OVERVIEW

Our history can be traced back to January 1995 where Mr. Wang Xiangrong, our founder and executive Director, founded Wenling Xinke Water Pump Research Institute (溫嶺市新科水泵研究所) to carry out the research and development, design, manufacturing and sales of water pumps. Mr. Wang Xiangrong later established our Company in 2001 with Mr. Wang Zhuangli, our executive Director, and Mr. Zhang Lingzheng (張靈正), an Independent Third Party to continue to carry out the pump business conducted by Wenling Xinke. With a view to strengthening and diversifying our then business which primarily focused in civil pumps, and in light of the increasing demand arising from the introduction of various national infrastructure projects, we expanded into the high-value industrial pumps business in 2012. The pump business has since served as the cornerstone of our business and provided us with sustained and stable revenue and cash flow with its robust performance.

Having regard to the abundant growth opportunities in China's digital marketing landscape due to the rapid rise of mobile internet and the market transitions from traditional marketing to digital and internet marketing as supported by national policy, such as "internet plus", we embarked on our digital marketing business in 2014 by acquiring a series of companies covering integrated marketing, digital creativity and brand management to seek new development drivers and enhance our overall shareholder value beyond our pump business. Our digital marketing business has since become our core business. We ranked as the largest digital marketing company in the PRC with a market share of 1.16% in terms of revenue in 2025.

On February 1, 2005, our Company was converted into a joint stock company with limited liability and renamed as Zhejiang Leo Co., Ltd. (浙江利歐股份有限公司). Since April 2007, our A Shares have been listed on the Shenzhen Stock Exchange under the stock code 002131.SZ.

KEY MILESTONES

The following is a summary of our key milestones:

Year	Milestones
2001	Our Company was established in the PRC and was primarily engaged in the research and development, design, manufacturing and sales of water pumps.
2005	Our Company was converted into a joint stock company and was renamed as Zhejiang Leo Co., Ltd. (浙江利歐股份有限公司).
2007	Our A Shares were listed on the Shenzhen Stock Exchange under the stock code 002131.SZ.
2012	We commenced manufacturing of industrial pumps for petrochemical, hydraulic engineering and power generation industries.
2014	We set up our digital marketing business through the acquisition of 85% equity interest in Shanghai Manku, a company primarily engaged in the provision of digital marketing services.
2015	We further developed our digital marketing business by establishing Leo Digital.
	We have acquired the entire equity interest in Jiangsu Wansheng Weiye Internet Technology Co., Ltd. (江蘇萬聖偉業網路科技有限公司) and Beijing Micro Innovation Era Advertising Co., Ltd. (北京微創時代廣告有限公司) which are companies primarily engaged in the provision of digital marketing services.
2016	We established a subsidiary in Indonesia.

Year	Milestones
2022	The headquarters for our intelligent pump and system business was set up in Zhejiang and we were the Top 500 Manufacturing Enterprises (中國製造業企業500強).
2023	We were awarded the 2023 Digital Media Innovator of the Year (2023年度最佳數字媒體創新公司) by Campaign Asia.
2024	Our Leo Pump 5G+ Digital Twin Intelligent Factory was selected for the 2024 5G Factory Directory (2024年5G工廠名錄) by the Ministry of Industry and Information Technology of PRC.
2025	Our Wenling, Zhejiang manufacturing base has been recognized by the Ministry of Industry and Information Technology as a National Outstanding Smart Factory for 2025 (2025年度卓越級智能工廠).

OUR PRINCIPAL SUBSIDIARIES

The date of establishment and principal business activities of each of our principal subsidiaries are set out in the table below:

No.	Name of subsidiary	Date and place of establishment/ incorporation	Principal business activities	Registered capital/issued share capital	Ownership as of the Latest Practicable Date
1.	Leo Group Pump Co., Ltd. (利歐集團泵業有限公司)	March 5, 2021, PRC	Pump and pumping system	RMB1,236,900,000	100%
2.	Leo Group Pump (Zhejiang) Co., Ltd. (利歐集團浙江泵業有限公司)	December 23, 2015, PRC	Pump and pumping system	RMB693,690,000	100%
3.	Leo Group Pump (Hunan) Co., Ltd. (利歐集團湖南泵業有限公司)	November 8, 2000, PRC	Pump and pumping system	RMB436,900,000	100%
4.	Leo Juhe Advertising Co., Ltd. (利歐聚合廣告有限公司)	September 28, 2016, PRC	Digital marketing	RMB500,000,000	100%
5.	Leo Digital	October 19, 2015, PRC	Digital marketing	RMB400,000,000	100%
6.	Shanghai MediaV Advertising Co., Ltd. (上海聚勝萬合廣告有限公司)	December 17, 2009, PRC	Digital marketing	RMB170,500,000	100%
7.	Beijing Micro Innovation Era Advertising Co., Ltd. (北京微創時代廣告有限公司)	August 8, 2011, PRC	Digital marketing	RMB10,000,000	100%

No.	Name of subsidiary	Date and place of establishment/ incorporation	Principal business activities	Registered capital/issued share capital	Ownership as of the Latest Practicable Date
8.	Leo Group Pump Technology Co., Ltd. (利歐集團泵業科技有限公司)	April 27, 2022, PRC	Pump and pumping system	RMB123,690,000	100%
9.	Shanghai Jujia Internet Technology Co., Ltd. (上海聚嘉網絡技術有限公司)	December 31, 2014, PRC	Internal support	RMB186,000,000	100%
10.	Shanghai Manku	October 12, 2005, PRC	Digital marketing	RMB151,500,000	100%
11.	Shanghai Manku Internet Technology Co., Ltd. (上海漫酷網絡技術有限公司)	June 9, 2014, PRC	Digital marketing	RMB5,000,000	100%
12.	Shanghai Arkr Advertising Co., Ltd. (上海氩氪廣告有限公司)	March 12, 2009, PRC	Digital marketing	RMB50,000,000	100%
13.	Shanghai Aosi Advertising Co., Ltd. (上海鶩司廣告有限公司)	November 24, 2021, PRC	Digital marketing	RMB5,000,000	70%
14.	Shanghai Dawang Era Information Technology Co., Ltd (上海大網時代信息技術有限公司)	August 21, 2013, PRC	Digital marketing	RMB50,000,000	100%
15.	Leo Advertising Communication Co., Ltd. (利歐廣告傳播有限公司)	March 15, 2019, PRC	Digital marketing	RMB50,000,000	100%
16.	Liongate Semiconductor	September 23, 2020, PRC	Semiconductor	RMB100,000,000	53.30%
17.	Liongate Microelectronics (Wenling) Co., Ltd. (獅門微電子(溫嶺)股份有限公司)	April 27, 2023, PRC	Semiconductor	RMB100,000,000	53.29%
18.	Leo Holdings Hong Kong Limited (利歐香港有限公司)	June 16, 2008, Hong Kong	Investment holding	US$5,000,000	100%

Please refer to Note 17 of the Accountants' Report set out in Appendix I for information on our other subsidiaries.

ESTABLISHMENT AND MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Early Development and Conversion into a Joint Stock Company

On May 21, 2001, our Company was established as a limited liability company under the laws of the PRC with an initial registered capital of RMB3,690,000. The shareholding structure of our Company as of the establishment date was as follows:

No.	Shareholder	Registered capital subscribed for	Percentage of shareholding in our Company
		(RMB)	*(%)*
1.	Mr. Wang Xiangrong	1,476,000	40.00
2.	Mr. Wang Zhuangli	1,107,000	30.00
3.	Mr. Zhang Lingzheng	1,107,000	30.00
	Total	**3,690,000**	**100.00**

On June 16, 2004, our Company completed a round of capital increase and upon completion of which our registered capital increased to RMB23,690,000. The shareholding structure of our Company immediately upon completion of the capital increase was as follows:

No.	Shareholder	Registered capital subscribed for	Percentage of shareholding in our Company
		(RMB)	*(%)*
1.	Mr. Wang Xiangrong	9,476,000	40.00
2.	Mr. Wang Zhuangli	7,107,000	30.00
3.	Mr. Zhang Lingzheng	7,107,000	30.00
	Total	**23,690,000**	**100.00**

On December 31, 2004, our Company completed another round of capital increase and upon completion of which our registered capital increased to RMB26,322,220. The shareholding structure of our Company immediately upon completion of the capital increase was as follows:

No.	Shareholder	Registered capital subscribed for	Percentage of shareholding in our Company
		(RMB)	*(%)*
1.	Mr. Wang Xiangrong	9,476,000	36.00
2.	Mr. Wang Zhuangli	7,107,000	27.00
3.	Mr. Zhang Lingzheng	7,107,000	27.00
4.	Wenling Zhongheng Investments Co., Ltd. (溫嶺中恒投資有限公司) ("**Wenling Investments**")	2,105,776	8.00
5.	Mr. Yan Tufu (顔土富)	263,222	1.00
6.	Ms. Wang Zhenping (王珍萍)	263,222	1.00
	Total	**26,322,220**	**100.00**

On February 1, 2005, our Company was converted into a joint stock company with limited liability, as was renamed Zhejiang Leo Co., Ltd. (浙江利歐股份有限公司). The registered capital of our Company upon conversion was RMB56,280,000, divided into 56,280,000 Shares, which were subscribed by all the then Shareholders in proportion to their equity interests in our Company. The shareholding structure of our Company immediately following our conversion into a joint stock company was as follows:

No.	Shareholder	Number of Shares	Percentage of shareholding in our Company
			(%)
1.	Mr. Wang Xiangrong	20,260,800	36.00
2.	Mr. Wang Zhuangli	15,195,600	27.00
3.	Mr. Zhang Lingzheng	15,195,600	27.00
4.	Wenling Investments[1]	4,502,400	8.00
5.	Mr. Yan Tufu (顏土富)[2]	562,800	1.00
6.	Ms. Wang Zhenping (王珍萍)[3]	562,800	1.00
	Total	**56,280,000**	**100.00**

Note:

(1) During the period when Wenling Investments was a shareholder of our Company, Wenling Investments was ultimately controlled by Mr. Wang Hongren (王洪仁), an Independent Third Party.

(2) Mr. Yan Tufu is the vice general manager and a member of the senior management of our Company.

(3) Ms. Wang Zhenping is the sister of Mr. Wang Xiangrong and Mr. Wang Zhuangli.

Listing on the Shenzhen Stock Exchange

On April 27, 2007, our A Shares were listed on the Shenzhen Stock Exchange (stock code 002131.SZ). In connection with our A Share listing, we issued an aggregate of 19,000,000 A Shares, accounting for approximately 25.2% of our then enlarged share capital, raising net proceeds of approximately RMB240.0 million. The shareholding structure of our Company immediately after the completion of the A Share offering was as follows:

No.	Shareholder	Number of Shares	Percentage of shareholding in our Company
			(%)
1.	Mr. Wang Xiangrong	20,260,800	26.91
2.	Mr. Wang Zhuangli	15,195,600	20.19
3.	Mr. Zhang Lingzheng	15,195,600	20.19
4.	Wenling Investments	4,502,400	5.98
5.	Other A Shareholders[1]	20,125,600	26.73
	Total	**75,280,000**	**100.00**

Note:

(1) None of the then other A Shareholders hold more than 1% of the issued share capital of our Company.

PUBLIC FLOAT

Rule 19A.13A(2) of the Listing Rules provides that the portion of H Shares that are held by the public at the time of the Listing, must (a) represent at least 10% of the total number of issued Shares (excluding treasury Shares); or (b) have an expected market value of not less than HK$3,000,000,000.

It is expected that all **[REDACTED]** H Shares to be issued pursuant to the **[REDACTED]**, representing **[REDACTED]**% of our total issued share capital immediately upon **[REDACTED]** (excluding treasury Shares and assuming the **[REDACTED]** is not exercised and no additional Shares are issued pursuant to the 2022 Share Option Incentive Plan and no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the **[REDACTED]**), none of which will be allocated to any core connected person of our Company or person which is not regarded as a member of the public under Rule 8.24 of the Listing Rules, will be counted towards the public float for the purpose of Rule 19A.13A of the Listing Rules at the time of the **[REDACTED]**. Based on the **[REDACTED]** of HK$**[REDACTED]**, HK$**[REDACTED]** and HK$**[REDACTED]** per H Share, being the low-end, mid-point and high-end of the indicative **[REDACTED]**, the expected market value of all H Shares will be HK$**[REDACTED]**, HK$**[REDACTED]** and HK$**[REDACTED]**, which will satisfy the public float requirement under Rule 19A.13A(2) of the Listing Rules.

FREE FLOAT

According to Rule 19A.13C(2) of the Listing Rules, where a new applicant is a PRC issuer with other listed 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 listing, must (a) represent at least 5% 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.

Our Company will comply with the free float requirement under Rule 19A.13C of the Listing Rules at the time of **[REDACTED]**.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We did not carry out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

OUR A SHARE LISTING AND REASONS FOR THE H SHARE [REDACTED]

On April 27, 2007, our A Shares were listed on the Shenzhen Stock Exchange with the stock code of 002131.SZ. Our Directors confirm that, as of the Latest Practicable Date, there had been no instances of any material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. To the best knowledge of our Directors, as of the Latest Practicable Date, there are no material matters in relation to our compliance record on the Shenzhen Stock Exchange that should be brought to the attention of the Stock Exchange or **[REDACTED]** of the **[REDACTED]**. Our PRC Legal Advisors are of the view that, since our A Share listing and up to the Latest Practicable Date, there had been no instances of any material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. Based on the independent due diligence conducted by the Joint Sponsors and considering our PRC Legal Advisors' view above, no material matter has come to the Joint Sponsors' attention that would cause them to disagree with our Directors' confirmation with regard to the compliance record of our Company on the Shenzhen Stock Exchange.

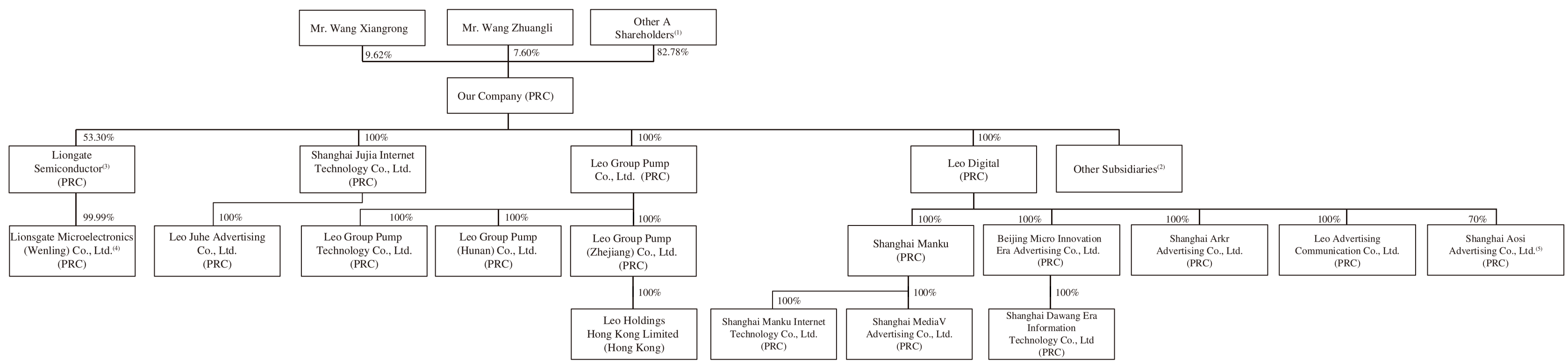
See "Directors and Senior Management — Further Information About our Directors and Senior Management" for details of certain regulatory incidents in relation to our Directors and senior management of our Company.

We seek to **[REDACTED]** our H Shares on the Stock Exchange to raise additional capital to meet our global development needs, further advance the strategic layout of our Group, enhance our Group's ability to operate in global capital markets, and strengthen our Group's global brand recognition and comprehensive competitiveness of our Group. See "Business — Our Strategies" and "Future Plans and **[REDACTED]**."

CORPORATE STRUCTURE

Corporate Structure Immediately Before the Completion of the [REDACTED]

The chart below sets out the corporate structure of our Company and subsidiaries immediately before the completion of the **[REDACTED]** (excluding 143,536,043 treasury Shares):



Notes:

(1) None of such A Shareholders held more than 5% interests in our Company as of the Latest Practicable Date. This excludes the 143,536,043 A Shares which are held by our Company as treasury Shares.

(2) To support the development of the Company's business in various categories and various regions, as of the Latest practicable Date, the Company has over 140 subsidiaries, including our principal subsidiaries and other ones incorporated in various jurisdictions.

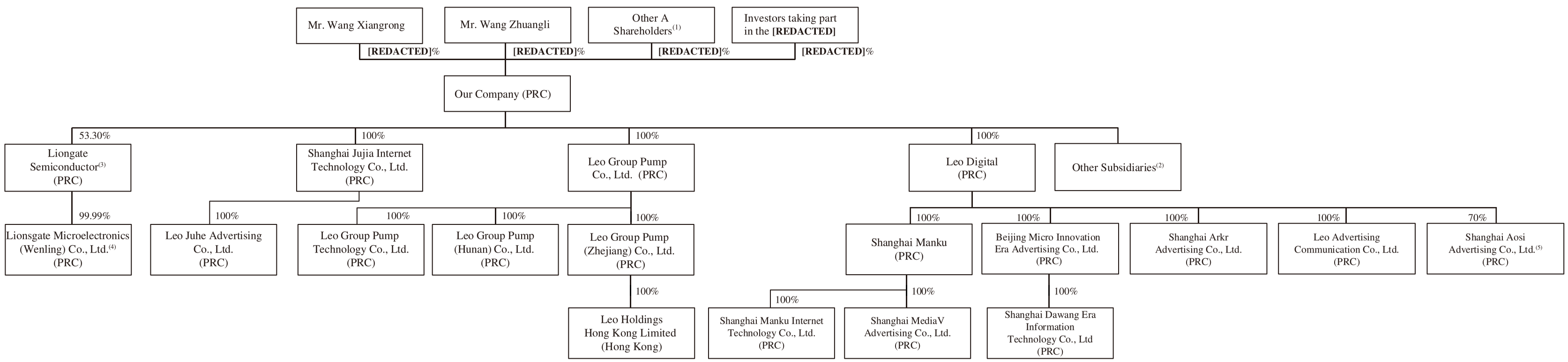
(3) Shanghai Liongate is directly owned as to 48.45% by the Company and owned as to 5% by Shanghai Shilei Enterprise Management Partnership (Limited Partnership) (上海獅壘企業管理合夥企業(有限合夥)), which is ultimately controlled by the Company. Shanghai Liongate is also owned as to 27.55% and 19.0% by Shanghai Zhongting Intelligent Technology Co., Ltd. (上海眾挺智能科技有限公司) and Fujian Pingtan Ruichen Investment Consulting Partnership (Limited Partnership) (福建平潭瑞辰投資咨詢合夥企業(有限合夥)), respectively. To the best of our knowledge, save for Mr. Yuan Dewei, being an executive director of Shanghai Liongate Semiconductor Co., Ltd., each of their beneficial owners is an Independent Third Party.

(4) Lionsgate Microelectronics (Wenling) Co., Ltd. is owned as to 99.99% and 0.01% by Liongate Semiconductor and Mr. Yuan Dewei, an executive director of Liongate Microelectronics (Wenling) Co., Ltd.

(5) Shanghai Aosi Advertising Co., Ltd. is owned as to 70%, 20% and 10% by Huzhipo Culture Communication (Shanghai) Co., Ltd. (琥之珀文化傳播(上海)有限公司) and two individuals, respectively. Huzhipo Culture Communication (Shanghai) Co., Ltd. is directly wholly-owned by Leo Group Digital Technology Co., Ltd. To the best of our knowledge, each of the two individuals is an Independent Third Party.

Corporate Structure Immediately Following the Completion of the [REDACTED]

The chart below sets out the corporate structure of our Company and subsidiaries immediately following the completion of the **[REDACTED]** (excluding [143,536,043] treasury Shares, assuming that the **[REDACTED]** is not exercised, no additional Shares are issued pursuant to the 2022 Share Option Incentive Plan and no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the **[REDACTED]**):



Notes:

(1) None of such A Shareholders held more than 5% interests in our Company as of the Latest Practicable Date. This excludes the 143,536,043 A Shares which are held by our Company as treasury Shares.

(2) To support the development of the Company's business in various categories and various regions, as of the Latest Practicable Date, the Company has over 140 subsidiaries, including our principal subsidiaries and other ones incorporated in various jurisdictions.

(3) Shanghai Liongate is directly owned as to 48.45% by the Company and owned as to 5% by Shanghai Shilei Enterprise Management Partnership (Limited Partnership) (上海獅壘企業管理合夥企業(有限合夥)), which is ultimately controlled by the Company. Shanghai Liongate is also owned as to 27.55% and 19.0% by Shanghai Zhongting Intelligent Technology Co., Ltd. (上海眾挺智能科技有限公司) and Fujian Pingtan Ruichen Investment Consulting Partnership (Limited Partnership) (福建平潭瑞辰投資咨詢合夥企業(有限合夥)), respectively. To the best of our knowledge, save for Mr. Yuan Dewei, being an executive director of Shanghai Liongate Semiconductor Co., Ltd., each of their beneficial owners is an Independent Third Party.

(4) Lionsgate Microelectronics (Wenling) Co., Ltd. is owned as to 99.99% and 0.01% by Liongate Semiconductor and Mr. Yuan Dewei, an executive director of Liongate Microelectronics (Wenling) Co., Ltd.

(5) Shanghai Aosi Advertising Co., Ltd. is owned as to 70%, 20% and 10% by Huzhipo Culture Communication (Shanghai) Co., Ltd. (琥之珀文化傳播(上海)有限公司) and two individuals, respectively. Huzhipo Culture Communication (Shanghai) Co., Ltd. is directly wholly-owned by Leo Group Digital Technology Co., Ltd. To the best of our knowledge, each of the two individuals is an Independent Third Party.