Industrial and Commercial Bank of China Limited (ICBC), China Construction Bank Corporation Limited (CCB), Bank of Jiangsu Co., Ltd and Shanghai Pudong Development Bank Co., Ltd (SPD Bank), together as the “discounting banks”.

Under these supplier finance arrangements, the Group’s suppliers can elect to have their undue bills receivable from the Group discounted by the discounting banks. Upon the Group’s approval, the discounting banks will pay the suppliers directly for the discounted receivables. The Group will subsequently make payments to the discounting banks to settle the discounted bills receivable. The term of the above supplier finance arrangements is usually not more than 6 months.

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Carrying amount of financial liabilities that are part of the supplier finance arrangements included in:			
Trade and bills payables	30,000	30,000	30,000
Of which suppliers have received payments	30,000	30,000	30,000

The Company

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Trade payables	238,391	92,599	211,627
Bills payable	181,930	242,839	508,039
Total	420,321	335,438	719,666

	At 31 December		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Within 1 year	418,501	331,227	709,695
Over 1 year	1,820	4,211	9,971
Total	420,321	335,438	719,666

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27. OTHER PAYABLES AND ACCRUALS

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Deposit payables	207,980	269,156	390,931
Accrued salaries and welfare	45,622	45,752	40,207
Other tax payables	3,306	4,742	10,382
Other payables	212,865	161,821	71,344
Total	<u>469,773</u>	<u>481,471</u>	<u>512,864</u>

Deposit and other payables are unsecured, non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals as at the end of each of the Relevant Periods approximated to their fair values due to their short-term maturities.

The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Deposit payables	188,361	263,756	353,493
Accrued salaries and welfare	24,696	22,068	19,124
Other tax payables	1,270	1,403	2,656
Other payables	128,153	24,473	21,401
Total	<u>342,480</u>	<u>311,700</u>	<u>396,674</u>

28. ADVANCES FROM CUSTOMERS

The Group

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Advances from lessee	<u>472,650</u>	<u>476,302</u>	<u>563,279</u>

The Company

	At 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Advances from lessee	<u>60,583</u>	<u>73,879</u>	<u>61,619</u>

Advances from lessees consist of payments received in advance for EV leasing.

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29. CONTRACT LIABILITIES

The Group

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Short-term advances received from customers	88,723	63,154	65,216

The Company

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Short-term advances received from customers	159,591	51,946	28,142

Contract liabilities include advances received to deliver goods and services. The changes in contract liabilities during the Relevant Periods were mainly due to the changes in advances received from customers for EV management services or EV sales.

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

	As at 31 December 2023			As at 31 December 2024			As at 31 December 2025		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current									
Bank loans — unsecured	5.00–7.20	2024	57,469	—	—	—	—	—	—
Bank loans — secured	3.10–5.75	2024	693,500	2.15–6.00	2025	1,152,955	1.00–5.00	2026	1,661,235
Other loans — secured	5.50–7.95	2024	145,304	5.50–8.00	2025	260,276	2.21–7.95	2026	200,867
Current portion of long-term bank loans — unsecured	7.20	2024	571	—	—	—	—	—	—
Current portion of long-term other loans — secured	3.24–11.00	2024	1,457,798	3.24–11.00	2025	2,413,199	3.97–11.04	2026	3,368,864
Total			2,354,642			3,826,430			5,230,966
Non-current									
Bank loans — secured	—	—	—	—	—	—	2.60	2027	40,000
Other loans — secured	3.24–11.00	2025–2028	2,363,254	3.24–11.00	2026–2029	3,912,295	3.97–11.04	2027–2030	6,570,097
Total			2,363,254			3,912,295			6,610,097

During the Relevant Periods, certain of the Group’s secured bank borrowings were guaranteed by Ms. Haiying Zhang, the ultimate controlling shareholder of the company, through either personal or corporate guarantees. The directors confirmed that no consideration was payable or will be payable to her.

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Certain of the Group’s vehicles with net carrying amounts of approximately RMB3,971,353,000, RMB6,608,597,000 and RMB9,628,386,000 as at 31 December 2023, 2024 and 2025, respectively, were pledged to support the Group’s lease financing activities with leasing companies.

The Company

	As at 31 December 2023			As at 31 December 2024			As at 31 December 2025		
	Effective interest rate (%)	Maturity	RMB’000	Effective interest rate (%)	Maturity	RMB’000	Effective interest rate (%)	Maturity	RMB’000
Current									
Bank loans — secured	3.10–5.40	2024	540,000	2.15–6.00	2025	770,000	2.50–4.50	2026	1,005,441
Other loans — secured	—	—	—	6.50	2025	11,400	—	—	—
Current portion of long-term other loans — secured	5.30–10.88	2024	1,128,873	5.00–8.50	2025	1,514,914	4.90–9.00	2026	2,027,745
Total			<u>1,668,873</u>			<u>2,296,314</u>			<u>3,033,186</u>
Non-current									
Bank loans — secured	—	—	—	—	—	—	2.60	2027	40,000
Other loans — secured	4.20–9.00	2025–2028	1,675,789	4.20–9.00	2026–2029	2,499,035	3.97–9.00	2027–2030	3,631,685
Total			<u>1,675,789</u>			<u>2,499,035</u>			<u>3,671,685</u>

During the Relevant periods, certain of the Group’s secured bank borrowings were guaranteed by Ms. Haiying Zhang, the ultimate controlling shareholder of the company, through either personal or corporate guarantees. The directors confirmed that no consideration was payable or will be payable to her.

Certain of the Company’s vehicles with net carrying amounts of approximately RMB691,358,000, RMB1,834,807,000 and RMB2,586,828,000 as at 31 December 2023, 2024 and 2025, respectively, were pledged to support the Company’s lease financing activities with leasing companies.

31. SHARES WITH PREFERENTIAL RIGHTS

The Group and the Company

	Total shares
	RMB’000
At 1 January 2023	3,420,224
Grant of shares with preferential rights	576,368
Finance costs associated with shares with preferential rights	336,706
At 31 December 2023	<u>4,333,298</u>
Grant of shares with preferential rights	85,573
Finance costs associated with shares with preferential rights	442,475
At 31 December 2024	<u>4,861,346</u>
Finance costs associated with shares with preferential rights	437,941
At 31 December 2025	<u>5,299,287</u>

As at 31 December 2025, the Company had 228,421,000 shares in issue with preferential rights, including Series Pre-A to E shares, with a par value of RMB1.00 per share to the investors for a cash consideration of RMB3,369,825,000.

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The key features of shares with preferential rights are as follows:

(a) Redemption rights

Certain shareholders of the Company have been granted the right to require the Company to redeem their shares upon the occurrence of certain events. The redemption rights have been terminated immediately prior to the first submission of the [REDACTED] application to the Stock Exchange, see note 31(d) below.

(b) Anti-dilution rights

When the Company issues new shares in the future, if the price per share subscribed by new investors for new shares is lower than the price per share subscribed by investors, the investor shall have the right to require the Founders to transfer certain percentage of the Company’s shares to investor for free to offset and prevent the dilution caused by the new financing price being lower than the subscription price.

(c) Liquidation preferences

In the event of any liquidation, dissolution or winding up of the Company or any deemed liquidation event, either voluntary or involuntary, distributions to the shareholders of the Company shall be made in the following manner: the holders of Shares shall be entitled to the applicable Share issue price plus the amount calculated at agreed annual interest and/or accumulated unpaid dividends payable from the assets of the group companies available for distribution to its shareholders.

The remaining assets of the Company available for distribution shall be distributed ratably among all holders of the Shares and ordinary shares according to the relative number of ordinary shares held by such holders.

If the applicable law does not support the agreement of the liquidation preferences, other shareholders except the investors shall be obliged to compensate the investors. The amount of compensation shall be equal to the value of the property that would be available to the investors in the event of a residual distribution under the terms less the value of the property that would be available to the investors in a normal liquidation under applicable law. Other shareholders except the investors shall be jointly and severally liable for the compensation obligation.

(d) Termination of special rights of the investors

Pursuant to the shareholders’ agreement dated on 7 August 2025, all redemption rights shall be terminated immediately prior to the first submission of a [REDACTED] and shall be automatically restored in full force subject to certain conditions: (i) the Company voluntarily withdrawing the [REDACTED] and [REDACTED]; (ii) the Company’s failure to pass the examination of the [REDACTED] Review Committee of CSRC or the Stock Exchange hearing within 18 months from the date of the first submission of the application for [REDACTED]; (iii) the Company fails to complete

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the [REDACTED] transaction for any reason within 6 month from the date of receiving issuance approval from CSRC or the relevant Stock Exchange on its [REDACTED] and [REDACTED]; (iv) the regulatory authorities rejecting to approve the qualified [REDACTED] submitted by the Company.

Shares with preferential rights obligations give rise to financial liabilities, which are measured at amortised cost.

The amount payable by the Company to redeem the shares subject to redemption will be the sum of the original investment principal and the interest calculated based on the investment principal in accordance with the agreed interest rate.

32. PAID-IN CAPITAL/SHARE CAPITAL

The Group and the Company

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Issued and fully paid	282,595	286,906	286,906

A summary of movements in the Company’s paid-in capital/share capital is as follows:

	Number of shares in issue	Paid-in capital/Share capital
		RMB'000
At 1 January 2023	252,789,755	252,790
Contribution from investors (note (a))	29,805,244	29,805
At 31 December 2023	282,594,999	282,595
Contribution from investors (note (b))	4,310,567	4,311
At 31 December 2024	286,905,566	286,906
Issue of ordinary shares upon conversion into a joint stock company (note (c))	11	—
At 31 December 2025	286,905,577	286,906

Notes:

- (a) In November 2023, the Company received capital contributions of RMB576,368,000 from three investors. The capital contributions increased the paid-in capital and capital reserve by RMB29,805,000 and RMB546,563,000, respectively.
- (b) In July 2024, the Company received capital contributions of RMB85,573,000 from one investor. The capital contributions increased the paid-in capital and capital reserve by RMB4,311,000 and RMB81,262,000, respectively.
- (c) In September 2025, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company, including the paid-in capital, capital reserves and accumulated losses, were converted into 286,905,577 ordinary shares of RMB1.00 each. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company’s capital reserve.

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33. RESERVES

The amounts of the Group’s reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity of the Group.

Capital reserve

The capital reserve of the Group mainly includes:

- a) the excess of consideration received by the Group over the paid-in capital/share capital;
- b) the recognition of financial liabilities on Series Pre-A to E financing; and
- c) the difference between the consideration paid and the carrying amount of the non-controlling interests acquired.

Details of the movements in the capital reserve are set out in the consolidated statements of changes in equity.

Share-based payment reserve

The share-based payment reserve of the Group represents the share-based compensation reserve due to equity-settled share-based payment transactions, details of which are set out in note 34 to the Historical Financial Information.

Exchange fluctuation reserve

The exchange fluctuation reserve is used to record exchange differences arising from the translation of the financial statements of entities of which the functional currency is not RMB.

Reserve movements of the Company

	Capital reserve	Share-based payment reserve	Other reserves	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	2,585,474	13,515	(2,707,885)	(1,657,770)	(1,766,666)
Loss and total comprehensive loss for the year	—	—	—	(366,834)	(366,834)
Capital injection from shareholders	546,563	—	—	—	546,563
Recognition of shares with preferential rights	—	—	(576,368)	—	(576,368)
Equity-settled share-based payment arrangement	—	6,757	—	—	6,757
Contribution from shareholders	11,492	—	—	—	11,492
At 31 December 2023	3,143,529	20,727	(3,284,253)	(2,024,604)	(2,145,056)

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Reserve movements of the Company

	Capital reserve	Share-based payment reserve	Other reserves	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	3,143,529	20,272	(3,284,253)	(2,024,604)	(2,145,056)
Loss and total comprehensive loss for the year	—	—	—	(339,371)	(339,371)
Capital injection from shareholders	81,262	—	—	—	81,262
Recognition of shares with preferential rights	—	—	(85,573)	—	(85,573)
Equity-settled share-based payment arrangement	20,272	(20,272)	—	—	—
Contribution from shareholders	9,438	—	—	—	9,438
At 31 December 2024	<u>3,254,501</u>	<u>—</u>	<u>(3,369,826)</u>	<u>(2,363,975)</u>	<u>(2,479,300)</u>
	Capital reserve	Share-based payment reserve	Other reserves	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	3,254,501	—	(3,369,826)	(2,363,975)	(2,479,300)
Loss and total comprehensive loss for the year	—	—	—	(564,588)	(564,588)
Equity-settled share-based payment arrangement	—	2,738	—	—	2,738
Conversion into joint stock company	(923,581)	—	—	923,581	—
Contribution from shareholders	4,755	—	—	—	4,755
At 31 December 2025	<u>2,335,675</u>	<u>2,738</u>	<u>(3,369,826)</u>	<u>(2,004,982)</u>	<u>(3,036,395)</u>

34. SHARE-BASED PAYMENT

Restricted share award schemes of the Company

2021 Incentive Scheme

On 22 January 2021, a share incentive scheme (the “**2021 Incentive Scheme**”) was approved by the board of directors.

Pursuant to the 2021 Incentive Scheme, incentives will be awarded to the eligible participants in the form of awarded shares.

The scope of eligible participants for the 2021 Incentive Scheme includes directors, senior management, and other key employees of the Group who, in the opinion of the board of directors, contribute directly to the overall business performance and sustainable development of the Group.

On 26 January 2021, Shenzhen Guanyue Entrepreneurship Investment Center (Limited Partnership) as a shareholding platform awarded units (equivalent to 5,751,000 paid in capital) to the employees of the Group at a consideration of RMB17,134,000. The lock-up period is three years from the grant date. The total fair value of the 2021 Awarded Shares determined at the date of grant was equivalent to RMB20,272,000, and the fair value was determined by an external valuer using the Equity Valuation and Allocation Model, taking into account the terms and conditions upon which the awarded shares were granted. Amount of RMB6,757,000, in respect of the Awarded Shares under the 2021 Incentive Scheme was recognised as share-based payment expenses for the year ended 31 December 2023.

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Any dividends declared in respect of the Awarded Shares during the lock-up restricted period belong to the participants. However, the participants do not have any voting rights in respect of the Awarded Shares during the lock-up restricted period.

2025 Incentive Scheme

On 6 November 2025, a share incentive scheme (the “**2025 Incentive Scheme**”) was approved by the board of directors.

Pursuant to the 2025 Incentive Scheme, incentives will be awarded to the eligible participants in the form of awarded shares.

The scope of eligible participants for the 2025 Incentive Scheme includes directors, senior management, and other key employees of the Group who, in the opinion of the board of directors, contribute directly to the overall business performance and sustainable development of the Group.

In December 2025, Shenzhen Guanhai Venture Capital Center (Limited Partnership) (“**Shenzhen Guanhai**”), Shenzhen Guanchen Investment Partnership (Limited Partnership) (“**Shenzhen Guanchen**”), and Shenzhen Guanxing Investment Partnership (Limited Partnership) (“**Shenzhen Guanxing**”) as shareholding platforms awarded units (equivalent to 4,237,000, 3,921,000 and 1,102,000 shares) to the employees of the Group at a consideration of RMB14,830,000, RMB13,722,000 and RMB3,858,000, respectively.

From the date of the completion of [REDACTED] (the “[REDACTED]”), the proportion of restricted stock that can be unlocked each year for participants, upon the completion of one year, shall be 25%. During this period, the restricted stock will be unlocked in batches based on participants’ employment status, employee values, and the achievement of company performance. The specific unlocking time is as follows:

- a. The first unlocking will occur on the date when 12 months have elapsed since the Target Date, unlocking 25% of the shares;
- b. The second unlocking will occur on the date when 24 months have elapsed since the Target Date, unlocking 25% of the shares;
- c. The third unlocking will occur on the date when 36 months have elapsed since the Target Date, unlocking 25% of the shares;
- d. The fourth unlocking will occur on the date when 48 months have elapsed since the Target Date, unlocking 25% of the shares.

The total fair value of the 2025 awarded shares determined at the date of grant was equivalent to RMB102,505,000, and the fair value was determined by an external valuer using the Equity Valuation and Allocation Model, taking into account the terms and conditions upon which the awarded shares were granted. An amount of RMB2,673,000, in respect of the awarded shares under the 2025 Incentive Scheme was recognised as share-based payment expenses for the year ended 31 December 2025, respectively. Key assumptions used in determining the fair value were as follows:

Risk-free interest rate (%)	1.38
Volatility (%)	41.00

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Any dividends declared in respect of the awarded shares during the lock-up restricted period belong to the participants. However, the participants do not have any voting rights in respect of the awarded shares during the lock-up restricted period.

The following awarded shares were outstanding under the share incentive schemes during the years ended 31 December 2023, 2024 and 2025:

	2021 awarded shares	2025 awarded shares	Total number of shares
	'000	'000	'000
As at 1 January 2023	5,751	—	5,751
Granted during the year	—	—	—
Forfeited during the year	—	—	—
Vested during the year*	(5,751)	—	(5,751)
As at 31 December 2024 and 1 January 2025	—	—	—
Granted during the year	—	9,260	9,260
Forfeited during the year	—	—	—
Vested during the year*	—	—	—
As at 31 December 2025	—	9,260	9,260

* In January 2024, 5,751,000 restricted shares of 2021 awarded shares could be vested and the share award scheme expenses for January was immaterial.

35. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024 and 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB75,632,000, RMB33,872,000 and RMB30,732,000, respectively, in respect of lease arrangements for plant and equipment.

During the years ended 31 December 2023, 2024 and 2025, the Group had non-cash decreases to notes receivable and interest-bearing bank borrowings of RMB8,438,000, RMB25,461,000 and RMB25,842,000 respectively, in respect of the discounted notes receivable that are not derecognised.

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(b) Changes in liabilities arising from financing activities

	Bank and other loans	Lease liabilities	Shares with preferential rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	2,815,847	49,069	3,420,224	6,285,140
Changes from financing cash flows	1,663,412	(32,659)	576,368	2,207,121
Changes from non-cash transactions. . . .	(8,438)	—	—	(8,438)
New leases entered during the year	—	75,632	—	75,632
Interest expense	247,075	5,210	336,706	588,991
At 31 December 2023 and at 1 January 2024	4,717,896	97,252	4,333,298	9,148,446
Changes from financing cash flows	2,702,736	(41,982)	85,573	2,746,327
Changes from non-cash transactions. . . .	(25,461)	—	—	(25,461)
New leases entered during the year	—	33,872	—	33,872
Remeasurement upon early termination of a lease	—	(4,273)	—	(4,273)
Interest expense	343,554	7,365	442,475	793,394
At 31 December 2024 and at 1 January 2025	7,738,725	92,234	4,861,346	12,692,305
Changes from financing cash flows	3,614,906	(44,085)	—	3,570,821
Changes from non-cash transactions. . . .	(25,842)	—	—	(25,842)
New leases entered during the year	—	30,732	—	30,732
Remeasurement upon early termination of a lease	—	(3,782)	—	(3,782)
Interest expense	513,274	6,208	437,941	957,423
At 31 December 2025	11,841,063	81,307	5,299,287	17,221,657

(c) Total cash outflow for leases

	Year ended 31 December		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Within operating activities.	7,302	10,367	9,746
Within financing activities.	32,659	41,982	44,085
Total	39,961	52,349	53,831

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36. COMMITMENTS

The Group had the following capital commitments at the end of each of the Relevant Periods:

	At 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contracted, but not provided for:			
Plant and machinery	546,995	816,460	527,203

37. CONTINGENT LIABILITIES

As at the end of the Relevant Periods, neither the Group nor the Company had any significant contingent liabilities.

38. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with related parties:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Associates:			
Sales of products	136,755	—	179
Sales of services	5,323	34,393	19,225
Purchases of services	20,336	6,453	2,426
Investment income	160	423	699
Other related parties*:			
Purchases of products	2,340	4,573	2,651
Purchases of services	13,240	15,025	18,132
Fund lending	718,910	811,040	119,250
Loan repayment	715,430	769,360	205,910

* Other related parties primarily include entities controlled by directors, key management personnel and investors with significant influence.

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(b) As at 31 December 2023, 2024 and 2025, the Group had the following balances with related parties:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade in nature			
Trade receivables			
Associates.	41,858	9,606	1,448
Impairment loss	(528)	(158)	(31)
Total	<u>41,330</u>	<u>9,448</u>	<u>1,417</u>
Trade in nature			
Prepayments, other receivables and other assets			
Other related parties	6,832	1,124	1,683
Impairment loss	(7)	(17)	(22)
Total	<u>6,825</u>	<u>1,107</u>	<u>1,661</u>
Trade in nature			
Trade payables			
Associates.	703	539	401
Other related parties	1,641	3,677	3,255
Total	<u>2,344</u>	<u>4,216</u>	<u>3,656</u>
Trade in nature			
Other payables and accruals			
Associates.	3,536	168	48
Total	<u>3,536</u>	<u>168</u>	<u>48</u>
Trade in nature			
Advances from customers			
Associates	200	—	—
Other related parties	—	3	3
Total	<u>200</u>	<u>3</u>	<u>3</u>
	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-trade in nature			
Other borrowings			
Other related parties	44,980	86,660	—
Total	<u>44,980</u>	<u>86,660</u>	<u>—</u>

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ACCOUNTANTS’ REPORT

(c) Compensation of key management personnel of the Group:

	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025
	RMB'000	RMB'000	RMB'000
Fees	—	—	125
Other emoluments:			
Salaries, allowances and benefits in kind	3,575	7,724	6,288
Performance related bonuses	4,612	1,377	2,638
Equity-settled share-based payment expenses .	2,870	—	1,310
Pension scheme contributions	327	456	312
Total	11,384	9,557	10,673

Further details of directors’ and the chief executive’s emoluments are included in note 9 to the Historical Financial Information.

39. TRANSFERS OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

At 31 December 2023, 2024, and 2025, the Group discounted certain bills receivable (the “**Discounted Bills**”) with carrying amounts of RMB106,821,000, RMB259,175,000 and RMB54,073,000, respectively (the “**Discounting**”). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Discounted Bills, and accordingly, it continued to recognise the full carrying amounts of the Discounted Bills and the associated bank borrowings. Subsequent to the Discounting, the Group did not retain any rights on the use of the Discounted Bills, including the sale, transfer or pledge of the Discounted Bills to any other third parties. The aggregate carrying amounts of the Discounted Bills to which the banks have recourse were RMB120,977,000, RMB451,980,000 and RMB194,394,000 during the years ended 31 December 2023, 2024, and 2025, respectively.

Transferred financial assets that are derecognised in their entirety

At 31 December 2023, 2024, and 2025, the Group discounted certain bills receivable that were not due accepted by banks in Chinese Mainland (the “**Derecognised Bills**”) with carrying amounts of RMB65,470,000, RMB187,259,000 and nil, respectively. The Derecognised Bills had a maturity of one to six months at the end of each of the Relevant Periods. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills may exercise the right of recourse against any, several or all of the persons liable for the Derecognised Bills, including the Group, disregarding the order of precedence (the “**Continuing Involvement**”). In the opinion of the directors, the risk of the Group being claimed by the holders of the Derecognised Bills is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group’s Continuing Involvement in the Derecognised Bills are not significant.

During the years ended 31 December 2023, 2024 and 2025, the Group had not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively.

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40. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of the categories of financial instruments as at the end of each of the Relevant Periods are as follows:

As at 31 December 2023

Financial assets

	Mandatorily designated as fair value through profit or loss	Financial assets at amortised cost	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and cash equivalents	—	428,061	428,061
Financial assets included in prepayments, other receivables and other assets	—	230,300	230,300
Financial assets at fair value through profit or loss	9,050	—	9,050
Financial assets included in other non-current assets	—	255,843	255,843
Restricted and pledged deposits	—	542,367	542,367
Trade and bills receivables	—	854,082	854,082
Total	9,050	2,310,653	2,319,703

Financial liabilities

	Financial liabilities at amortised cost
	<i>RMB'000</i>
Interest-bearing bank and other borrowings	4,717,896
Trade and bills payables	1,878,261
Financial liabilities included in other payables and accruals	212,865
Shares with preferential rights	4,333,298
Total	11,142,320

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As at 31 December 2024

Financial assets

	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents	—	—	316,039	316,039
Financial assets included in prepayments, other receivables and other assets	—	—	210,093	210,093
Financial assets at fair value through profit or loss	—	111,210	—	111,210
Financial assets included in other non-current assets	—	—	372,656	372,656
Restricted and pledged deposits	—	—	588,036	588,036
Trade and bills receivables	8,300	—	1,272,531	1,280,831
Total	<u>8,300</u>	<u>111,210</u>	<u>2,759,355</u>	<u>2,878,865</u>

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Interest-bearing bank and other borrowings	7,738,725
Trade and bills payables	2,488,596
Financial liabilities included in other payables and accruals	161,821
Shares with preferential rights	4,861,346
Total	<u>15,250,488</u>

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As at 31 December 2025

Financial assets

	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents	—	—	200,051	200,051
Financial assets included in prepayments, other receivables and other assets	—	—	310,111	310,111
Financial assets at fair value through profit or loss	—	125,060	—	125,060
Financial assets included in other non-current assets	—	—	563,180	563,180
Restricted and pledged deposits	—	—	617,422	617,422
Trade and bills receivables	16,331	—	1,368,589	1,384,920
Total	16,331	125,060	3,059,353	3,200,744

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Interest-bearing bank and other borrowings	11,841,063
Trade and bills payables	2,723,780
Financial liabilities included in other payables and accruals	71,344
Shares with preferential rights	5,299,287
Total	19,935,474

41. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group’s financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts			Fair values		
	At 31 December			At 31 December		
	2023	2024	2025	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets						
Financial assets at fair value through profit or loss	9,050	111,210	125,060	9,050	111,210	125,060

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade payables, financial assets included in prepayments, other receivables and other assets, current portion of interest-bearing bank and other borrowings and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

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The Group’s finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for annual financial reporting.

The fair values of the non-current portion of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group’s own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2023, 2024 and 2025 were assessed to be insignificant.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group’s financial instruments:

Assets measured at fair value:

As at 31 December 2023

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Unlisted equity investment, at fair value	—	9,050	—	9,050

As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade and bills receivables	—	8,300	—	8,300
Unlisted equity investment, at fair value	—	111,210	—	111,210
Total	—	119,510	—	119,510

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As at 31 December 2025

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade and bills receivables	—	16,331	—	16,331
Unlisted equity investment, at fair value	—	125,060	—	125,060
Total	—	141,391	—	141,391

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s principal financial instruments comprise interest-bearing bank and other borrowings, lease liabilities, financial liabilities at fair value through profit or loss, financial assets at fair value through profit or loss, cash and cash equivalents and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group’s operations. The Group has various other financial assets and liabilities such as other receivables, trade payables and other payables, which arise directly from its operations.

The main risks arising from the Group’s financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s interest-bearing bank and other borrowings. The Group currently does not have a specific policy to manage its interest rate risk and has not entered into interest rate swaps.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units’ functional currencies. In addition, certain bank loans are denominated in currencies other than the functional currencies of the entities to which they relate. The Group tends to accept foreign currency exchange risk avoidance or allocation terms when arriving at purchase and sale contracts.

Due to the limited foreign currency transactions of the Group, there is no significant foreign currency risk.

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Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group’s exposure to bad debts is not significant.

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group’s credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as the end of each of the Relevant Periods. The amounts presented are gross carrying amounts for financial assets.

	12-month expected credit losses	Lifetime expected credit losses		Simplified approach	
	Stage 1	Stage 2	Stage 3		
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
As at 31 December 2023					
Trade and bills receivables*	—	—	—	901,995	901,995
Financial assets included in prepayments, other receivables and other assets — Normal**	230,300	—	—	—	230,300
Restricted and pledged deposits	542,367	—	—	—	542,367
Cash and cash equivalents	428,061	—	—	—	428,061
Total	1,200,728	—	—	901,995	2,102,723

	12-month expected credit losses	Lifetime expected credit losses		Simplified approach	
	Stage 1	Stage 2	Stage 3		
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
As at 31 December 2024					
Trade and bills receivables*	—	—	—	1,358,644	1,358,644
Financial assets included in prepayments, other receivables and other assets — Normal**	210,093	—	—	—	210,093
Restricted and pledged deposits	588,036	—	—	—	588,036
Cash and cash equivalents	316,039	—	—	—	316,039
Total	1,114,168	—	—	1,358,644	2,472,812

	12-month expected credit losses	Lifetime expected credit losses		Simplified approach	
	Stage 1	Stage 2	Stage 3		
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
As at 31 December 2025					
Trade and bills receivables*	—	—	—	1,446,500	1,446,500
Financial assets included in prepayments, other receivables and other assets — Normal**	310,111	—	—	—	310,111
Restricted and pledged deposits	617,422	—	—	—	617,422
Cash and cash equivalents	200,051	—	—	—	200,051
Total	1,127,584	—	—	1,446,500	2,574,084

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 22 to the Historical Financial Information.

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** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Further quantitative data in respect of the Group’s exposure to credit risk arising from trade and other receivables are disclosed in notes 22 and 23 to the Historical Financial Information.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets and projected cash flows from operations.

The Group’s objective is to maintain continuity of funding. The maturity profile of the Group’s financial liabilities as at 31 December 2023, 2024 and 2025, based on the contractual undiscounted payments, is as follows:

As at 31 December 2023	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years	Total
	RMB’000	RMB’000	RMB’000	RMB’000
Interest-bearing bank and other borrowings	2,489,228	1,131,980	1,335,746	4,956,954
Lease liabilities	34,078	50,478	58,526	143,082
Trade and bills payables	1,878,261	—	—	1,878,261
Shares with preferential rights	4,333,298	—	—	4,333,298
Financial liabilities included in other payables and accruals	212,865	—	—	212,865
Total	8,947,730	1,182,458	1,394,272	11,524,460
As at 31 December 2024	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years	Total
	RMB’000	RMB’000	RMB’000	RMB’000
Interest-bearing bank and other borrowings	4,176,528	2,174,943	1,933,950	8,285,421
Lease liabilities	36,565	27,518	40,044	104,127
Trade and bills payables	2,488,596	—	—	2,488,596
Shares with preferential rights	4,861,346	—	—	4,861,346
Financial liabilities included in other payables and accruals	161,821	—	—	161,821
Total	11,724,856	2,202,461	1,973,994	15,901,311

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As at 31 December 2025	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Interest-bearing bank and other				
borrowings	5,633,364	2,744,811	3,936,158	12,314,333
Lease liabilities	38,374	33,475	20,719	92,568
Trade and bills payables	2,723,780	—	—	2,723,780
Shares with preferential rights	5,299,287	—	—	5,299,287
Financial liabilities included in other				
payables and accruals	71,344	—	—	71,344
Total	<u>13,766,149</u>	<u>2,778,286</u>	<u>3,956,877</u>	<u>20,501,312</u>

Capital management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders’ value in the long term.

The management of the Group reviews the capital structure regularly. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on the recommendations of the management, the Group balances its overall capital structure through the issuance of new shares as well as the raising of borrowings.

43. EVENTS AFTER THE RELEVANT PERIODS

In addition to the events regarding the going concern basis disclosed in note 2.1 to the Historical Financial Information, the event that occurred subsequent to 31 December 2025 is outlined below.

On 10 March 2026, the Company received consideration of RMB32,410,000 (equivalent to 9,260,000 share capital) paid by three shareholding platforms and completed the business registration, with the registered capital of the Company increasing from RMB286,905,577 to RMB296,165,577.

44. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 December 2025.

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

This Appendix sets out summaries of the main clauses of our Articles of Association adopted on [May 16, 2026], which shall become effective as at the date on which the H Shares are [REDACTED] on the Stock Exchange. As the main purpose of this Appendix is to provide potential investors with an overview of the Articles of Association, it may not necessarily contain all information that is important for prospective investors. As discussed in the section headed “Documents Delivered to the Registrar of Companies and Available for Inspection” in Appendix V to this document, the full document of the Articles of Association in Chinese is available for examination.

1. SHARES AND REGISTERED CAPITAL

Shares of the Company are represented by share certificates. The shares of the Company shall be issued based on the principle of openness, fairness and impartiality and shall rank *pari passu* in all respects with the shares of the same class. Shares of the same class issued at the same time shall be issued under the same condition and at the same price. The same price shall be paid for each of the shares subscribed for by all entities or individuals.

The Company or its subsidiaries shall not provide financial assistance in the form of gifts, advances, loans, guarantees, etc. for others to acquire shares of the Company or its parent company, except for the Company’s implementation of the employee stock ownership plan or authorized by the general meeting or the board according to the Articles of Association.

The Company may, for the benefit of the Company, provide financial assistance to others for the acquisition of shares of the Company upon a resolution of the general meeting, or a resolution of the board of directors in accordance with the articles of association or the authorization of the general meeting, provided that the total amount of financial assistance shall not exceed 10% of the total issued share capital. Resolutions of the Board of Directors shall be passed by at least two-thirds of all directors.

2. INCREASE AND REDUCTION IN CAPITAL AND REPURCHASE OF SHARES

Based on the needs of operation and development, the Company may increase capital by the following means in accordance with the provisions of the laws, regulations and the Hong Kong Listing Rules of the premise where the Company’s shares are [REDACTED] stipulate otherwise upon resolution of the general meeting:

- (1) [REDACTED] of shares to unspecified investors;
- (2) [REDACTED] of shares to specified investors;
- (3) distribution of bonus shares to its existing Shareholders;
- (4) conversion of capital reserve into share capital;
- (5) other methods permitted by the laws and administrative regulations, the Hong Kong Listing Rules and stipulated by the CSRC.

The Company may reduce its registered capital. Such reduction shall be made in accordance with the procedures set out in the PRC Company Law, Hong Kong Listing Rules and other relevant requirements and the Articles of Association.

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The Company shall not purchase its own shares, except in any of the following circumstances:

- (1) To reduce the registered capital of the Company;
- (2) To merge with another company that holds shares in the Company;
- (3) To use the shares for employee stock ownership plan or share incentives;
- (4) shareholders who object to resolutions of the general meeting on merger or division of the Company requesting the Company to buy back their shares;
- (5) To use the shares for conversion of corporate bonds issued by the Company which are convertible into shares;
- (6) Where it is necessary for the Company to preserve its value and the shareholders' interest;
- (7) Other situations as permitted by laws, administrative regulations, and the regulatory rules of the place where the Company's shares are [REDACTED].

3. TRANSFER OF SHARES

The Company shall not accept its own shares status of as collateral.

Shares that have been issued before the Company's [REDACTED] shall not be transferred for a period of one year commencing from the date of [REDACTED] of the Company's shares on a stock exchange.

The directors and senior officers of the Company shall regularly disclose the number of shares held by them and the relevant changes. The number of shares transferred each year during their term of office as determined at the time of taking office shall not exceed 25% of the total number of shares of the Company in the same class held by them. The shares of the Company held by them shall not be transferred within one year as of the [REDACTED] date of the shares of the Company. These people shall not transfer the shares of the company held by them within half of the year from their departure from the company.

4. RIGHTS AND OBLIGATIONS OF SHAREHOLDERS

The Company shall make a register of shareholders based on the vouchers provided by securities registration and settlement institution. The register of shareholders shall be the sufficient evidence proving the shareholders' holding of the Company's shares. Shareholders shall enjoy the rights and assume the obligations according to the class of the shares they hold. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

When the Company convenes a general meeting, distributes dividends, executes clearing or makes other conducts that require confirmation of equities, the Board of Directors or the convener of the general meeting shall determine the equity registration date. Shareholders included in the register of shareholders at the close of business on the equity registration date shall be the entitled shareholders.

Shareholders of the Company shall enjoy the following rights:

- (1) to receive dividends and other distributions in proportion to the number of shares held;
- (2) to request to convene, preside over and attend in person or appoint a proxy to attend general meetings in accordance with laws, and to exercise the corresponding right to speak and vote;

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

- (3) to supervise the Company’s operations, and to put forward proposals and raise inquiries;
- (4) to transfer, bestow or pledge their shares in accordance with laws, administrative regulations and the Articles of Association;
- (5) to review or copy the articles of association, the register of shareholders, minutes of general meetings, resolutions of the board meetings and meetings of the supervisory committee, and financial and accounting reports of the Company and its wholly-owned subsidiaries;
- (6) to participate in the distribution of the remaining assets of the Company according to the number of Shares held, in the event of the termination or liquidation of the Company;
- (7) the shareholders objecting to the merger or separation resolution made by the general meeting are entitled to ask the Company to acquire their Shares;
- (8) other rights stipulated by laws, administrative regulations, department rules, Hong Kong Listing Rules or the Articles of Association.

Shareholders of the Company shall assume the following obligations:

- (1) to comply with the laws, administration regulations and the Articles of Association;
- (2) to pay subscription money for the Shares subscribed in accordance with the agreed manner of payment;
- (3) no withdrawal of the share capital from the Company except for the circumstances stipulated by relevant laws and administrative regulations;
- (4) not to abuse shareholder’s rights to harm the interests of the Company or other shareholders; not to abuse the independent legal person status of the Company and the limited liability of shareholders to the detriment of the Company’s creditors;
- (5) to fulfill other obligations stipulated by laws, administrative regulations, the rules of the securities regulatory authorities of the place where the Company’s shares are [REDACTED] and the Articles of Association.

Where the abuse of shareholders’ rights causes any loss to the company or other shareholders, such abusive shareholder shall be liable for compensation in accordance with the law. Where shareholders of a company take advantage of the company’s independent status or the limited liability of shareholders to disregard debts and seriously injure the interests of the company’s creditors, such shareholders shall bear joint and several liability for the debts of the company.

5. GENERAL MEETINGS

(1) General provisions

The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to law:

- (1) To elect and replace directors and to decide matters relating to the remuneration of directors;
- (2) To examine and approve reports of the Board;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (3) To examine and approve profit distribution plans and loss recovery plans of the Company;
- (4) To make resolutions concerning the increase or reduction of the Company’s registered capital;
- (5) To make resolutions on the issuance of corporate bonds;
- (6) To pass resolutions on matters such as the merger, division, dissolution, liquidation or change in the organizational form of the Company;
- (7) To amend the Articles of Association;
- (8) To make resolution on the engagement or removal of the accounting firm that undertakes the Company’s auditing business;
- (9) To review and approve the guarantee matters set out in Article 47 of the Articles of Association;
- (10) To examine matters relating to the Company’s purchase and/or sale of major assets within one year that exceed 30% of the audited total assets of the Company in the most recent period;
- (11) To examine and approve matters concerning changes in the use of raised funds;
- (12) To consider the equity incentive scheme and employee stock ownership plan;
- (13) To examine other matters that shall be decided by the general meeting as stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.

The general meetings shall be divided into the annual general meetings and the extraordinary general meetings (the “EGM”). The annual general meeting shall be convened once a year, and shall be held within six months after the prior fiscal year ends.

The Company shall convene an EGM within two months of the occurrence of any of the following circumstances:

- (1) the number of directors is less than the legally required minimum specified in the PRC Company Law or two-thirds of the number required by the Articles of Association;
- (2) the uncovered loss of the Company reaches one-third of the total share capital of the Company;
- (3) Shareholders individually or jointly holding 10% or more of the Company’s shares (excluding treasury stock) make a request;
- (4) the Board deems it necessary;
- (5) the Audit Committee proposes such a meeting be held;
- (6) any other circumstances stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

(2) Convening of the General meeting

The Board of Directors shall convene a general meeting on time and within the prescribed period. With the consent of a majority of all the independent directors, independent non-executive directors (independent directors) have the right to propose to the Board to convene an EGM. For the proposal of independent directors of convening an EGM, the Board of Directors shall, pursuant to the provisions of laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the EGM or not within ten days upon receipt of the proposal. If agreeing to convene an EGM, the Board shall, within five days after the Board resolution is made, issue a notice calling for the meeting. If the Board does not agree to convene such meeting, the reasons shall be stated and announced.

The Audit Committee has the right to propose to the Board to convene an EGM, and shall make such proposal in writing. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations and this Articles of Association, give a written reply on whether to convene the EGM or not within ten days upon receipt of the proposal.

When the Board of Directors agrees to convene an EGM, the Board of Directors shall, within five days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the Audit Committee.

When the Board of Directors does not agree to convene an EGM, or does not provide written feedback within ten days upon receipt of the proposal, the Board of Directors shall be considered to be unable or fail to perform the duty of convening an EGM. The Audit Committee may convene and preside over the meeting on its own.

When the shareholders who individually or jointly hold 10% or more of the shares of the Company (excluding treasury stock) propose to the Board of Directors for convening of an EGM, such shareholders shall make such request to the Board of Directors in writing. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations and the Articles of Association, provide a written reply on whether to convene the EGM or not within ten days upon receipt of the request to the shareholders.

When the Board of Directors agrees to convene an EGM, it shall, within five days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the relevant shareholders.

When the Board of Directors does not agree to convene an EGM, or does not provide feedback within ten days upon receipts of the request, shareholders who individually or jointly holding 10% or more of the Company's shares (excluding treasury stock) for 90 consecutive days, shall propose to the Audit Committee to convene an EGM in writing.

When the Audit Committee agrees to convene an EGM, it shall, within five days of receipt of the proposal, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the relevant shareholders.

When the Audit Committee fails to give notice of a general meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the general meeting. Shareholders who individually or jointly holding 10% or more of the Company's shares (excluding treasury stock) for 90 consecutive days, may convene and preside over such a meeting.

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

(3) Proposals and notices of general meetings

When the Company convenes the general meeting, the Board of Directors, the Audit Committee and shareholders individually or jointly holding more than 1% of the shares of the Company are entitled to submit proposals to the Company.

The shareholders holding more than 1% of the shares of the Company separately or jointly may raise temporary proposal and submit it to the convener in writing ten days before the general meeting is held. The temporary proposal shall be determined and detailed. The convener shall supplement the notice of general meeting in two days after receiving the proposal and publicize the content of the temporary proposal, and submit the temporary proposal to the general meeting for examination, except that the temporary proposal violates laws, administrative regulations or the provisions of the Articles of Association, or does not fall within the scope of authority of the general meeting.

Save as specified above, the convener shall neither revise the proposals set out in the notice of general meetings nor add new proposals after issuing the notice of general meeting.

The general meeting shall not vote or pass resolutions on proposals not listed in the notice of the general meeting or resolutions not in conformity with the Articles of Association.

(4) Holding of general meetings

All the shareholders recorded in the register as at the equity registration date or their proxies have the right to attend the general meeting, and speak and exercise the voting rights in accordance with relevant laws, regulations, the Hong Kong Listing Rules and the Articles of Association. Shareholders may attend the general meeting in person, and also may appoint a proxy to attend and vote on his/her behalf.

The general meeting is presided over by the Chairman of the Board of Directors. If the chairman of the Board of Directors is unable or fails to perform his/her duties, the vice chairman of the Board of Directors shall preside over the meeting (if the Company has two or more vice chairmen, vice chairmen elected by more than half of the directors shall preside over the meeting.) If the vice chairman is unable or fails to perform his/her duties, a director elected by more than half of the directors shall preside over the meeting.

A general meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable or fails to perform his/her duties, a member of the Audit Committee elected by more than half of the members of the Audit Committee shall preside over the meeting.

A general meeting convened by the shareholders themselves shall be presided over by the convenor or an elected representative.

During the course of a general meeting, if the meeting presider violates the procedural rules such that the meeting cannot be continued, the shareholders in the general meeting may elect one person to act as the meeting presider to continue the meeting as long as the proposed presider has the consent of more than half of the shareholders with voting rights who attend the meeting.

(5) Voting and Resolutions of General meetings

The resolutions of a general meeting are classified into ordinary ones and special ones.

Ordinary resolutions of the general meeting shall be passed by more than half of the voting rights held by the shareholders (including their proxies) present at the meeting.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Special resolutions of the general meeting shall be adopted by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting.

The following matters shall be resolved by way of ordinary resolution of the general meeting:

- (1) reports of the Board of Directors;
- (2) profit distribution proposals and proposals for making up losses formulated by the Board of Directors;
- (3) appointment, dismissal and remuneration of the members of the Board and the method of payment of the remuneration;
- (4) other matters other than those that shall be resolved by special resolutions according to laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association.

The following matters shall be resolved by way of special resolution of the general meeting:

- (1) increase or reduction of the Company's registered capital;
- (2) separation, division, merger, dissolution and liquidation of the Company;
- (3) amendment of the Articles of Association;
- (4) the Company's purchase or disposal of major assets or provision of guarantee within one year with the amount exceeding thirty percent of the latest audited total assets of the Company;
- (5) the equity incentive scheme;
- (6) other matters required to be resolved by way of a special resolution by the laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association, and matters which, according to an ordinary resolution of the general meeting, may have a significant impact on the Company and shall be resolved by way of a special resolution.

6. DIRECTORS AND THE BOARD

(1) Directors

Directors except for employee representative directors shall be elected or replaced by the general meeting. The Directors have a tenure of three years and can be reelected upon the expiry of the tenure.

The term of office of directors shall last from the date on which the directors take office to the expiration of the term of office of the current Board of Directors. Where a new elect is not yet available upon expiration of a director's term, such director, before the new elect takes his office, shall continue the performance of his duties in accordance with laws, administrative regulations, the Articles of Association and the regulatory rules of the place where the Company's shares are [REDACTED].

In each term of the Board of Directors, except for independent non-executive directors and employee representative directors, the proportion of other directors replaced shall not exceed two-fifths of the total number of other directors on the Board. The number of directors elected to fill vacancies within any consecutive 12-month period shall not exceed two. This provision does not apply to election of the board of directors held in connection with the renewal of the Board.

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

A director may be senior officer concurrently, provided that the total number of directors who concurrently serve as senior officers and directors who are employee representatives shall not exceed half of the total number of directors of the Company.

(2) Board of Directors

The Board of Directors shall consist of [9] directors. There should be at least three independent non-executive directors, and they should account for no less than one-third of the total number of the Board. The Board of Directors shall have one chairman. Subject to the listing rules of the stock exchange where the Company’s shares are [REDACTED] and other provisions of the Articles of Association, the Board shall exercise the following functions and powers:

- (1) to convene general meetings and presenting reports thereto;
- (2) to implement resolutions adopted by the general meeting;
- (3) to resolve on the Company’s business plans and investment plans;
- (4) to formulate the profit distribution plan and loss recovery plan of the Company;
- (5) to formulate the plans of increasing or reducing the Company’s registered capital, issuing corporate bonds or other securities, and going public;
- (6) to formulate the plans for material acquisitions, purchase of shares of the Company or merger, division, dissolution or change of corporate form of the Company;
- (7) to determine the external investment, acquisition and disposal of assets, asset mortgage, external guarantee, entrusted wealth management, connected transactions, and external donations of the Company within the authority granted by the general meeting;
- (8) to determinate the establishment of the Company’s internal management structure;
- (9) to elect a chairman;
- (10) based on the chairman’s nomination, to appoint or dismiss the manager of the Company, and decide on matters of remuneration, rewards and punishments; to appoint or dismiss senior officers such as deputy manager and CFO according to the nomination of the manager, and decide on matters of remuneration, rewards and punishments;
- (11) to formulate the basic management system of the Company;
- (12) to formulate proposals for any amendment to the Articles of Association;
- (13) to manage the information disclosure of the Company;
- (14) to request the general meeting to engage or replace the accounting firm that provides audit for the Company;
- (15) to debrief the work report of the manager of the Company and check the works of the manager;
- (16) any other functions and powers stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the Articles of Association, or granted by the general meeting.

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

The Board of Directors of the Company shall have the Audit Committee, Nomination Committee, Remuneration Committee, and Strategy Committee. The special committees shall be accountable to the Board of Directors and shall perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Their proposals shall be submitted to the Board of Directors for deliberation and decision. All special committees are comprised of directors. The Board of Directors shall be responsible for formulating the working rules of the special committees and regulating their operation.

7. SENIOR OFFICERS

The Company shall have one manager who shall be nominated by the chairman of the Board and appointed or dismissed by the Board.

The manager shall be accountable to the Board and exercise the following powers and functions:

- (1) to be responsible for the Company's production, operation and management, organize the implementation of resolutions of the Board of Directors, and report to the Board of Directors;
- (2) to organize the implementation of the Company's annual business plans and investment plans;
- (3) to prepare the proposal for the establishment of the Company's internal management structure;
- (4) to draft the Company's basic management system;
- (5) to formulate the detailed rules and regulations of the Company;
- (6) to propose to the board of directors the appointment or dismissal of the deputy manager and chief financial officer;
- (7) to decide to appoint and dismiss the management personnel other than those to be employed and dismissed by the Board of Directors;
- (8) other functions and powers granted by the Articles of Association or the Board of Directors.

The manager is required to attend board meetings.

8. FINANCIAL AND ACCOUNTING SYSTEMS

The Company shall formulate its own financial and accounting systems in accordance with laws, administrative regulations, and rules of the relevant authorities of the state.

The financial and accounting reports are prepared in accordance with relevant laws, administrative regulations and departmental rules.

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

9. PROFIT DISTRIBUTION

The Company’s profit distribution policy is:

(1) Profit distribution principle

The Company implements a proactive profit distribution policy, emphasizing reasonable investment returns to shareholders and taking into account the sustainable development of the Company, and has maintained the continuity and stability of its profit distribution policy.

(2) Forms of profit distribution

The Company may distribute profits in the form of cash, stock or a combination of both, with cash dividends being given priority over stock dividends where the conditions for cash dividends are met.

10. APPOINTMENT OF ACCOUNTING FIRMS

The Company shall employ an accounting firm that complies with the provisions of the state and the Hong Kong Listing Rules to audit financial reports, verify net assets, and offer other relevant consulting services. The term of employment of such accounting firm shall be one year, which is renewable.

Employing or dismissing an accounting firm for the Company shall be decided by the general meeting by ordinary resolution. The Board shall not appoint an accounting firm before a general meeting is held.

11. DISSOLUTION AND LIQUIDATION

The Company shall be dissolved if:

- (1) business term specified in the Articles of Association expires or other dissolution reasons as stipulated in the Articles of Association arise;
- (2) the general meeting resolves to dissolve the Company by means of special resolution;
- (3) a dissolution is required due to merger or division of the Company;
- (4) the Company is revoked of business license according to law, ordered to close or canceled;
- (5) Dissolution by the People’s Court in accordance with Article 231 of the Company Law.

If the Company is in the situation of paragraphs (1) or (2) of this article and has not yet distributed its property to its shareholders, it may survive by amending the Articles of Association or by a resolution of the general meeting. Amendments to the Articles of Association or resolutions of general meeting made in accordance with the provisions of the preceding paragraph shall be approved by more than 2/3 of the voting rights held by the shareholders attending the general meeting.

After the liquidation committee has thoroughly examined the Company’s assets and prepared a balance sheet and schedule of assets, it shall formulate a liquidation plan and submit such plan to the general meeting or the people’s court for confirmation.

The remaining property of the Company after paying the liquidation expenses, wages owed to employees of the Company, labor insurance fees and statutory compensation, outstanding taxes and debts of the Company shall be distributed in proportion to the number of shares held by shareholders.

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

During the liquidation period, the Company still exists but shall not carry out any business activities not related to liquidation. The property of the Company shall not be distributed to shareholders until all liabilities have been paid off in accordance with the provisions of the preceding paragraph.

If the liquidation committee, having thoroughly examined the Company’s property and prepared a balance sheet and schedule of assets, discovers that the Company’s property is insufficient to pay its debts in full, it shall immediately apply to the people’s court for bankruptcy liquidation.

After the people’s court accepts the bankruptcy application, the liquidation committee shall hand over the liquidation affairs to the bankruptcy administrator appointed by the people’s court.

After the liquidation of the Company is completed, the liquidation committee shall prepare a liquidation report and submit the report to the general meeting or the people’s court for confirmation, and shall submit it to the company registration authority to apply for deregistration of the Company.

12. AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

- (1) After the amendment of the PRC Company Law or relevant laws and administrative regulations, the matters stipulated in the Articles of Association conflict with the provisions of the amended laws or administrative regulations;
- (2) There has been a change to the Company, resulting in inconsistency with the content in the Articles of Association;
- (3) The general meeting approves to amend the Articles of Association by a special resolution.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation

Our Company was established as a limited liability company in the PRC on April 24, 2015 and was converted into a joint stock limited company with limited liability on September 5, 2025 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company is RMB296,165,577.

Our Company has established a place of business in Hong Kong at Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong and was registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on April 20, 2026 with the Registrar of Companies in Hong Kong. Ms. Leung Chi Ching Jacqueline (梁芷晴), our company secretary, has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for service of process on our Company in Hong Kong is the same as our principal place of business in Hong Kong as set out above.

As we are established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in “Appendix III — Summary of the Articles of Association.”

2. Changes in the Share Capital of Our Company

On June 27, 2024, the registered capital of our Company increased from RMB282,594,998.92 to RMB286,905,566.18.

On September 5, 2025, our Company was converted into a joint stock company with limited liability under the PRC Company Law. Upon completion of such conversion, the registered capital of our Company was RMB286,905,577 divided into 286,905,577 Shares with a nominal value of RMB1.00 each.

On March 10, 2026, the issued shares of our Company increased from 286,905,577 Shares to 296,165,577 Shares.

Save as disclosed above, there has been no alteration in the share capital of our Company within the two years immediately preceding the date of this document.

3. Changes in the Share Capital of Our Major Subsidiaries

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements of paragraph 26 of Appendix D1A to the Listing Rules in relation to the disclosure of information relating to the changes in the share capital of any member of our Group within the two years immediately preceding the date of this document. For details, see “Waivers — Waiver in Relation to the Disclosure Requirements with Respect to Changes in Share Capital” in this document.

There has been no alteration in the share capital of our Major Subsidiaries within the two years immediately preceding the date of this document.

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STATUTORY AND GENERAL INFORMATION

4. Resolutions of our Shareholders

Pursuant to the Shareholders’ meeting held on May 16, 2026, the following resolutions, among other things, were (subject to the relevant regulatory approval, filing and registration) duly passed:

- (i) the issuance by our Company of the H Shares of nominal value of RMB1.00 each and such H Shares being [REDACTED] on the Hong Kong Stock Exchange;
- (ii) the number of H Shares to be issued pursuant to the [REDACTED], and the grant to the [REDACTED] (or their representatives) of the [REDACTED] of not more than [REDACTED]% of the number of H Shares issued pursuant to the [REDACTED];
- (iii) subject to our obtaining the formal written authorization from the relevant Shareholders and the completion of filing procedures with the CSRC, upon completion of the [REDACTED], [REDACTED] Shares in aggregate will be converted into H Shares on a one-for-one basis;
- (iv) authorization of the Board and its authorized persons to handle matters relating to, among other things, the [REDACTED], the issue and [REDACTED] of the H Shares and authorization of the Board to determine the [REDACTED]; and
- (v) subject to the completion of the [REDACTED], the adoption of the Articles of Association which shall become effective on the [REDACTED], and authorization to the Board to amend the Articles of Association for the purpose of the [REDACTED].

5. Liquidation of Strides DST Pte. Ltd.

As of the date of this document, Ms. Haiying Zhang and Mr. Pinglu Kang each served as a director of Strides DST Pte. Ltd. (“**Strides DST**”), a Singapore-incorporated company accounted for as an associate of our Group. Strides DST was incorporated in Singapore on March 11, 2022, and Dishangtie Green Technology (Hong Kong) Ltd (“**DST HK**”), a subsidiary of our Company, holds a 40% shareholding interest in Strides DST.

Ms. Zhang and Mr. Kang were nominated by DST HK to the six-member board of Strides DST in connection with DST HK’s investment in Strides DST. They were not employees or members of the management team of Strides DST, and did not have day-to-day responsibility for the operations, finances or management of Strides DST.

Strides DST was subsequently placed in creditors’ voluntary liquidation in March 2024. As of the date of this document, Strides DST remains in liquidation and has not yet been dissolved. Civil proceedings have been commenced by Strides DST and its liquidators against certain persons other than the Group, Ms. Zhang and Mr. Kang in connection with matters relating to Strides DST. Neither Ms. Zhang, Mr. Kang nor any member of our Group has been named as a defendant or respondent in those civil proceedings.

Ms. Zhang and Mr. Kang have each confirmed that, as of the date of this document, (i) she or he is not subject to any criminal or civil proceedings, investigation or claim, and is not an applicant, respondent, defendant or other party to any proceeding, relating to Strides DST or its liquidation; (ii) no claim has been brought against her or him in connection with the affairs or liquidation of Strides DST; (iii) she or he is not aware of any threatened or potential claim against her or him arising from the affairs or liquidation of Strides DST; and (iv) she or he has not incurred any personal liability or financial loss arising from the liquidation of Strides DST.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

The following are contracts (not being contracts entered into in the ordinary course of business) entered into by any member of our Group within the two years immediately preceding the date of this document that are or may be material:

(a) [REDACTED]; and

(b) [•]

2. Intellectual Property Rights

Save as disclosed below, as of the Latest Practicable Date, there were no other trademarks, service marks, patents, intellectual property rights, or industrial property rights which are or may be material in relation to our business.

(a) Trademarks

Trademarks registered in the PRC

As of the Latest Practicable Date, we had registered the following trademarks in China which we consider to be or may be material to our business:

No.	Trademark	Registered Owner	Class	Registration Number	Registration Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)
1.	地上铁	The Company	37	24200879	2018/05/14	2028/05/13
2.		The Company	38	24203148	2018/05/14	2028/05/13
3.	地上铁	The Company	36	24201133	2018/05/21	2028/05/20
4.		The Company	37	24203094	2018/08/28	2028/08/27
5.		The Company	35	24196939	2018/08/28	2028/08/27
6.		The Company	36	24201138	2018/10/14	2028/10/13
7.		The Company	39	24202220	2018/10/07	2028/10/06

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No.	Trademark	Registered Owner	Class	Registration Number	Registration Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)
8.		The Company	16	58046133	2022/01/21	2032/01/20
9.		The Company	25	58035839	2022/01/21	2032/01/20
10.	绿超人	The Company	38	58044438	2022/01/28	2032/01/27
11.	绿超人	The Company	39	58055461	2022/01/28	2032/01/27
12.	DSTCAR	The Company	38	58045614	2022/01/28	2032/01/27
13.	绿超人	The Company	37	58059109	2022/01/28	2032/01/27
14.	DSTCAR	The Company	39	58034658	2022/03/14	2032/03/13
15.	小超修车	The Company	37	58607226	2022/03/14	2032/03/13
16.	DSTCAR	The Company	36	58055616	2022/04/21	2032/04/20
17.	DSTCAR	The Company	9	58055250	2022/04/14	2032/04/13
18.	地上铁	The Company	18	66223872	2023/07/21	2033/07/20
19.	绿超人	The Company	42	66240026	2023/07/21	2033/07/20

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Trademark	Registered Owner	Class	Registration Number	Registration Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)
20.		The Company	38	78397370	2024/10/28	2034/10/27
21.		The Company	12	78385792	2024/10/21	2034/10/20
22.		The Company	35	78410369	2024/10/21	2034/10/20
23.		The Company	38	78411181	2024/12/07	2034/12/06
24.		The Company	36	79531788	2024/12/28	2034/12/27
25.		The Company	39	79536227	2024/12/28	2034/12/27
26.		The Company	36	78405285	2025/01/14	2035/01/13
27.		The Company	39	78413795	2025/01/14	2035/01/13
28.		The Company	9	79544026	2025/01/14	2035/01/13
29.		The Company	12	79544038	2025/01/14	2035/01/13
30.		The Company	40	79539788	2025/01/14	2035/01/13

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No.	Trademark	Registered Owner	Class	Registration Number	Registration Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)
31.		The Company	36	78402505	2025/02/07	2035/02/06
32.		The Company	39	78405335	2025/02/07	2035/02/06
33.		The Company	36	81832787	2025/05/28	2035/05/27
34.		The Company	40	81836099	2025/06/07	2035/06/06

Trademarks registered in Hong Kong

As of the Latest Practicable Date, we had registered the following trademarks in Hong Kong which we consider to be or may be material to our business:

No.	Trademark	Registered Owner	Class	Registration Number	Registration Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)
1.	 	The Company	37, 38	306268159AA	2023/06/13	2033/06/12
2.	 	The Company	39, 40	306268159AB	2023/06/13	2033/06/12
3.	 	The Company	37, 38	306268140AA	2023/06/13	2033/06/12
4.	 	The Company	39, 40	306268140AB	2023/06/13	2033/06/12

(b) Copyrights

As of the Latest Practicable Date, we had registered in the PRC the following copyrights which we consider to be or may be material to our business:

No.	Copyright	Registered owner	Registration Number	Registration Date (yyyy/mm/dd)
1.	Internet Electric Vehicle Big Data Integrated Service Platform System V1.0 (互聯網新能源車輛大數據綜合服務平台系統V1.0)	The Company	2016SR268967	2016/09/21

APPENDIX IV STATUTORY AND GENERAL INFORMATION

No.	Copyright	Registered owner	Registration Number	Registration Date (yyyy/mm/dd)
2.	Electric Vehicle Leasing Operation Management System Software V1.0 (新能源汽車租賃運用管理系統軟件V1.0)	The Company	2016SR269385	2016/09/21
3.	Electric Vehicle Charging and Battery Swap Service Management System V1.0 (電動汽車充電交換服務管理系統V1.0)	The Company	2016SR383470	2016/12/21
4.	Corporate Fleet Traffic Violation Integrated Management System V1.0 (企業運營車輛交通違章綜合管理系統V1.0)	The Company	2016SR387239	2016/12/22
5.	DST APP Software (Android Version) (地上鐵租車(深圳)有限公司APP軟件(Android版本))	The Company	2018SR818560	2018/10/15
6.	DST APP Software (iOS Version) (地上鐵租車(深圳)有限公司APP軟件(iOS版本))	The Company	2018SR815833	2018/10/12
7.	LaoTie Assistant APP Software (Android Version) V1.0.0 (老鐵助手APP軟件(Android版本)V1.0.0)	The Company	2019SR0001347	2019/01/02
8.	LaoTie Assistant APP Software (iOS Version) V1.0.0 (老鐵助手APP軟件(iOS版本)V1.0.0)	The Company	2019SR0007389	2019/01/03
9.	DST Insurance Management System V2.0.5.2 (DST保險管理系統V2.0.5.2)	DST Sustainable Limited	2024SR1411551	2024/09/24
10.	DST Product Management System V2.0.5.2 (DST產品管理系統V2.0.5.2)	DST Sustainable Limited	2024SR1411533	2024/09/24
11.	DST Fleet Operations Management System V1.2.7 (DST車務管理系統V1.2.7)	DST Sustainable Limited	2024SR1411534	2024/09/24
12.	DST Sales Management System V2.0.5.2 (DST銷售管理系統V2.0.5.2)	DST Sustainable Limited	2024SR1411536	2024/09/24
13.	DST IoT Device Management Platform [Short name: DST IoT Platform] V2.8.0.1 (DST IoT設備管理平台[簡稱：DST IoT平台]V2.8.0.1)	DST Sustainable Limited	2024SR1411538	2024/09/24
14.	DST Safety Management System V2.0.5.4 (DST安全管理系統V2.0.5.4)	DST Sustainable Limited	2024SR1411540	2024/09/24
15.	DST Charging Management System V1.0.1.5 (DST充電管理系統V1.0.1.5)	DST Sustainable Limited	2024SR1411541	2024/09/24
16.	DST Work Order Management System V1.2.0.1 (DST工單管理系統V1.2.0.1)	DST Sustainable Limited	2024SR1411542	2024/09/24
17.	DST Customer Management System V2.2.0 (DST客戶管理系統V2.2.0)	DST Sustainable Limited	2024SR1411529	2024/09/24
18.	DST Channel Partner Management System V2.0.1.3 (DST渠道商管理系統V2.0.1.3)	DST Sustainable Limited	2024SR1411544	2024/09/24

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No.	Copyright	Registered owner	Registration Number	Registration Date (yyyy/mm/dd)
19.	DST Partner Repair Station Platform [Short name: Partner Repair Station Platform] V1.5.0 (DST合作維修站平台[簡稱：合作維修站平台]V1.5.0)	DST Sustainable Limited	2024SR1411545	2024/09/24
20.	Real-Time Vehicle Positioning System Based on Beidou Navigation Technology V1.0 (基於北斗導航技術的運營車輛實時定位系統V1.0)	The Company	2019SR1443117	2019/12/27
21.	DST Digital Operation Dispatch System V1.0 (地上鐵數字化運營調度系統V1.0)	The Company	2019SR1442100	2019/12/27
22.	Intelligent In-Vehicle System Software for New Energy Logistics Vehicles V1.0 (新能源物流車智能車機系統軟件V1.0)	DST Sustainable Limited	2021SR1342392	2021/09/08
23.	Active Safety Real-Time Video Monitoring System V1.0 (主動安全實時視頻監控系統V1.0)	DST Sustainable Limited	2022SR0726584	2022/06/09
24.	Advanced Driver Assistance System for New Energy Logistics Vehicles [Short name: Advanced Driver Assistance Application Software] V1.0 (新能源物流車高級輔助駕駛系統[簡稱：高級輔助駕駛應用軟件]V1.0)	DST Sustainable Limited	2022SR0725934	2022/06/09
25.	EV Intelligent In-Vehicle System Driver Identity Recognition Application Software V1.0 (新能源物流車智能車機系統駕駛員身分識別應用軟件V1.0)	DST Sustainable Limited	2022SR0830206	2022/06/23
26.	Intelligent Vehicle Management System V1.0 (地上鐵車輛智能管理系統V1.0)	The Company	2023SR0471104	2023/04/13
27.	General Management System for Vehicle Rental Credentials V1.0 (地上鐵車輛租賃資料綜合管理系統V1.0)	The Company	2023SR0471105	2023/04/13
28.	IoT Intelligent Terminal System V1.0 (地上鐵物聯網智能終端系統V1.0)	The Company	2023SR0471189	2023/04/13
29.	32960 Command Processing Service System of DST V1.0 (地上鐵租車(深圳)有限公司32960指令處理服務系統V1.0)	The Company	2023SR0471188	2023/04/13
30.	GB/T32960 National Standard Data Forwarding Service Software V1.0 (GB/T32960國標數據轉發服務軟件V1.0)	The Company	2023SR0470669	2023/04/13
31.	DST Intelligent Security System V1.25 [Short name: DST Intelligent Security] (地上鐵智能安保系統V1.25 (簡稱：DST智能安保))	The Company	2023SR0833405	2023/07/17
32.	Xingfeng Smart Depot Management Platform V1.0 [Short name: DST Smart Depot] (行蜂數智場站管理平台V1.0 (簡稱：DST數智場))	DST Sustainable Limited	2023SR0836682	2023/07/17

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No.	Copyright	Registered owner	Registration Number	Registration Date (yyyy/mm/dd)
33.	Xingfeng B-Side Online User Management Software V1.0 (FleetHub) (行蜂B端用戶線上管理軟件V1.0 (車管家))	DST Sustainable Limited	2023SR0855960	2023/07/19
34.	DST Digital Order Management System V2.17 (Short name: DST Order Centre) DST數智化訂單管理系統 V2.17 (簡稱：DST訂單中心)	The Company	2023SR0853083	2023/07/19
35.	DST Digital Supply Chain Management System V2.57 [Short name: DST Supply Chain Centre] (地上鐵數智化供應鏈管理系統V2.57 (簡稱：DST供應鏈中心))	The Company	2023SR0833866	2023/07/17
36.	DST Big Data Marketing Promotion Software V1.0 [Short name: DST Campaign Centre] (地上鐵大數據行銷推廣軟件V1.0 (簡稱：DST活動中心))	The Company	2023SR0855540	2023/07/19
37.	DST Big Data Ticketing Management Software V1.0 [Short name: DST Billing Centre] (地上鐵大數據票務管理軟件V1.0 (簡稱：DST賬單中心)).	The Company	2023SR0862288	2023/07/20
38.	DST Performance Management Platform V1.4 [Short name: DST Performance Plan] (地上鐵履約計劃管理平台V1.4 (簡稱：DST履約計劃))	The Company	2023SR0855545	2023/07/19
39.	DST Car Purchase Service Mini Program V1.0 [Short name: DST Car Purchase Mini Program] (地上鐵買車服務小程序V1.0 (簡稱：DST買車小程序))	The Company	2023SR0847350	2023/07/18
40.	DST Maintenance System V1.0 [Short name: DST Xiaochao MRO] (地上鐵維保系統V1.0 (簡稱：DST小超修車))	The Company	2023SR0841463	2023/07/18
41.	DST Billing Management System V1.0 [Short name: DST Billing Centre] (地上鐵賬單管理系統V1.0 (簡稱：DST賬單中心))	The Company	2023SR0836620	2023/07/17
42.	DST Intelligent Customer Service System V1.0 [Short name: DST Voice of Customer] (地上鐵智能客服系統V1.0 (簡稱：DST客戶之聲))	The Company	2023SR0836645	2023/07/17
43.	DST Vehicle Asset Capitalization Management System V1.0 [Short name: DST Asset Steward] (地上鐵車輛資產轉固管理系統V1.0 (簡稱：DST資財管家))	The Company	2024SR0787399	2024/06/11
44.	Multi-Organization Permission Operation Platform V1.0.0 (多組織權限運營平台V1.0.0).	The Company	2024SR1413669	2024/09/24
45.	DST Vehicle Intelligent Monitoring PAAS Platform V1.0 [Short name: EV Monitoring Platform] (地上鐵車輛智能監控PAAS平台V1.0 (簡稱：新能源汽車監控平台))	The Company	2024SR1589523	2024/10/23

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No.	Copyright	Registered owner	Registration Number	Registration Date (yyyy/mm/dd)
46.	DST Contract Centre System V1.0 [Short name: DST Contract Centre] (地上鐵合同中心系統V1.0 (簡稱：DST合同中心))	The Company	2024SR1593454	2024/10/23
47.	DST Procurement Supplier Platform [Short name: SRM Supplier Management System] (地上鐵採購供應商平台(簡稱：SRM供應商管理系統)).	The Company	2024SR1589505	2024/10/23

(c) *Electronic Designs*

Electronic Designs granted in the PRC

As of the Latest Practicable Date, we had been granted the following electronic designs in the PRC which we consider to be or may be material to our business:

No.	Image	Name of Electronic Works	Classification	Registration Number	Registration Date (yyyy/mm/dd)
1.		DST	F Artistic Work (F美術字)	粵作登字-2017-F-00015391	2017/07/18
2.		緣超人	Artistic Work (美術作品)	國作登字-2019-F-00827444	2019/09/03
3.		地上鐵3.0車貼	Artistic Work (美術作品)	國作登字-2019-F-00827689	2019/09/24

(d) *Patents*

Patents granted in the PRC

As of the Latest Practicable Date, we had been granted the following patents in the PRC which we consider to be or may be material to our business:

No.	Patent	Registered owner	Patent Number	Effective Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)
1.	Vehicle fault diagnosis and alarm assistance (一種車輛故障診斷及報警求助)	The Company	ZL2019103955939	2020/02/25	2030/02/25
2.	Fire-prevention and heat-dissipation device for new energy batteries (一種新能源電池 防火散熱裝置)	The Company	ZL2018109714611	2021/04/27	2031/04/27

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No.	Patent	Registered owner	Patent Number	Effective Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)
3.	Electric-shock prevention device for new energy charging piles (一種新能源充電樁防觸電設備)	The Company	ZL2019107804181	2021/04/27	2031/04/27
4.	Electric vehicle monitoring system and its control method (一種電動車監控系統及其控制方法)	The Company	ZL2018100159694	2021/04/20	2031/04/20
5.	Electric vehicle maintenance method and equipment based on big data technology (基於大數據技術的電動汽車維護方法及設備)	The Company	ZL2018100524522	2021/04/23	2031/04/23
6.	IoT-based vehicle positioning and detection system (基於物聯網的車輛定位監測系統) .	The Company	ZL2020112002287	2021/04/23	2031/04/23
7.	Automatic fire extinguishing device for ignition of new energy power supply (一種新能源汽車電源起火自動滅火裝置)	The Company	ZL2020105227996	2021/04/20	2031/04/20
8.	Multifunctional intelligent Internet-of-Vehicles terminal device (一種多功能智能車聯網終端設備)	The Company	ZL202010597177X	2021/04/20	2031/04/20
9.	Vehicle safety driving monitoring system based on cloud platform (一種基於雲平台的車輛安全行駛監測系統)	The Company	ZL2020106242870	2021/04/20	2031/04/20
10.	Autonomous driving fault monitoring system (自動駕駛故障監測系統)	The Company	ZL202010642252X	2021/04/27	2031/04/27
11.	Autonomous driving fault monitoring method based on big data (基於大數據的自動駕駛故障監測方法)	The Company	ZL2020106430140	2021/04/23	2031/04/23
12.	LIFI communication method, computer-readable storage medium, and a vehicle-mounted terminal (一種LIFI通信方法、可讀存儲介質和一種車載終端)	The Company	ZL2018105487159	2021/02/02	2031/02/02
13.	Dynamic real-time calculation method of vehicle load (一種車輛載荷動態實時計算方法)	DST Sustainable Limited	ZL2019113929894	2021/02/02	2031/02/02
14.	System and method for electrical energy conversion and control (一種用於電能轉換和控制的系統及方法)	The Company Shanghai Rens Energy Technology Co., Ltd. (上海韜思能源科技有限公司)	ZL2018100853958	2024/05/17	2034/05/17

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(e) *Domain names*

As of the Latest Practicable Date, we owned or have been licensed to use the following domain names which we consider to be or may be material to our business:

No.	Domain Name	Registered Owner	Expiry Date (yyyy-mm-dd)
1.	dstcar.cn	The Company	2029-05-27
2.	dstcar.com	The Company	2029-05-27
3.	dstzc.com	The Company	2028-04-21
4.	flybees.com.cn	DST Sustainable Limited	2030-08-01

C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Particulars of Directors’ Service Contracts and Appointment Letters

(a) *Executive Directors and Non-executive Directors*

We [have] entered into service contracts with each of our executive Directors, our non-executive Directors in respect of, among other things, (i) compliance of the Listing Rules and applicable laws; and (ii) observance of the Articles of Association. Such service contracts have terms of three years commencing from the date of appointment until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other party not less than one month’s prior notice in writing.

(b) *Independent non-executive Directors*

Each of our independent non-executive Directors [has] entered into a letter of appointment with us. The term of appointment shall be for an initial term of three years from the [REDACTED] or until the third annual general meeting of the Company after the [REDACTED], whichever is sooner (subject to retirement as and when required under the Articles of Association and the Listing Rules). Either party may terminate the agreement by giving not less than three months’ written notice.

Under their letter of appointments, each of the independent non-executive Directors is entitled to an annual fixed fee.

(c) *Others*

Save as disclosed in this document, none of our Directors has or is proposed to have a service contract with any member of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

2. Remuneration of Directors

Save as disclosed in the sections headed “Directors and Senior Management” and in the “Appendix I — Accountants’ Report” in this document, no Director received other remuneration or benefits in kind from our Company in respect of each of the three financial years ended December 31, 2023, 2024 and 2025.

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3. Disclosure of Interests

(a) Substantial Shareholders

Save as disclosed in the section headed “Substantial Shareholders” in this document, up to the Latest Practicable Date, our Directors or chief executive were not aware of any other person, not being a Director or chief executive of our Company, who had an interest or short position in the Shares and underlying Shares of our Company, which following the completion of the [REDACTED], would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the issued voting Shares of our Company or any member of our Group.

(b) Directors or Chief Executives

Save as disclosed below and in the section headed “Substantial Shareholders” in this document, immediately following completion of the [REDACTED] (and assuming the [REDACTED] is not exercised), none of our Directors or chief executive of our Company has any interest and/or short position in the Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which has been taken or is deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to our Company and the Stock Exchange.

Name of Director	Nature of Interest	As of the Latest Practicable Date		Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised)		
		Number of Shares	Approximate percentage in the total registered share capital of the Company	Number of Shares	Approximate percentage of shareholding in the relevant type of Shares	Approximate percentage in the total registered share capital of the Company
Ms. Zhang ⁽²⁾	Interest in controlled corporations	57,094,498	19.28%	[REDACTED]	[REDACTED]	[REDACTED]

Notes:

- (1) The calculation is based on the assumption that immediately following the completion of the [REDACTED], there will be a total number of [REDACTED] Shares (without taking into consideration the exercise of the [REDACTED]) in issue.
- (2) As of the Latest Practicable Date, Ms. Zhang wholly owns Xinchuang Green Energy and, by herself or through Shenzhen Guanzhi, is the general partner of Shenzhen Guanyue, Smart Green, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai, and as such, Ms. Zhang is deemed to be interested in the Shares held by Xinchuang Green Energy, Shenzhen Guanyue, Smart Green, Shenzhen Guanxing, Shenzhen Guanchen and Shenzhen Guanhai under the SFO.

Pursuant to the Voting Proxy Agreement, Xinchuang Green Energy is entitled to the voting rights of 4,907,232 Shares held by Wending Investment and therefore is deemed to be interested in such Shares held by Wending Investment under the SFO. See the section headed “History, Development and Corporate Structure — Voting Proxy Arrangements” for further details.

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(c) *Interests of substantial shareholders in members of our Group (excluding our Company)*

As of the Latest Practicable Date, to the best knowledge of our Directors, the following persons (other than members of our Group) were interested in 10% or more of the voting rights at general meetings of our subsidiaries:

Name of Subsidiary	Name of substantial shareholder	Approximate percentage of shareholding
Jiangsu Dishangtie Electric Vehicle Technology Co., Ltd. (江蘇地上鐵新能源汽車科技有限公司).....	Jiangsu Xingshengcheng Sutong New Energy Technology Co., Ltd. (江蘇興盛誠速通新能源科技有限公司)	35%
Zhuhai Dishangtie Electric Vehicle Operations Co., Ltd. (珠海市地上鐵新能源汽車運營有限公司).....	Linggang Shi (史林港)	10%
Shanghai Lvyi Jiandao Logistics Technology Co., Ltd. (上海綠意簡道物流科技有限公司).....	Xiaoqin Zhao (趙小芹)	45%
Shenzhen Lvchaoren Electric Vehicle Services Co., Ltd. (深圳市綠超人新能源汽車服務有限公司).....	Shenzhen Zhiyuan Chuangxin Testing Technology Co., Ltd. (深圳市致遠創新檢測技術有限公司)	28%
Shenzhen Chenxin Electric Vehicle Co., Ltd. (深圳市宸鑫新能源汽車有限公司).	Shenzhen Bihu Electric Vehicle Technology Co., Ltd. (深圳壁虎新能源汽車科技有限公司)	40%
DST Yuanqing Technology (Shenzhen) Co., Ltd. (地上鐵源擎科技(深圳)有限公司).....	Shanghai Yuanchema Automobile Technology Co., Ltd. (上海源車碼汽車科技有限公司)	45%

(d) *Disclaimers*

Save as disclosed in this document:

- i. none of our Directors or chief executive of our Company has any interests and short positions in the shares, underlying Shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to us and the Stock Exchange, in each case once our Shares are [REDACTED];
- ii. none of our Directors is a director or employee of a company which is expected to have an interest in the Shares falling to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO once our Shares are [REDACTED] on the Stock Exchange;

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- iii. none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders who own more than 5% of the number of issued shares of our Company have any interests in the five largest suppliers of our Group, and all of our five largest suppliers in each year/period during the Track Record Period are Independent Third Parties; and we do not have any promoter and no cash, securities or other benefit has been paid, allotted or given within the two years immediately preceding the date of this document, or are proposed to be paid, allotted or given to any promoters;
- iv. none of our Directors or the experts named in the paragraph headed “— D. Other Information — 6. Consent of Experts” above is:
 - (a) interested in our promotion, or in any assets which have been, within two years immediately preceding the date of this document, acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group;
 - (b) or materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our business.

D. OTHER INFORMATION

1. Estate duty

Our Directors have been advised that no material liability for estate duty is likely to fall upon any member of our Group.

2. Litigation

Save as disclosed in this document, no member of our Group is engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against our Company that would have a material adverse effect on our Company’s results of operations or financial condition.

3. Preliminary Expenses

As of the Latest Practicable Date, our Company has not incurred material preliminary expenses.

4. Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the seller and purchaser is HK\$1.00 for every HK\$1,000 (or part thereof) of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

5. Joint Sponsors

Citigroup Global Markets Asia Limited satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules.

China International Capital Corporation Hong Kong Securities Limited (“CICCHKS”) does not satisfy the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules, given that the sponsor group (as defined in the Listing Rules) of CICCHKS collectively held or will hold, directly or indirectly, more than 5% of the number of issued shares of the Company as of the Latest

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Practicable Date and up to the [REDACTED], further details of which are set out in the section headed “History, Development and Corporate Structure — Information of the Pre-[REDACTED] Investors — Green Qixing” and “— Suzhou Zhongding” in this document.

The Joint Sponsors have made an [REDACTED] on our behalf to the [REDACTED] Committee for [REDACTED] of, and permission to deal in, our H Shares, including any [REDACTED] which may be issued pursuant to the exercise of the [REDACTED]. All necessary arrangements have been made to enable the H Shares to be admitted into [REDACTED].

The Joint Sponsors will receive an aggregate of US\$1,000,000 for acting as the sponsors for the [REDACTED].

6. Consent of experts

This document contains statements made by the following experts:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Citigroup Global Markets Asia Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities as defined under the SFO
Global Law Office	Legal advisor to the Company as to PRC laws
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent Industry consultant

Save as disclosed in this document, as of the Latest Practicable Date, none of the experts named above has any shareholding interest in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Each of the experts named above has given and has not withdrawn their respective written consent to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

7. Binding effect

This document shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

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8. Bilingual [REDACTED]

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

9. Compliance Adviser

We have appointed Altus Capital Limited as our compliance adviser in compliance with Rule 3A.19 of the Listing Rules.

10. Preliminary expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

11. Promoters

All of the promoters of the Company are the then Shareholders as at September 5, 2025 immediately before our conversion into a joint stock limited liability company. Save as disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters named above in connection with the [REDACTED] or the related transactions described in this document.

12. No Material Adverse Change

Our Directors confirm that up to Latest Practicable Date, there has been no material adverse change in our financial, operational or trading positions or prospects since December 31, 2025, being the end of the period reported on as set out in the Accountants’ Report included in Appendix I to this document.

13. Miscellaneous

Save as disclosed in this document:

(a) within the two years immediately preceding the date of this document:

- (i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued, or is proposed to be fully or partly paid either for cash or a consideration other than cash;
- (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share of our Company or any of our subsidiaries; and
- (iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company;

APPENDIX IV**STATUTORY AND GENERAL INFORMATION**

- (b) there are no founder, management or deferred shares in our Company or any of our subsidiaries;
- (c) there are no contracts for hire or hire purchase of plant to or by us for a period of over one year which are substantial in relation to our business;
- (d) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;
- (e) our Company has no outstanding convertible debt securities or debentures;
- (f) there is no arrangement under which future dividends are waived or agreed to be waived;
- (g) none of our equity and debt securities is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought;
- (h) our Company is a joint stock limited company and is subject to the PRC Company Law; and
- (i) our Company has adopted a code of conduct regarding Directors’ securities transactions on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

APPENDIX V DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE FOR INSPECTION

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

- (a) the written consents referred to in “Statutory and General Information — D. Other Information — 6. Consent of Experts” in Appendix IV; and
- (b) copies of the material contracts referred to in “Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts” in Appendix IV.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange at www.hkexnews.hk and our Company’s website at www.dstcar.com up to and including the date which is 14 days from the date of this document:

- (a) the Articles of Association;
- (b) the material contracts referred to in “Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts” in Appendix IV;
- (c) the service contracts and the letters of appointment with our Directors referred to in “Statutory and General Information — C. Further Information about Our Directors — 1. Particulars of Directors’ Service Contracts and Appointment Letters” in Appendix IV;
- (d) the report issued by Frost & Sullivan, a summary of which is set forth in “Industry Overview”;
- (e) the PRC legal opinion prepared by Global Law Office, our PRC Legal Adviser, in respect of certain general corporate matters and property interests in China of our Group;
- (f) the Accountants’ Report and the report on the unaudited [REDACTED] financial information of our Group from Ernst & Young, the texts of which are set out in Appendices I and II, respectively;
- (g) the audited consolidated financial statements of our Company for the three financial years ended December 31, 2023, 2024 and 2025;
- (h) the written consents referred to in “Statutory and General Information — D. Other Information — 6. Consent of Experts” in Appendix IV; and
- (i) a copy of the following PRC laws, together with unofficial English translations:
 - i. the PRC Company Law;
 - ii. the PRC Securities Law; and
 - iii. the Overseas Listing Trial Measures.