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

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

OVERVIEW

We are a leading battery-swapping solutions provider in China, focusing on providing safe, efficient, convenient, green and smart battery-swapping solutions for riders of light electric vehicles ("**LEV**"). We are the fourth largest battery-swapping solutions provider in the LEV battery-swapping industry in terms of revenue in 2025 in China, with a market share of 5.8%, according to Frost & Sullivan.

We provide battery-swapping solutions primarily through self-operated stations as well as through partnerships with local companies that desire to enter the battery-swapping industry ("**business partners**"), relying on our integrated hardware-software operational infrastructure. We have been actively exploring diversified businesses and revenue streams, including sales of battery-swapping related hardware, such as self-developed lithium batteries, chargers and adapter cables.

Our hardware network comprises batteries and battery swapping cabinets. Our software infrastructure, Zhizu Cloud Platform, comprises two sub-platforms: (i) our cloud-based smart IoT platform, Zhizu Battery-swapping Application Platform (智租換電移動應用平台), which is the cornerstone of our battery-swapping solutions enabling our full-stack management over operational assets and data, and (ii) our algorithms-based decision-making platform, Zhizu Brain (智租大腦), which is responsible for multi-dimensional smart operational decisions. Zhizu Cloud Platform acts as the core digital operational hub of our battery-swapping solutions, integrates technologies such as IoT, AI and algorithms, and big data analytics, achieves seamless connections among battery-swapping cabinets, smart batteries and riders, and provides technological foundation for smart management over the full cycle of battery-swapping solutions, enabling our efficient, stable and safe battery-swapping services.

We operate in the LEV battery-swapping industry in China, the market size of which has expanded continuously at a CAGR of 41.2% from RMB3.1 billion in 2021 to RMB12.3 billion in 2025, and is expected to further grow at a CAGR of 28.6% from RMB15.8 billion in 2026 to RMB43.2 billion in 2030, according to Frost & Sullivan. As of December 31, 2025, we had established a swapping network (through both our self-operated stations and business partners) that covered more than 90 cities across China, installed approximately 22,400 smart battery-swapping cabinets, and deployed 416,180 units of batteries. Since our inception and as of December 31, 2025, we had approximately seven million registered users, with a total number of approximately 650 million times of battery-swapping, empowering a riding mileage of over 22.1 billion kilometers, as of the same date.

Our business maintained steady growth. Our total revenue was RMB695.8 million, RMB734.6 million, and RMB738.6 million in 2023, 2024 and 2025, respectively. Our gross profit was RMB98.0 million, RMB198.7 million and RMB196.2 million in the same years, respectively. See "Financial Information" in this document for more information.

OUR BUSINESS MODEL

We have constructed an integrated business model centered on smart battery-swapping solutions underpinned by our Zhizu Cloud Platform, supplemented by hardware sales. We provide battery-swapping solutions through (i) self-operated stations, where we provide diverse battery-swapping solutions in our self-owned and self-operated stations to (a) riders directly or (b) enterprises with rider resources such as delivery platforms and LEV rental companies, which bring our battery-swapping solutions to the riders, and (ii) business partners, which we sell our battery-swapping equipment and provide our software system access to, and share profits with. Typically, our battery-swapping business through self-operated stations and through business partners do not operate in the same regions. In addition, we sold battery-swapping related hardware to facilitate riders' everyday demand during the Track Record Period.

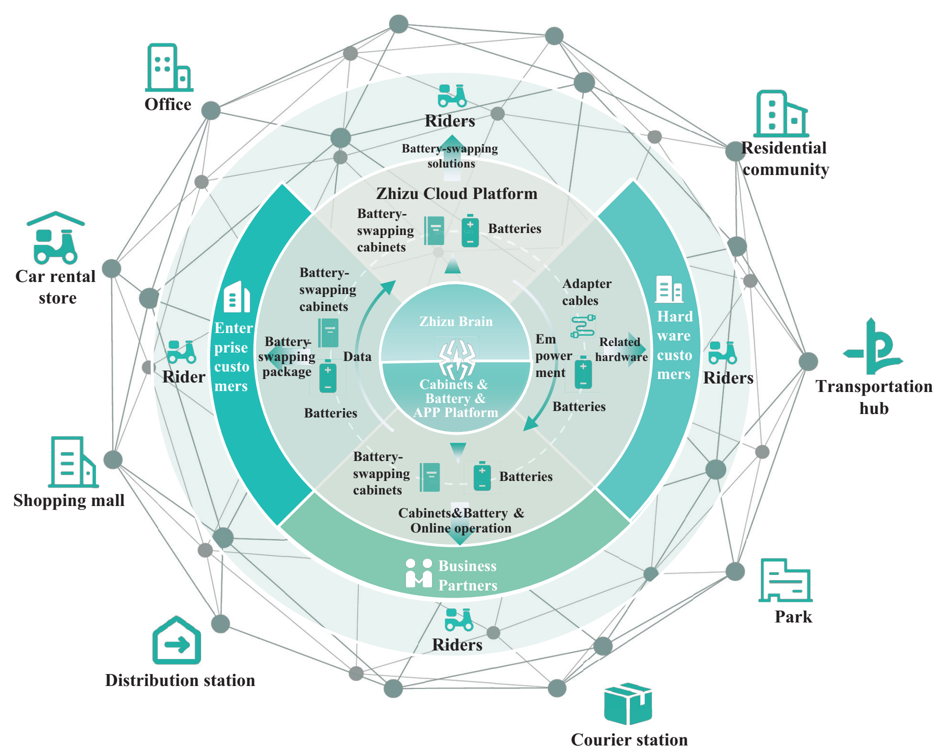
During the Track Record Period, we generated substantially all of our revenue from our battery-swapping solutions. We provide our battery-swapping solutions by operating our own battery-swapping stations in more developed regions and also sell battery-swapping cabinets and batteries and provide support to business partners in less developed regions.

- ***Battery-swapping solutions through self-operated stations.*** We have been operating our self-owned battery-swapping stations since the inception of our battery-swapping business, primarily focusing on more developed regions. As our major revenue contributor, under this business model, we possess full ownership of battery-swapping assets, such as cabinets and lithium batteries, and provide solutions directly to the riders via our self-operated network in key areas of cities in exchange for service fees. Our battery-swapping solutions are provided to riders (i) directly and (ii) through enterprises with rider resources, such as delivery platforms and LEV rental companies, who bring our battery-swapping solutions to the riders. See "– Our Battery-swapping Solutions – Battery-swapping Solutions through Self-operated Stations" for detailed business arrangement.

- ***Battery-swapping solutions through business partners.*** In less developed regions, we collaborate with business partners, which are typically local companies that desire to enter the LEV battery-swapping industry. We primarily sell battery-swapping equipment, including primarily battery-swapping cabinets and lithium batteries, and provide supporting services to our business partners in exchange for sales revenue and revenue sharing. See "– Our Battery-swapping Solutions – Battery-swapping Solutions through Business Partners" for detailed business arrangement.

Riders, or the end users, of our battery-swapping solutions comprise: (i) business-end ("**B-end**") commercial riders, our major users, primarily for delivery, courier, and logistics distribution. B-end riders have high-frequency battery-swapping needs due to their daily long-distance riding and intensive work rhythms, and are highly sensitive to solution effectiveness and cost-efficiency; and (ii) consumer-end ("**C-end**") civilian riders including daily commuters, short-distance travel enthusiasts and campus riders, among others. C-end riders have low-frequency but real-time battery-swapping needs, focusing on service convenience and flexibility.

We are committed to developing comprehensive, technology-driven battery-swapping solutions that cater to energy replenishment needs for LEVs across diverse scenarios. We, through our comprehensive digital operation platform, Zhizu Cloud Platform, have established in-depth connectivity with riders, enterprise customers and business partners. Our solutions integrate hardware with IoT, AI and algorithms, big data analytics, and other new-generation information technologies. Together with our core capabilities of safety management, efficient operations, operating cost optimization and full-chain quality control, we flexibly respond to diverse market demands and build significant competitive barriers in the industry. The following diagram illustrates our business model:



See "Business – Key Operating Metrics" for more operating data of our battery-swapping business.

OUR COMPETITIVE STRENGTHS

We believe that the following competitive strengths contribute to our success and sustainable growth in the LEV battery-swapping industry in China.

- A leading LEV battery-swapping solutions provider in China.

- Create synergies and benefits to empower the entire LEV battery-swapping industry value chain.
- Closed-loop "R&D-Production-Operation-Service" operational model.
- AI empowered, integrated software and hardware capabilities.
- Visionary and experienced management team.

See "Business – Our Competitive Strengths" for details.

OUR DEVELOPMENT STRATEGIES

We intend to further entrench our competitive strengths and implement the following strategies in pursuit of our vision.

- Continue to expand our national network and global footprints.
- Further diversify application scenarios and product offerings.
- Continue to invest in R&D to upgrade and iterate our products and technologies.

See "Business – Our Development Strategies" for details.

OUR TECHNOLOGY AND PLATFORM

According to Frost & Sullivan, we were the only battery-swapping solution provider in China that adopted an integrated "R&D-Production-Operation-Service" model as of the Latest Practicable Date, where we undertake in-house design and manufacturing of batteries and swapping cabinets, self-operate battery-swapping solutions, and provide maintenance and supporting services with our own workforce. We have a comprehensive technology portfolio, spanning smart hardware, software and IoT platforms, AI and algorithms, and big data analytics. Leveraging this technology stack, we have developed an integrated battery-swapping workflow. This allows us to continuously achieve cost efficiency, enhance operational efficiency, and deliver enhanced user experience, while maintaining autonomy over our core algorithms and data.

See "Business – Our Technology and Platform" for details.

OUR CUSTOMERS AND SUPPLIERS

Our Customers

We have accumulated a vast customer base during years of operation in the battery-swapping industry. Our customers are primarily (i) individual customers, i.e. riders purchasing our solutions directly from us, (ii) enterprises with rider resources such as delivery platforms and LEV rental companies, and (iii) business partners. Our strong industry reputation and recognition enable us to maintain long-term business relationships with our customers. Given the dispersed base of our customers, we do not have substantial reliance on any single customer. The revenue contributed by our five largest customers in each year during the Track Record Period collectively accounted for less than 10.0% of our total revenue in each of the respective years, and the revenue contributed by our single largest customer in each year during the Track Record Period accounted for less than 5.0% of our total revenue in each of the respective years.

Our Suppliers

Our suppliers consist primarily of (i) components and raw materials suppliers, including suppliers for battery cells, connectors, and wiring harnesses for the manufacturing of our batteries and cabinets; and (ii) site service providers that support our battery-swapping stations. All of our suppliers are located in the PRC. Battery cells are the key components that we procure from our suppliers. We maintain stable relationships with our suppliers to ensure the stability of material supply and delivery.

Purchases from our five largest suppliers in each year during the Track Record Period accounted for 52.4%, 33.4%, 38.8% of our total purchases in 2023, 2024 and 2025, respectively, and purchase from our single largest supplier in each year during the Track Record Period accounted for 16.8%, 20.5%, 24.8% of our total purchases in the same years, respectively.

PRICING

We adopt a cost-plus pricing strategy, with reference to market price, for our battery-swapping solutions through self-operated stations. Pricing takes into account several factors at each station, including costs of batteries and cabinets, local electricity rates, estimated electricity consumption per usage, construction and operational costs, location, and our local marketing strategies. In setting our prices, we conduct comprehensive market research to understand the market capacity, policy environment, competitive landscape, and local consumption patterns of the cities where the stations are built. See "Business – Our Battery-swapping Solutions – Battery-swapping Solutions through Self-operated Stations" for the details of our service fees. Additionally, we continuously monitor operational trends at the battery-swapping stations and dynamically adjust our fees based on varying factors such as market competition, competitors' prices, and the demand in each specific region. This strategic approach ensures that our pricing remains competitive and reflects operational costs accurately.

For sales of hardware and revenue sharing under our battery-swapping solutions through business partners, we adopt a cost-plus pricing strategy, with reference to market price and considering the revenue scale of our business partners.

RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." As different **[REDACTED]** may have different interpretations and criteria when determining the significance of a risk, you should read the "Risk Factors" section in its entirety before you decide to **[REDACTED]** in our **[REDACTED]**. Some of the major risks that we face include: (i) We operate in an emerging and fast evolving market, and may face challenges in promoting and scaling our battery-swapping solutions; (ii) Our future growth largely depends on customer acceptance and preference for LEVs, the battery-swapping model, and various battery-swapping technologies available; (iii) We invest in and establish our own battery-swapping stations. If we are unable to manage and monetize these assets, or if the performance of such stations falls short of expectations, our business and prospects may be materially and adversely affected; (iv) We face risks in connection with our cooperation with third-party site service providers; (v) We face risks associated with our sales of battery-swapping equipment to our business partners to build their battery-swapping stations, and any underperformance in this business segment or the battery-swapping stations of our business partners may adversely affect our business, financial condition, and results of operation; (vi) Operational disruptions at our battery-swapping stations could adversely affect our business, financial performance and results of operations; (vii) If we fail to upgrade and develop new solutions and products and technologies for our operations and solutions, we may lose competitiveness and our business, financial condition, and results of operations could be adversely impacted; (viii) We expect to invest in growth for the foreseeable future. If we fail to manage growth effectively, our business, results of operations, financial condition and prospects could be adversely affected; (ix) Our solutions and daily operations are subject to safety risks, and any accidents that occur during the performance of our solutions may expose us to civil, labor, environmental and criminal liabilities and adversely affect our business, results of operations, financial condition and prospects; (x) We recorded net liabilities and net current liabilities positions as of the end of each of the Track Record Period; and (xi) We could experience increases in the cost of, or shortage or disruptions, in supply of raw materials and site services.

OUR SINGLE LARGEST SHAREHOLDERS GROUP

As of the Latest Practicable Date, Mr. Li was a direct beneficial owner of 27,750,000 Shares and controlled 8,950,840 Shares and 2,500,000 Shares through Shanghai Xingchi and Shanghai Zhizu, respectively, in light of his capacity as their general partner. Therefore, the Single Largest Shareholders Group, comprising Mr. Li, Shanghai Xingchi and Shanghai Zhizu, was collectively interested in approximately 39.15% of the issued share capital of our Company. See "History and Development" in this document for details. Immediately upon completion of the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised), the Single Largest Shareholders Group is expected to be entitled to exercise an aggregate of approximately **[REDACTED]**% voting rights in our Company. The Single Largest Shareholders Group will remain as our single largest shareholders upon **[REDACTED]**. For details, please refer to "Relationship with Our Single Largest Shareholders Group" in this document.

PRE-[REDACTED] INVESTORS

Our Company obtained a series of investments from the Pre-**[REDACTED]** Investors through equity transfers and subscriptions for registered capital or Shares of our Company. For further details, see "History and Development – Investments in Our Company by the Pre-**[REDACTED]** Investors" in this document.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document:

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue	**695,846**	**734,587**	**738,639**
Cost of sales	(597,859)	(535,892)	(542,456)
Gross profit	**97,987**	**198,695**	**196,183**
Other income	26,127	26,088	21,735
Other gains and losses	10,273	(5,136)	(5,353)
Selling and marketing expenses	(78,276)	(94,410)	(80,364)
Administrative expenses	(42,421)	(42,150)	(36,006)
Research and development expenses	(44,936)	(30,198)	(29,885)
Impairment losses under expected credit loss model, net of reversal	69	(124)	(827)
Finance costs	(41,750)	(44,230)	(49,748)
Share of results of joint ventures	(418)	(612)	(551)
(Loss) profit before tax	**(73,345)**	**7,923**	**15,184**
Income tax credit (expense)	28,733	(1,996)	(7,029)
(Loss) profit for the year	**(44,612)**	**5,927**	**8,155**
Total comprehensive (expense) income for the year	**(44,612)**	**5,927**	**8,155**

Non-IFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use EBITDA, EBITDA margin, adjusted net (loss) profit and adjusted net (loss) profit margin (all are non-IFRS measures), 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 by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance.

We believe that these measures provide useful information to **[REDACTED]** and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of EBITDA, EBITDA margin, adjusted net (loss) profit and adjusted net (loss) profit margin (all are non-IFRS measures) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS. In addition, the non-IFRS measures may be defined differently from similar terms used by other companies.

We define (i) EBITDA (non-IFRS measure) as (loss) profit for the year adjusted by adding back finance costs (less bank interest income), income tax credit (expense), depreciation expenses; (ii) EBITDA margin (non-IFRS measure) as dividing EBITDA (non-IFRS measure) by revenue in the same year; (iii) adjusted net (loss) profit (non-IFRS measure) as (loss) profit for the year adjusted by adding back interest on redemption liabilities; and (iv) adjusted net (loss) profit margin (non-IFRS measure) as dividing adjusted net (loss) profit (non-IFRS measure) by revenue in the same year. The adjustments were consistently made during the Track Record Period.

The following table sets forth the reconciliations of our EBITDA, EBITDA margin, adjusted net (loss) profit and adjusted net (loss) profit margin (all are non-IFRS measures) in 2023, 2024 and 2025 presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is our (loss) profit for the year:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Reconciliation of the (loss) profit for the year to EBITDA (non-IFRS measure)			
(Loss) profit for the year	**(44,612)**	**5,927**	**8,155**
Add:			
– Finance costs	41,750	44,230	49,748
– Income tax credit (expense)	(28,733)	1,996	7,029
– Depreciation of property, plant and equipment	198,762	194,219	242,883
– Depreciation of right-of-use assets	4,297	3,578	1,891
Less:			
– Bank interest income	412	3,214	1,936
EBITDA	**171,052**	**246,736**	**307,770**
EBITDA margin	**24.6%**	**33.6%**	**41.7%**

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Reconciliation of the (loss) profit for the year to adjusted net profit (non-IFRS measure)			
(Loss) profit for the year	**(44,612)**	**5,927**	**8,155**
Add:			
– Interest on redemption liabilities	3,475	22,767	26,000
Adjusted net (loss) profit	**(41,137)**	**28,694**	**34,155**
Adjusted net (loss) profit margin	**(5.9%)**	**3.9%**	**4.6%**

Revenue

During the Track Record Period, we derived all of our revenue within Chinese mainland. The following table sets forth the breakdown of our revenue by business lines in absolute amounts and as percentages of our total revenue for the periods indicated.

	Year Ended December 31,					
	2023		**2024**		**2025**	
	RMB'000	*% of total*	*RMB'000*	*% of total*	*RMB'000*	*% of total*
Battery-swapping solutions						
Battery-swapping solutions through self-operated stations	692,723	99.6	732,790	99.8	715,460	96.9
Battery-swapping solutions through business partners	2,310	0.3	1,175	0.2	21,160	2.9
Sub-total	695,033	99.9	733,965	100.0	736,620	99.8
Hardware retail sales[(i)]	813	0.1	622	–[(ii)]	2,019	0.2
Total	**695,846**	**100.0%**	**734,587**	**100.0%**	**738,639**	**100.0%**

Notes:

(i) Included sales of battery-swapping related hardware, such as adapter cables and chargers.

(ii) Less than 0.1%.

During the Track Record Period, battery-swapping solutions constituted our single largest revenue contributor, accounting for 99.9%, 100.0% and 99.8% of our total revenue in 2023, 2024 and 2025, respectively. In particular, almost all of revenue was generated from our self-operated battery-swapping stations during the Track Record Period, accounting for 99.6%, 99.8% and 96.9% of our total revenue in the same years, respectively.

Our revenue increased from 2023 to 2024, reflecting our continuous efforts to expand our self-operated battery-swapping business. Our revenue increased from 2024 to 2025, reflecting our strategic efforts to (i) expand our business partner network that led to more asset-light business of battery-swapping solutions and (ii) diversify our revenue streams that led to increased hardware retail sales.

The following table sets forth the number of paying users and the average revenue per paying user ("**ARPU**") of our self-operated battery-swapping stations for the periods indicated.

	Year Ended December 31,					
	2023		**2024**		**2025**	
	Number of paying users	*ARPU (RMB)*	*Number of paying users*	*ARPU (RMB)*	*Number of paying users*	*ARPU (RMB)*
Battery-swapping solutions through self-operated stations	930,405	744.5	1,333,585	549.5	1,989,991	359.5

The number of paying users increased during the Track Record Period, reflecting our continuous efforts to expand our businesses of battery-swapping solutions through self-operated stations. The ARPU decreased during the Track Record Period, primarily as a result of (i) the intensified market competition, in line with the industry trend, and (ii) our strategic adjustment in and diversification of our service packages to attract new riders. Despite the decreasing trend in our ARPU during the Track Record Period, our ARPU maintained among the highest positions in the industry according to Frost & Sullivan.

See "Financial Information – Consolidated Statements of Profits or Loss and Other Comprehensive Income" for details.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales. Our gross profit margin represents our gross profit divided by our revenue, expressed as a percentage. The following table sets forth the breakdown of our gross profit and gross profit margin by business lines for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	Gross profit RMB'000	*Gross profit margin %*	*Gross profit RMB'000*	*Gross profit margin %*	*Gross profit RMB'000*	*Gross profit margin %*
Battery-swapping solutions						
Battery-swapping solutions through self-operated stations	96,315	13.9	197,985	27.0	191,080	26.7
Battery-swapping solutions through business partners	1,581	68.4	676	57.5	4,991	23.6
Sub-total	97,896	14.1	198,661	27.1	196,071	26.6
Hardware retail sales[(i)]	91	11.2	34	5.5	112	5.5
Total	**97,987**	**14.1%**	**198,695**	**27.0%**	**196,183**	**26.6%**

Note:

(i) Included sales of battery-swapping related hardware, such as adapter cables and chargers.

During the Track Record Period, almost all of our overall gross profit were contributed by gross profit generated from our battery-swapping solutions business, which was most affected by the gross profit generated from our battery-swapping solutions through self-operated stations. As a result, our gross profit margin during the Track Record Period was also determined by the gross profit margin of our battery-swapping solutions through self-operated stations in the same periods.

We recorded low gross profit and gross profit margin for our overall business and battery-swapping solutions through self-operated stations in 2023, primarily due to the impairment losses on certain batteries we purchased from an independent third party supplier with quality issues.

See "Financial Information – Description of Key Components of Our Results of Operations" for details.

Summary of Consolidated Statements of Financial Position

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Total non-current assets	929,430	917,204	941,634
Total current assets	485,595	353,152	411,255
Total current liabilities	(1,252,761)	(1,136,602)	(1,112,590)
Net current liabilities	**(767,166)**	**(783,450)**	**(701,335)**
Total assets less current liabilities	**162,264**	**133,754**	**240,299**
Total non-current liabilities	(253,471)	(212,554)	(310,944)
Net liabilities	**(91,207)**	**(78,800)**	**(70,645)**

See "Financial Information – Discussion of Certain Key Items of Consolidated Statements of Financial Position" for details.

Net Current Liabilities

We recorded net current liabilities of RMB767.2 million, RMB783.5 million, RMB701.3 million and RMB726.8 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. This was primarily due to (i) our significant purchase of components and raw materials for our business expansion during the Track Record Period, the asset balance of which was recorded in non-current assets, and (ii) our redemption liabilities in relation to our series financings.

See "Financial Information – Net Current Liabilities" for details.

Net Liabilities

Our net liabilities decreased from RMB78.8 million as of December 31, 2024 to RMB70.6 million as of December 31, 2025, primarily due to profit for the year of RMB8.2 million in 2025. Our net liabilities decreased from RMB91.2 million as of December 31, 2023 to RMB78.8 million as of December 31, 2024, primarily due to (i) profit for the year of RMB5.9 million, (ii) capital contributions of RMB166.4 million in relation to our series financings, (iii) recognition of capital contribution as redemption liabilities of RMB155.0 million and (iv) acquisition of additional interest in a subsidiary of RMB4.9 million.

Summary of Consolidated Statements of Cash Flow

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

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net cash flows from operating activities	273,208	302,996	323,609
Net cash flows used in investing activities	(437,534)	(333,907)	(245,019)
Net cash from (used in) financing activities	186,725	(18,440)	(10,017)
Net increase (decrease) in cash and cash equivalents	22,399	(49,351)	68,573
Cash and cash equivalents at January 1	55,394	77,793	28,442
Total cash and cash equivalents at December 31	**77,793**	**28,442**	**97,015**

See "Financial Information – Liquidity and Capital Resources – Cash Flows" for details.

Key Financial Ratios

The following table sets forth certain of our key financial ratios for the periods indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
		%	
Gross profit margin[(i)]	14.1	27.0	26.6
Net profit margin[(ii)]	(6.4)	0.8	1.1
Operating cash flow-to-revenue[(iii)]	39.3	41.2	43.8
EBITDA margin[(iv)]	24.6	33.6	41.7

Notes:

(i) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(ii) Net profit margin is calculated based on profit for the period divided by revenue and multiplied by 100%.

(iii) Operating cash flow-to-revenue ratio is calculated as dividing net cash from operating activities in a given year by revenue in the corresponding year.

(iv) EBITDA margin is calculated as dividing EBITDA by revenue and multiplied by 100%.

COMPETITION

We operate in a rapidly emerging and evolving market in China, and face competition from a growing number of international and domestic market players, competing across factors such as the range of supported LEV models for battery-swapping solutions, service pricing and quality, service efficiency, and accessibility. The LEV battery-swapping industry is relatively consolidated, with the five largest market players accounting for 60.5% of the entire market size in terms of revenue in 2025. Competition with established leading market players and rapidly emerging new entrants is expected to persist and intensify as we continue to expand our market presence.

We believe that we are well-positioned in our industry, and we compete favorably with competitors due to our in-house developed technologies and operational platforms, software-hardware-integrated capabilities, and mass production capabilities. Nevertheless, our competitors may have longer operating histories, greater brand recognition, larger consumer bases, more established local presence as well as greater financial, technical and other resources. See "Risk Factors – Risks Relating to Our Business and Industry – We face increased competition and may not be able to compete effectively." For more information on the competitive landscape of our industry, see "Industry Overview – Analysis of Competition in China's LEV Battery-swapping Industry."

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time become a party to various litigation, arbitration or administrative proceedings arising in the ordinary course of our business. See "Business – Legal Proceedings and Compliance – Legal Proceedings" for details.

During the Track Record Period and up to the Latest Practicable Date, we were not a party to any legal, arbitral or administrative proceedings that could, individually or in the aggregate, have a material adverse effect on our business, financial performance and results of operations.

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

[REDACTED]

[REDACTED]

[REDACTED] EXPENSES

The estimated total **[REDACTED]** expenses (based on the mid-point of our indicative **[REDACTED]** range for the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised) for the **[REDACTED]** are approximately RMB**[REDACTED]** million (or **[REDACTED]**% of the **[REDACTED]** estimated to be received by us from the **[REDACTED]**), of which an estimated amount of approximately RMB**[REDACTED]** million is expected to be expensed through the statement of profit or loss and the remaining amount of approximately RMB**[REDACTED]** million is expected to be recognized directly as a deduction from equity upon the **[REDACTED]**. The estimated total **[REDACTED]** expenses comprise: (i) **[REDACTED]** expenses, including **[REDACTED]**, of approximately RMB**[REDACTED]** million; and (ii) **[REDACTED]** expenses of approximately RMB**[REDACTED]** million, including (a) fees paid and payable to legal advisers and reporting accountant of approximately RMB**[REDACTED]** million; and (b) other fees and expenses, including sponsor fees, of approximately RMB**[REDACTED]** million.

The **[REDACTED]** expenses above are the current estimate for reference only and the final amount to be recognized to our consolidated income statement is subject to audit and the then changes in variables and assumptions.

DIVIDENDS

We are incorporated under the laws of the PRC. Any dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors which our Directors consider relevant. Our shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. We do not currently have a formal dividend policy or a predetermined payout ratio.

Under the applicable PRC laws and regulations, a PRC incorporated company is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. We may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Advisors, our PRC companies cannot pay dividends if such companies are in an accumulated loss position.

We neither declared nor paid any dividends during the Track Record Period. For further details, see note 14 to the Accountants' Report in Appendix I to this document. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Our Directors have the absolute discretion to recommend any dividend subject to our constitutional documents and the relevant laws. We cannot assure you that we will be able to declare dividends of any amount each year or in any year.

FUTURE PLANS AND [REDACTED]

We estimate that we will receive **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]** million, after deducting **[REDACTED]**, fees and estimated expenses payable by us in connection with the **[REDACTED]**, and assuming an **[REDACTED]** of HK$**[REDACTED]** per Share (being the midpoint of the indicative **[REDACTED]**) and that the **[REDACTED]** is not exercised. We currently intend to apply these net **[REDACTED]** for the following purposes:

- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for expansion of our domestic market, aiming to expand our service network, increase user penetration, and further grow our business scale.
- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for overseas market expansion, focusing on building our localized service network and operational capabilities in Southeast Asia market starting with Indonesia.
- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for R&D, aiming to reinforce our product competitiveness, digital operation capabilities and technological edges.
- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for domestic production line construction, aiming to improve our manufacturing capacities and efficiency.
- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for working capital and other general corporate purposes, including daily operations, expansion of regional operation centers, talent acquisition, and supply chain coordination.

See "Future Plans and **[REDACTED]**" in this document for details.

RECENT DEVELOPMENT

We continued to expand our product portfolio to unlock new growth potential. In particular, we launched our battery retail sales business branded as "ZhiBa Lithium Battery" (智霸鋰電) in March 2026, with accumulated revenue of approximately RMB11.5 million as of the Latest Practicable Date, ranking first in the same product category across multiple leading e-commerce platforms.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, up to the date of this document, there has been no material adverse change in our financial and trading position or prospects since December 31, 2025, being the end date of our latest consolidated financial statements as set out in the Accountants' Report included 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 "Appendix I – Accountants' Report" to this document.