***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

Who We Are

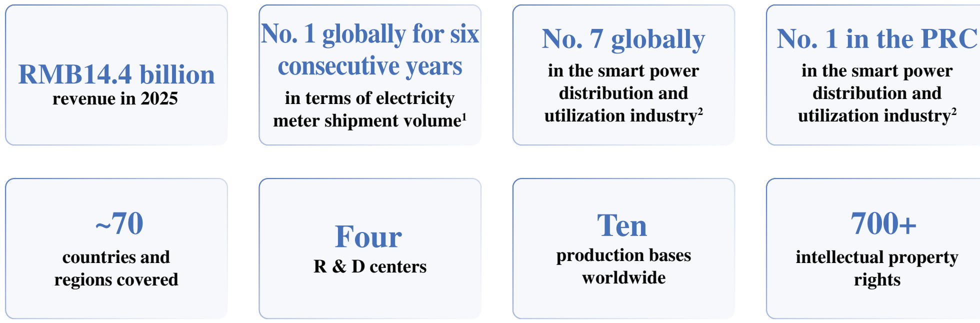
We are a globally leading provider of comprehensive smart power distribution and utilization equipment and solutions, and the largest chain rehabilitation hospital group in China. According to Frost & Sullivan, we ranked seventh globally and first in China by smart power distribution and utilization equipment and solutions revenue in 2025, with a global market share of 1.9% and a China market share of 5.0%. In 2025, our smart meters ranked first worldwide by shipment volume for the sixth consecutive year since 2020, with a global market share of 10.1% in 2025. We are the largest chain rehabilitation hospital group in China, providing differentiated rehabilitation medical services anchored by critical illness rehabilitation, with neurological and functional rehabilitation as our core competencies and elderly rehabilitation as our foundation. According to Frost & Sullivan, we ranked first among chain rehabilitation hospital groups in China by number of rehabilitation hospitals in 2025, with 25 operating rehabilitation hospitals and a market share of 2.8%.

We are committed to becoming a globally leading provider of power grid equipment and solutions and a leading medical services group in China. Guided by our mission to support the national "dual carbon" strategy and advance public health, we aim to build an enterprise group defined by product leadership, a global footprint and best-in-class service delivery.

During the Track Record Period, our smart power distribution and utilization segment delivered steady and sustained growth, forming the cornerstone of our financial performance. Our medical services segment underscores our commitment to social responsibility and long-term value creation. This dual-principal business structure effectively diversifies operational risks and enhances the overall resilience of our Group.

In particular, we are among the few industry players focusing on comprehensive offerings across both smart power distribution and utilization equipment and solutions, a competitive differentiator that sets us apart from single-segment peers. In our smart power distribution and utilization segment, nearly four decades of deep industry expertise have enabled us to build a comprehensive and differentiated product matrix spanning three core business lines: smart power utilization equipment and solutions, smart power distribution equipment and solutions, and new energy products. As of December 31, 2025, we had ten production bases globally, comprising nine established in China, Brazil, Indonesia, Poland, Germany, Mexico and Kenya, and one under construction in Brazil, together with over 40 sales centers worldwide, reflecting our commitment to continued global capacity expansion. Our operations span approximately 70 countries and regions, including 20 European countries, making us one of the Chinese power grid equipment companies with the broadest market presence in Europe according to Frost & Sullivan.

The diagram below sets forth certain key indicators illustrating our industry standing:



Notes:

(1) According to Frost & Sullivan, our Group ranked No. 1 globally in terms of smart electricity meter shipment volume for six consecutive years from 2020 to 2025.

(2) According to Frost & Sullivan, our Group ranked No. 7 globally and No. 1 in the PRC in terms of revenue generated from smart power distribution and utilization equipment and solutions in 2025.

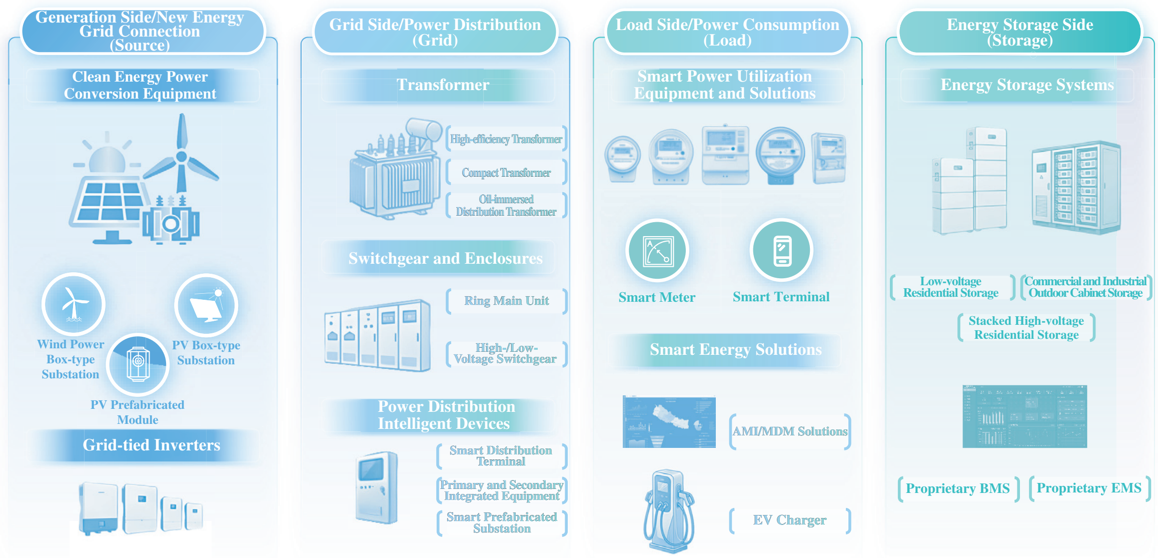
In the medical services sector, we were among the earliest entrants into China's private rehabilitation hospital market, establishing first-mover advantage and economies of scale in chain rehabilitation hospitals operations. Our integrated platform for medical practice, education and research cultivates a robust pipeline of leading medical professionals, reinforcing our market-leading position.

Our History

Since our establishment, we have forged ahead for nearly four decades, expanding from our roots in power distribution and utilization to medical services, establishing a leading position in both industries. During our foundation and deepening phase from 1986 to 2007, we pioneered entry into the power meter industry and developed China's first all-plastic electricity meter housing. We also established the "Sanxing" brand and rose to become the leading player in China's electricity meter industry. Following our listing on the main board of the Shanghai Stock Exchange in 2011, we started to provide medical services since 2015, formally adopting a dual-principal business model of "smart power distribution and utilization equipment and solutions + medical services." Since 2015, we officially launched our international strategy by gradually establishing production bases in Brazil, Indonesia, Poland, Germany, and Mexico, while further expanding our product portfolio into new energy products in 2022. We began expanding into the overseas power distribution business since 2023. As of December 31, 2025, our medical service segment has grown to include 38 hospitals, including 32 rehabilitation hospitals. Among these, eight hospitals, including seven rehabilitation hospitals, were under construction or in preparatory stages. For details, see "Business — Overview — Our Development History."

Our Product Matrix and Services

In our smart power distribution and utilization segment, nearly four decades of deep industry expertise have enabled us to build a comprehensive and differentiated product matrix spanning three core business lines: smart power utilization equipment and solutions, smart power distribution equipment and solutions, and new energy products. Together, these lines cover the full spectrum of power usage scenarios — from the generation side ("source") and grid side ("grid") to the utilization side ("load") and energy storage side ("storage") — addressing the increasingly integrated needs of the modern power industry.



Note: For revenue classification purposes, within the generation side category, clean energy power conversion equipment are classified under our smart power distribution equipment and solutions, and grid-tied inverters are classified under our new energy products; all products within the grid side category are classified under our smart power distribution equipment and solutions; within the load side category, EV chargers are classified under our new energy products, while all other products in the load side category are classified under our smart power utilization equipment and solutions; all products within the storage side category are classified under our new energy products.

Smart Power Utilization Equipment and Solutions

Our smart power utilization equipment and solutions center on smart meters and extend across gateway meters, smart terminals, and system integration solutions including AMI/MDM platforms. We lead the iteration and upgrade of domestic technical standards, successfully promoting domestically-produced high-end gateway meters and resolving key metering technology bottlenecks. Our new-generation smart meters and energy controllers comply with 2024/2025 standards of the two large national-level grid groups, delivering wider measurement range, enhanced stability and greater intelligence for demanding new energy scenarios. In overseas markets, we have deployed multiple AMI solutions, including next-generation AI-powered smart grid offerings based on Wi-SUN/PLC/4G protocols, supporting functionalities including collection rates, line loss control, anti-theft protection, intelligent operation and management and real-time grid data analytics. In Europe, our metering products feature high reliability, long-life design, high security levels (Suite 2) and real-time power quality monitoring capable of detecting harmonics, flicker and RVC. As general contractor, we partnered with a leading global system supplier and a major European telecom operator to deploy an AMI project of approximately one million units in Sweden, implementing quad-mode communication solution with KPIs exceeding 97% at 15 minutes and 99.7% at 24 hours, representing industry-leading performance.

Smart Power Distribution Equipment and Solutions

Our smart power distribution equipment and solutions comprehensively cover principal distribution equipment at 35kV and below, comprising a complete product matrix encompassing transformers, PV/wind power box-type substations, energy storage all-in-one unit, ring main units/eco-gas switchgear, and switchgear. Our proprietary energy-efficient transformers achieve noise indicators that surpass national standards, representing domestically leading manufacturing benchmarks. Our gas-insulated switchgear is recognized as a first-of-its-kind product in China. Our products are also highly competitive in global high-end markets: our oil-immersed transformers outperform EU EN standards across multiple key parameters including no-load loss, load loss and top-oil temperature rise, earning strong recognition from overseas customers. In March 2026, we won a Dutch power distribution grid project exceeding EUR100 million, ranking first in tender evaluation, demonstrating the competitiveness of our distribution products in international markets.

New Energy Products

Our new energy product business encompasses PV grid-tied inverter, hybrid inverter, residential energy storage battery, rack-mounted battery energy storage system and EV charger, forming an integrated "charging-inverter-storage" new energy product matrix. Our inverter product line covers 3-330kW PV grid-tied inverters and 3.6-50K hybrid inverters for residential, commercial, industrial and utility-scale applications, supported by a proprietary AI-powered diagnostics platform. Our energy storage solutions range from 5-16kWh residential systems to 5MWh large-scale DC storage cabins, with independently developed BMS and EMS for intelligent energy management. Our charging pile products span 7kW to 640kW, including DC chargers supporting national, European and U.S. standards.

Medical Services Segment

In medical services, we strategically cover key regions including the Yangtze River Delta and the Pearl River Delta, with a network of 38 hospitals, including 32 rehabilitation hospitals, as of December 31, 2025. Among these, eight hospitals, including seven rehabilitation hospitals, were under construction or in preparatory stages. Years of dedicated engagement have built a trusted healthcare brand with widespread recognition and strong patient loyalty, underpinned by clinical specialization, standardized care pathways and a highly committed medical team.

Our Financial Performance

During the Track Record Period, our business and financial performance delivered steady and sustained growth. Revenue grew from RMB11,462.5 million in 2023 to RMB14,600.5 million in 2024, and remained relatively stable at RMB14,360.8 million in 2025. Our net profit amounted to RMB1,920.8 million in 2023, RMB2,273.2 million in 2024, and RMB1,248.8 million in 2025.

Overseas business has emerged as one of the primary engines driving our financial performance growth, with the proportion of overseas revenue rising continuously and the contribution of the smart power distribution business growing significantly. Our revenue from overseas operations increased from RMB1,960.6 million in 2023 to RMB2,780.8 million in 2025, with a CAGR of 19.1%. Our localized operations in core markets including Europe, the Middle East and Latin America continued to deepen, with particularly strong performance in the European market. We achieved first-order breakthroughs for power distribution business in multiple new countries including Hungary, Romania and Slovakia in 2025, and the Netherlands in the first half of 2026, demonstrating the robust momentum and replicability of overseas expansion strategy.

OUR COMPETITIVE STRENGTHS

We believe the following strengths position us well to capitalize on future opportunities and deliver continued growth: (i) four decades of deep engagement in the power industry, establishing a global leading position; (ii) long-standing, trusted relationships with leading customers; (iii) industry-leading R&D innovation and research capabilities; (iv) a leading global operating network and diversified sales channels; (v) intelligent and green manufacturing capabilities with industry-leading automation and certification; and (vi) an entrepreneurial management team with deep experience and a high-caliber talent pipeline. For details, see "Business — Our Competitive Strengths."

OUR STRATEGIES

We aim to further grow our business by pursuing the following strategies: (i) deepening localized operations worldwide; (ii) increasing R&D investment to achieve new business breakthroughs; (iii) strengthening full source-grid-load-storage value chain coverage; (iv) accelerating digital and intelligent transformation; and (v) strengthening talent development and organizational reform. For details, see "Business — Our Strategies."

OUR CUSTOMERS AND SUPPLIERS

During the Track Record Period, our customers for our smart power distribution and utilization business primarily consisted of two large national-level grid groups and the top five power generation groups and their subsidiaries, and regional power companies. We also catered to customers in emerging industries, such as new energy central state-owned enterprises, data centers and energy storage companies. During the Track Record Period, our customers of the medical services business segment primarily consisted of patients. Our largest customers for our medical services business in each year during the Track Record Period contributed to around or less than 0.05% of our total revenue in the respective year. For the years ended December 31, 2023, 2024 and 2025, our revenue generated from sales to our five largest customers in each period in aggregate amounted to RMB4,807.3 million, RMB5,466.9 million and RMB5,333.0 million, respectively, representing 41.9%, 37.4% and 37.1% of our total revenue in the corresponding periods.

During the Track Record Period, our suppliers primarily consisted of providers of raw materials and components we mainly use in our manufacturing process. For our smart power distribution and utilization business, these primarily include chips, electronic components, customized parts, structural components, bulk commodities including copper, iron and mineral insulating oil, and other auxiliary materials. We also engage service providers for services such as the collection and provision of market information. In addition, we have suppliers for pharmaceuticals, medical equipment and consumables for our medical services business. For the years ended December 31, 2023, 2024 and 2025, our purchases from our five largest suppliers in each period in aggregate amounted to RMB1,128.1 million, RMB1,058.4 million and RMB1,163.4 million, respectively, representing 14.0%, 11.3% and 13.2% of our total purchases in the corresponding periods.

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

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

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

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the years indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	*RMB'000*	%	*RMB'000*	%
Revenue	**11,462,508**	**100.0**	**14,600,478**	**100.0**	**14,360,766**	**100.0**
Cost of sales	(7,618,978)	(66.5)	(9,616,445)	(65.9)	(10,470,364)	(72.9)
Gross profit	**3,843,530**	**33.5**	**4,984,033**	**34.1**	**3,890,402**	**27.1**
Other income and gains	475,142	4.1	461,775	3.2	748,710	5.2
Selling and distribution expenses	(841,754)	(7.3)	(1,016,915)	(7.0)	(1,123,240)	(7.8)
Administrative expenses	(868,023)	(7.6)	(979,538)	(6.7)	(897,351)	(6.2)
Impairment losses on goodwill	(8,683)	(0.1)	(13,604)	(0.1)	(355,865)	(2.5)
Research and development expenses	(470,827)	(4.1)	(523,327)	(3.6)	(607,283)	(4.2)
Share of net profits of investments in associates	230,272	2.0	194,975	1.3	146,605	1.0
Impairment loss on financial and contract assets	(13,975)	(0.1)	(38,897)	(0.3)	(48,933)	(0.3)
Other expenses	(30,864)	(0.3)	(300,945)	(2.1)	(49,703)	(0.3)
Finance costs	(52,751)	(0.5)	(95,001)	(0.7)	(124,494)	(0.9)
Profit before tax	**2,262,067**	**19.7**	**2,672,556**	**18.3**	**1,578,848**	**11.0**
Income tax expense	(341,263)	(3.0)	(399,319)	(2.7)	(330,002)	(2.3)
Profit for the year	**1,920,804**	**16.8**	**2,273,237**	**15.6**	**1,248,846**	**8.7**
Attributable to:						
Owners of the parent	1,903,702	16.6	2,259,518	15.5	1,273,962	8.9
Non-controlling interests	17,102	0.1	13,719	0.1	(25,116)	(0.2)

Non-IFRS Measures

To supplement our consolidated financial statements that are presented in accordance with IFRS Accounting Standards, we also use EBITDA (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with, IFRS Accounting Standards. We define EBITDA (non-IFRS measure) as profit for the year plus (i) depreciation and amortization, which represents the depreciation of property, plant and equipment, right-of-use assets and investment property and the amortization of intangible assets; (ii) finance costs; and (iii) income tax expenses, minus interest income. We believe that this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company. We believe that this measure provides useful information to [**REDACTED**] and others in understanding and evaluating our results of operations in the same manner as they help our management. However, our presentation of EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards. The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) in accordance with IFRS Accounting Standards for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Profit for the year	**1,920,804**	**2,273,237**	**1,248,846**
Add:			
Depreciation and amortization	390,479	476,346	541,661
Finance costs	52,751	95,001	124,494

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Income tax expenses	341,263	399,319	330,002
Less:			
Interest income	46,439	75,791	42,465
EBITDA (non-IFRS measure)	**2,658,858**	**3,168,112**	**2,202,538**

Revenue

During the Track Record Period, we primarily generated revenue from (i) our smart power distribution and utilization business, including the sales of smart power distribution, smart power utilization equipment and solutions and new energy products; and (ii) our medical services business, which primarily consisted of revenue derived from inpatient and outpatient services provided by our hospitals. We also generated revenue from other businesses, such as sales of other accessories, spare parts and related services, and gross rental income from operating leases. The following table sets forth the breakdown of our revenue by types of products and services, in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Sales of smart power distribution and utilization products	8,436,344	73.6	11,120,129	76.2	11,162,661	77.7
– smart power distribution equipment and solutions	3,932,846	34.3	5,827,984	39.9	6,503,860	45.3
– smart power utilization equipment and solutions	4,423,330	38.6	5,173,819	35.4	4,223,444	29.4
– new energy products	80,168	0.7	118,326	0.8	435,357	3.0
Medical services	2,782,527	24.3	3,258,073	22.3	2,975,697	20.7
Others	243,637	2.1	222,276	1.5	222,408	1.6
Total	**11,462,508**	**100.0**	**14,600,478**	**100.0**	**14,360,766**	**100.0**

Chinese Mainland represents our largest individual market, contributing 82.9%, 81.4% and 80.6% of our total revenue in 2023, 2024 and 2025, respectively. Our revenue from overseas sales amounted to RMB1,960.6 million, RMB2,713.5 million and RMB2,780.8 million in 2023, 2024 and 2025, respectively, accounting for 17.1%, 18.6% and 19.4% of our total revenue for the same periods, respectively.

Gross Profit and Gross Profit Margin

The following table sets forth our gross profit and gross profit margin by types of products and services for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Sales of smart power distribution and utilization products	2,834,258	33.6	3,785,351	34.0	2,898,381	26.0
– smart power distribution equipment and solutions	869,476	22.1	1,445,293	24.8	1,283,702	19.7
– smart power utilization equipment and solutions	1,954,727	44.2	2,318,946	44.8	1,583,982	37.5
– new energy products	10,055	12.5	21,112	17.8	30,697	7.1
Medical services	874,051	31.4	1,117,365	34.3	858,043	28.8
Others	135,221	55.5	81,317	36.6	133,978	60.2
Total gross profit/Overall gross profit margin	**3,843,530**	**33.5**	**4,984,033**	**34.1**	**3,890,402**	**27.1**

We recorded total gross profit of RMB3,843.5 million, RMB4,984.0 million and RMB3,890.4 million, and gross profit margins of 33.5%, 34.1% and 27.1%, in 2023, 2024 and 2025, respectively.

Profit for the Year

We recorded a profit of RMB1,920.8 million, RMB2,273.2 million and RMB1,248.8 million in 2023, 2024 and 2025, respectively.

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total non-current assets	9,308,210	10,676,777	11,158,643
Total current assets	12,204,811	13,799,709	14,627,921
Total current liabilities	6,852,010	7,819,734	7,786,491
Net current assets	5,352,801	5,979,975	6,841,430
Total assets less current liabilities	14,661,011	16,656,752	18,000,073
Total non-current liabilities	3,507,703	4,382,814	6,224,444
Net assets	11,153,308	12,273,938	11,775,629

Our net current assets increased from RMB5,352.8 million as of December 31, 2023 to RMB5,980.0 million as of December 31, 2024, primarily attributable to an increase in our current assets, mainly as a result of (i) an increase of RMB949.3 million in trade and bills receivables due to the revenue growth in 2024; (ii) an increase of RMB820.5 million in inventories mainly in line with the growth of our business scale; and (iii) an increase of RMB775.9 million in financial assets at FVTPL; partially offset by an increase in our current liabilities, primarily due to (i) an increase of RMB666.6 million in trade and bills payables primarily because of the growth in our procurement volume and stocking up of raw materials for business expansion; and (ii) an increase of RMB294.5 million in other payables and accruals.

Our net current assets further increased from RMB5,980.0 million as of December 31, 2024 to RMB6,841.4 million as of December 31, 2025, primarily attributable to an increase in our current assets, mainly as a result of (i) an increase of RMB918.7 million in cash and bank balances; and (ii) an increase of RMB225.9 million in inventories; partially offset by a decrease of RMB265.4 million in financial assets at FVTPL; while our current liabilities remained relatively stable, with an increase of RMB369.1 million in trade and bills payables partially offset by a decrease of RMB177.8 million in other payables and accruals.

For details of our fluctuation in key items of our consolidated statements of financial position during the Track Record Period, see "Financial Information — Discussion of Certain Key Items of Consolidated Statements of Financial Position."

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our consolidated cash flow statements for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net cash flows generated from operating activities	1,901,307	1,836,184	1,771,421
Net cash flows used in investing activities	(525,787)	(1,887,629)	(696,902)
Net cash flows generated from/(used in) financing activities	1,137,578	(768,325)	(150,780)
Net increase/(decrease) in cash and cash equivalents	2,513,098	(819,770)	923,739
Cash and cash equivalents at beginning of the year	2,530,756	5,042,686	4,140,697
Effect of foreign exchange rate changes, net	(1,168)	(82,219)	(5,049)
Cash and cash equivalents at the end of the year	5,042,686	4,140,697	5,059,387

Key Financial Ratios

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

	As of/For the year ended December 31,		
	2023	2024	2025
Gross profit margin[(1)]	33.5%	34.1%	27.1%
Net profit margin[(2)]	16.8%	15.6%	8.7%
Return on total assets[(3)]	10.2%	9.9%	5.0%

Notes:

(1) Gross profit margin equals gross profit divided by revenue for the year and multiplied by 100%.

(2) Net profit margin equals profit for the year divided by revenue for the year and multiplied by 100%.

(3) Return on total assets equals profit for the year divided by average total assets for the year and multiplied by 100%.

RISK FACTORS

Our operations and the [**REDACTED**] involve certain risks and uncertainties, including (i) risks relating to our smart power distribution and utilization business and industry; (ii) risks relating to our medical service business and industry; (iii) risks relating to financial, accounting and tax matters; (iv) risks relating to our operations; (v) risks relating to government regulations; and (vi) risks relating 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 [**REDACTED**] in the [**REDACTED**]. Some of the major risks we face include, but are not limited to: (i) we operate in a highly competitive environment, and failure to compete successfully would adversely affect our market position, business and financial results; (ii) any failure to continually sharpen our technologies, develop and refine our products as well as expand our product portfolio could adversely affect our competitive position; (iii) our failure to maintain and expand our sales network directly or through distributors could negatively impact our business, financial condition and results of operations; (iv) our businesses are dependent on various downstream industries. A downturn experienced by any of these industries could adversely affect our business; (v) our growth and profitability are sensitive to the market conditions and fluctuating demand for our products and solutions, and potential adverse development of the supply-demand dynamics may significantly affect the price and market demand of our products and solutions; (vi) we conduct our business in a heavily regulated industry and are subject to extensive regulatory requirements; (vii) if we become subject to additional pricing guidelines on medical services, pharmaceuticals, medical equipment and medical consumables, our revenue may be adversely affected; and (viii) our failure to maintain relationships with public medical insurance authorities or commercial insurance providers on terms similar to those currently in place could have a material adverse effect on our business, results of operations and prospects.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. ZHENG Jianjiang, directly and indirectly through AUX Group, Ningbo Yuanxing and Ningbo Yuanhe, controlled approximately 45.52% of voting rights in our Company (excluding treasury Shares). Immediately following completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no other changes are made to the issued share capital of our Company from the Latest Practicable Date to the [**REDACTED**]), Mr. ZHENG Jianjiang, directly and indirectly through AUX Group, Ningbo Yuanxing and Ningbo Yuanhe, will control approximately [**REDACTED**]% of voting rights in our Company (excluding treasury Shares). Therefore, Mr. ZHENG Jianjiang, Ningbo Yuanxing, Ningbo Yuanhe and AUX Group are and will continue to be a group of Controlling Shareholders of our Company upon the [**REDACTED**].

For further details about our Controlling Shareholders, please refer to the section headed "Relationship with our Controlling Shareholders" in this document.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE

On June 15, 2011, our Company completed the A-Share Listing and our A Shares commenced trading on the Shanghai Stock Exchange (stock code: 601567). Our Directors confirm that, since our listing on the Shanghai Stock Exchange and up to the Latest Practicable Date, we had no instances of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the [**REDACTED**]' attention in relation to our compliance record on the Shanghai Stock Exchange. Based on the public searches on the websites of Shanghai Stock Exchange and CSRC and its Ningbo Office, there are no records of material non-compliance of our Company with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations, therefore, nothing has come to the PRC Legal Advisors' attention that, during the Track Record Period and as of the Latest Practicable Date, our Company had any instance of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations in any material respect. Based on the independent due diligence conducted by the Sole Sponsor and the PRC Legal Advisors' view above, no material matter has come to the Sole Sponsor's attention that would cause them to disagree with the Directors' confirmation with regard to the compliance records of our Company on the Shanghai Stock Exchange.

[REDACTED] STATISTICS

The statistics in the following table are based on the assumptions that (i) the [**REDACTED**] has been completed and [**REDACTED**] H Shares are newly issued in the [**REDACTED**], (ii) the [**REDACTED**] for the [**REDACTED**] is not exercised, and (iii) [**REDACTED**] Shares are issued and outstanding following the completion of the [**REDACTED**]:

	Based on the [REDACTED] of HK$[REDACTED] per H Share	Based on the [REDACTED] of HK$[REDACTED] per H Share
[**REDACTED**] of our H Shares	HK$[**REDACTED**]	HK$[**REDACTED**]
[**REDACTED**] of our Shares[1]	HK$[**REDACTED**]	HK$[**REDACTED**]
Unaudited [**REDACTED**] adjusted consolidated net tangible assets per Share[2]	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation of [**REDACTED**] of our Shares is based on 1,399,454,029 A Shares in issue as of the Latest Practicable Date (excluding 5,755,371 A Shares held as treasury Shares) with an average closing price of RMB16.07 for the five business days immediately preceding the Latest Practicable Date and the [**REDACTED**] H shares expected to be in issue immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

(2) The unaudited [**REDACTED**] adjusted consolidated net tangible assets per H Share is arrived at after the adjustments referred to in the section headed "Unaudited [**REDACTED**] Financial Information" in Appendix II to this document and is calculated based on [**REDACTED**] Shares in issue immediately following the completion of the [**REDACTED**] without taking into account any Shares which may be issued upon the exercise of the [**REDACTED**].

(3) No adjustment has been made to the unaudited [**REDACTED**] adjusted consolidated net tangible assets to reflect any trading results or other transactions of our Group entered into subsequent to December 31, 2025, including but not limited to the dividend declaration in May 2026. Had such dividend declaration been taken into consideration, the unaudited [**REDACTED**] adjusted consolidated net tangible assets of the Group attributable to owners of the parent per share would have been HK$[**REDACTED**] based on an [**REDACTED**] of HK$[**REDACTED**] per share and HK$[**REDACTED**] based on an [**REDACTED**] of HK$[**REDACTED**] per share, on the basis that [**REDACTED**] Shares are expected to be in issue immediately following the completion of the [**REDACTED**], assuming that the dividend declaration and the [**REDACTED**] had been completed on December 31, 2025.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document and that the [**REDACTED**] is not exercised.

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

- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for our worldwide research and development efforts;
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for upgrading our intelligent manufacturing system and supply chain management;
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for global strategic investments and acquisitions; and
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for working capital and general corporate purposes.

See the section headed "Future Plans and Use of [**REDACTED**]" in this document for further information relating to our future plans and use of [**REDACTED**] from the [**REDACTED**].

DIVIDENDS

In 2023, 2024 and 2025, we had paid dividends RMB494.4 million, RMB909.8 million and RMB1,924.3 million. The final dividend distribution of RMB202.9 million in respect of 2025 was subsequently approved by the annual general meeting on May 15, 2026. As of the date of this document, we have paid these dividends in full.

After completion of the [**REDACTED**], our Shareholders will be entitled to receive dividends we declare. We may distribute dividends by way of shares or cash, or a combination of both shares and cash. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC Law and approval by our Shareholders.

In April 2025, we announced our Shareholder Return Plan for 2025-2027. Pursuant to this plan, under the premise of ensuring our sustainable operation and long-term development, if the Company is profitable and the accumulated undistributed profits are positive for the year ended December 31, 2025, 2026 or 2027, the dividends will be distributed by the Company in cash in the current and/or subsequent year and the dividends should not be less than 45% of the distributable profits realized for each of the years ended December 31, 2025, 2026 or 2027.

[REDACTED] EXPENSES

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

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Recent Development

In the first half of 2026, we continued to solidify our market leadership regarding our smart power distribution and utilization business. As of March 31, 2026, our order backlog reached RMB15.7 billion, providing solid support for future performance growth. Moreover, we continued to expand our global footprint in the first half of 2026 by entering into several contracts with local power bureaus in the Netherlands and Malaysia, separately. These agreements represent an aggregate value of approximately RMB1,107.0 million.

No Material Adverse Change

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