OVERVIEW

Who We Are

We are a smart device and mobile Internet service provider, specializing in the design, R&D, manufacturing, sales and brand management of smart devices, with a focus on mobile phones. Through our mobile phone business, we have established brand recognition and cultivated a broad, growing user base. This foundation has allowed us to extend into (i) mobile Internet services and (ii) IoT products and other products, creating an interconnected ecosystem of products, services and brands.

The following is our business highlights:

Notes:

(1) In terms of our mobile phone sales volume in 2024, according to Frost & Sullivan.

(2) In terms of the number of countries and regions where we sold products and services during the Track Record Period.

(3) In terms of our mobile phone sales volume in 2025.

(4) In terms of the average MAUs of Transsion OS in 2025.

Our Brands, Products and Services

Our mobile phone products are primarily offered through the following brands:

Brand	Features	Major Awards
TECNO	Premium design targeting middle-to-high-end consumers	• Top 100 Most Admired Brands in Africa (*African Business*) • Global Smartphone Top 10 • Best Inventions of the Year (*TIME*)
Infinix	Trendy design targeting young consumers	• Top 100 Most Admired Brands in Africa (*African Business*) • Most Innovative Companies Award (*Fast Company*)
itel	Affordability and reliability targeting mass-market consumers	• Top 100 Most Admired Brands in Africa (*African Business*) • Most Innovative Brand (Titans of Technology Awards)

Aside from mobile phones, our products and services also include:

- ***Mobile Internet services***: Based on our proprietary mobile operating system, Transsion OS, we offer a wide range of services, including application downloads, gaming and content viewing, through our application portfolio. Specifically:
  - *Transsion OS*: Transsion OS is pre-installed on our mobile phone products. Transsion OS is fully compatible with Android and supports a wide range of third-party apps. In 2025, Transsion OS had over 290 million average MAUs.
  - *Application portfolio*:
    - Palm Store is our application distribution platform pre-installed on our mobile phones. Palm Store provides a wide range of apps across categories such as communication, entertainment, productivity, gaming and utility tools. In 2025, Palm Store had over 180 million average MAUs.
    - AHA Games is our gaming platform pre-installed on our mobile phone products. AHA Games provides a wide range of games tailored to local user's preferences. AHA Games can be downloaded through mobile app stores. In 2025, AHA Games had over 130 million average MAUs.

- We have partnered with leading global Internet companies to jointly develop popular apps. For example, we have jointly incubated Boomplay, a leading music streaming platform in Africa, with NetEase. In 2025, Boomplay had over 50 million average MAUs, and was one of the music apps that had the highest MAU across major African countries, according to Frost & Sullivan. In addition, we have jointly developed Phoenix, an integrated content distribution platform, with Tencent. In 2025, Phoenix had over 140 million average MAUs, and is widely used in Africa and Southeast Asia.

- ***IoT products and others***:

  - *IoT products*: IoT products primarily include (i) laptops and tablets, (ii) smart watches, (iii) smart audio devices, such as True Wireless Stereo ("**TWS**") earbuds, (iv) digital accessories, such as power banks, and (v) home appliances, such as smart TV and kitchen appliance.

  - *Energy storage products*: Energy storage products primarily include (i) hybrid inverters, (ii) lithium battery modules, (iii) portable energy storage systems, and (iv) photovoltaic ("**PV**") modules.

  - *Lightweight electric mobility devices*: Lightweight electric mobility devices primarily include (i) two-wheel electric vehicles and (ii) three-wheel electric vehicles.

From Africa to Other Emerging Markets

Over a decade ago, emerging markets—particularly in Africa—were home to large and fast-growing populations but remained underserved by global mobile phone brands with few products specifically designed to address local consumer needs. We were created to meet these growing yet underserved needs. Since our inception, we have focused on providing products tailored to the preferences and usage environments of consumers in the emerging markets. For example, in Africa, users with deeper skin tones often experience unsatisfactory photo. To address this, we developed smartphones equipped with advanced imaging technologies optimized for deeper skin tones, significantly enhancing photo clarity and night-time image quality. These tailored innovations have resonated strongly with consumers and helped us establish a deep connection with our user base.

Our success in Africa has enabled us to accumulate extensive consumer insights as well as operational experience in localized markets and sales network building, enabling us to expand beyond Africa into other major emerging markets around the world and replicate our success. According to Frost & Sullivan, we have achieved the following market positions across emerging markets globally.

Region	Market Ranking(1)	Market Share(1)	Market Ranking(2)	Market Share(2)
Global emerging markets . . .	First	24.1%	Fourth	5.2%
Africa	First	61.5%	Second	22.5%
Emerging APAC markets . . .	First	15.4%	Seventh	3.6%
Latin America	Fourth	9.3%	Fifth	4.9%
Middle East	First	22.8%	Fourth	4.6%
Central and Eastern Europe .	Third	11.2%	Fifth	3.1%

Notes:

(1) In terms of our mobile phone sales volume in 2024.

(2) In terms of our mobile phone revenue in 2024.

Africa: from feature phones to smartphones

A majority of the mobile phones we sell in Africa, in terms of revenue, are smartphones, catering to the African market's ongoing transition from feature phones to smartphones, according to Frost & Sullivan. The table below sets forth the sales volume of our mobile phones and smartphones, and the proportion of smartphones in Africa for the periods indicated.

	Year ended December 31,		
	2023	2024	2025
Africa			
Mobile phone sales volume ('000)	105,657	103,991	91,122
Smartphone sales volume ('000)	32,899	35,680	39,953
Proportion of smartphone sales volume (%)	31.1	34.3	43.8

Other emerging markets: replicating success from Africa

We have established a strong and enduring presence in all major emerging markets and globally. Our leading position in emerging markets beyond Africa is driven by (i) understanding of user needs and (ii) experience in localized operation and sales channel building we have gained in the African market. As we expand into markets beyond Africa, we continue to develop products based on customer needs. In the Southeast Asian market, for example, the majority of smartphone users from young generations and primarily interested in gaming. As such, we have developed flagship model mobile phones designed for gaming which incorporate cutting-edge innovations into our smartphones, such as magnetic wireless charging fans, magnetic cooling cases and 3D vapor cloud chamber liquid cooling technology. These features enable simultaneous wireless charging, active cooling and efficient temperature regulation, delivering an uninterrupted, high-frame-rate gaming experience throughout the day.

From Mobile Phones to (i) Mobile Internet Services and (ii) IoT Products and Others

According to Frost & Sullivan, mobile phone providers in emerging markets are able to efficiently extend from mobile phones to mobile Internet services, IoT products and other products, building an ecosystem of interconnected products and services. This is primarily because, for emerging market users, smartphones are the major gateway to smart living. Through smartphones, emerging market users gain further access to a wide range of smart devices and services.

Building on the foundation of our mobile phone business in emerging markets, we have developed (i) large user base, (ii) understanding of user needs, (iii) brand influence and (iv) sales channels. These strengths enable our mobile Internet services, IoT products and other products to efficiently earn user trust and gain market share in emerging markets. Specifically:

- ***Mobile Internet services***. The growth of our mobile Internet services is driven by our leading market share of mobile phones in emerging markets. Each smartphone user is a Transsion OS user as all of our smartphones are equipped with the Transsion OS. Our revenue from mobile Internet services was RMB835.0 million and RMB942.0 million in 2024 and 2025, respectively.

- ***IoT products and others***. Our IoT products have achieved a leading market share in multiple countries. For instance, our TWS earbuds rank the first in Africa in terms of revenue in 2024, according to Frost & Sullivan. Our revenue from IoT products and others was RMB4,683.8 million and RMB6,201.7 million in 2024 and 2025.

Our Market Opportunities

Mobile Phones

According to Frost & Sullivan, emerging markets are the key growth driver for the global mobile phone market in the future. Specifically, the mobile phone market size in emerging markets is expected to grow faster than the global market. According to Frost & Sullivan, the mobile phone market size in emerging markets is expected to grow from US$171.1 billion in 2024 to US$236.7 billion in 2029, in terms of revenue, representing a CAGR of 6.7%, which is higher than the expected global mobile phone market with a CAGR of 4.6% over the same period. In addition, emerging markets are expected to represent an increasing proportion of the global smartphone market. According to Frost & Sullivan, the revenue proportion of emerging markets in the global mobile phone market is expected to grow from 36.2% in 2024 to 39.9% in 2029, in terms of revenue.

Mobile Internet Services and IoT Products and Others

The market size of (i) mobile Internet services and (ii) IoT products and other products continues to grow. The table below sets forth the market size of (i) mobile Internet services, (ii) IoT products, (iii) energy storage products and (iv) lightweight electric mobility devices in global emerging markets in 2024 and estimated future growth, according to Frost & Sullivan.

Services and Products	**Market Size in 2024**	**Estimated Market Size in 2029**	**Estimated CAGR (2024-2029)**
	(In terms of revenue in US$ billion)	*(In terms of revenue in US$ billion)*	*(In terms of revenue)*
Mobile Internet services	848	2,788	26.9%
IoT products	136	328	19.4%
Energy storage products	71	152	16.4%
Lightweight electric mobility devices	12	25	15.6%

OUR STRENGTHS

Understanding of local market demands and strong local execution capability

One of our key advantages is the understanding of user needs and market. We monitor carefully the trends of consumer needs, and conduct product development and technology development based on the unique needs of our target markets.

Mobile phones. Our deep understanding of use need at emerging markets has laid solid foundation for the feature of our mobile phones. For example, the major challenges of the African market include frequent power outages, large temperature fluctuations between day and night, and users' sweaty hands. To address these challenges, we have developed innovative, targeted solutions. These include cost-efficient high-voltage fast-charging technology, ultra-long battery life, current control technology with ambient temperature detection, and sweat-resistant USB ports. In addition, a key user pain point in the African market is that individuals with deeper skin tones often find that photos, particularly those taken at night, lack clarity and fail to meet their expectations. To address this, we have tailored the design and function of our smartphones specifically for the African market, incorporating advanced features to enhance photo quality for deeper skin tones and effectively resolving this issue.

In the Southeast Asian market, the majority of smartphone users are young people and primarily interested in gaming. As such, we have developed flagship model mobile phones designed for gaming which incorporate cutting-edge innovations into our smartphones, such as magnetic wireless charging fans, magnetic cooling cases, and 3D vapor cloud chamber liquid cooling technology. These features enable simultaneous wireless charging, active cooling, and efficient temperature regulation, delivering an uninterrupted, high-frame-rate gaming experience throughout the day.

Mobile Internet services. Our mobile Internet services are built on our proprietary mobile operating system, Transsion OS, enhanced with localized adaptations and advanced AI capabilities. These services offer mobile phone users features such as AI assistant, localized AI voice and audio, regionally customized wallpapers, local news updates and personal content recommendations. Recognizing the challenges of weak network connectivity in emerging markets, our products, including AHA Games, Palm Store, Boomplay and Phoenix, provide offline gameplay, pre-scheduled app downloads, offline reading, and media playback. These ensure a smooth and complete smartphone experience, even in intermittent connectivity environments.

IoT products and others. For example, among our IoT products, we develop kitchen appliances based on the African market's preference. Our kitchen appliances are designed to cook African traditional food in an efficient way. In addition, for our energy storage products, to address the challenge of limited charging infrastructure in emerging markets, we have developed an automated battery-swapping network and fast-charging solutions to ensure convenient and reliable energy access.

We place great emphasis on building a localized talent pool. Our production, R&D, procurement, sales and operation teams include a significant proportion of local foreign employees. As of December 31, 2025, foreign employees represented approximately 40.0% of our total employees. Additionally, as of the same date, we had established subsidiaries in 30 overseas countries and regions and operated production bases in Ethiopia and Bangladesh.

Systematic three-tier R&D structure

We have developed a three-tiered R&D structure. Supported by a robust technology management system and years of experience driving innovation in applied technologies for emerging markets, we have built the capability to efficiently refine and continuously advance our core technologies. This framework also allows us to respond swiftly to evolving consumer needs across different regions. Our three-tiered R&D structure include:

Foundation tier. We focus on researching cutting-edge, long-term technologies aligned with our strategic direction, while also revisiting existing technology applications to uncover their underlying principles. Our goal is to establish a leading position in the field by strategically developing patents and key control points.

Technology tier. We have adopted a technology and project-separated development model for our core focus areas, allowing us to conduct advanced technical preparation and enhance our technological capabilities ahead of product development. This approach ensures that new technologies are thoroughly pre-researched before being integrated into product development, enabling us to maintain a competitive edge while improving product quality and user experience. At the same time, it minimizes the risk of missing market opportunities due to technical uncertainties.

Product tier. We focus on delivering product value based on user needs, ensuring consistent development efficiency and achieving our product's commercial objectives.

As of December 31, 2025, we had R&D centers located in Shanghai, Shenzhen, and Chongqing, and had a R&D team of over 5,000 employees to drive technological breakthroughs through collaboration. As of December 31, 2025, R&D employees represented 23.6% of our total employees.

Full-chain global deployment

Extensive sales channel network and win-win collaboration with distributors. As of December 31, 2025, we had established a global network of approximately 3,500 distributors, with whom we maintain long-term, collaborative partnerships. Building on our extensive experience in developing a robust distributor network in the African market, we have rapidly expanded our distribution networks into other emerging markets. To adapt to shifting regional market dynamics, we have embraced digital marketing transformation and innovative channel strategies, creating a comprehensive "offline + online" presence and optimizing our operations across e-commerce platforms and social media.

Our relationship with distributors is built on a foundation of mutual benefit and collaboration. On one hand, we assign dedicated sales representatives to maintain consistent and stable communication with distributors, sub-distributors, and retailers, leveraging localized sales channels to deepen our user engagement. This allows distributors to serve as key touchpoints of trust for our brand and products among end-users. On the other hand, through long-standing partnerships, we provide distributors with ongoing support in areas such as product innovation and brand development, significantly improving their operational capabilities and market competitiveness. This, in turn, enables them to achieve deeper penetration and expansion in regional markets.

Comprehensive after-sales service. We have developed a localized, one-stop after-sales service system, which has also expanded to include non-proprietary brands and other product categories. As of December 31, 2025, our global network consisted of over 2,500 service outlets (including third-party partner locations), covering major emerging markets. Our responsive after-sales services and active user engagement have significantly strengthened brand loyalty among end-users. This well-developed service system not only helps us solidify and grow our market share but also provides deeper insights into the needs and preferences of local consumers.

Stable and efficient supply chain and production system. With our scale and brand advantages, we have built strong, stable partnerships with suppliers, allowing us to lower raw material procurement costs while maintaining high quality and timely delivery. We have also developed a transparent and intelligent supply chain system that enables seamless coordination and rapid response. Our production lines are designed to handle a wide range of products and varying production volumes, enabling us to quickly adapt to changing market demands. As of December 31, 2025, we have established production facilities in Ethiopia and Bangladesh, achieving localized production and gaining significant cost advantages. To further enhance operational efficiency, we have established three overseas logistics warehouses and leveraged multiple transportation methods, including air and sea freight, to ensure the fast and reliable delivery of products and raw materials.

Founder, management team and global talents and culture

Founder. Our founder, Mr. Zhu Zhaojiang is an distinguished entrepreneur and business leader with strong industry recognition. Mr. Zhu has over 30 years' experience in the industry of the development, manufacturing and sales of mobile communication products, and has received numerous notable awards and recognitions. Mr. Zhu was recognized as one of the 40 Most Respected Entrepreneurs in the Shenzhen Special Economic Zone (深圳特區40周年"最受尊敬40位企業家") in 2020, honored as a Pioneer of Emerging Industries in the Guangdong-Hong Kong-Macau Greater Bay Area (粵港澳大灣區戰略性新興產業拓荒人物) in 2022, and was featured in Forbes China's Best CEOs 2024 (2024福布斯中國最佳CEO). Mr. Zhu's deep understanding of industry trends and distinguished leadership have been essential in building our strengths.

Management team. Under the leadership of Mr. Zhu Zhaojiang, we have assembled a highly skilled management team with extensive industry experience and strong collaborative capabilities. Our management team has identified market opportunities, gained understanding of user needs, and built an interconnected ecosystem of products and brands centered around our mobile phones. They have also driven the strategic expansion and deep penetration of our presence across various emerging markets.

Global talents and culture. With a global vision, we are committed to fostering cross-cultural integration in a diverse environment. We embrace an open and inclusive mindset, respecting and accommodate the uniqueness of different cultures. By cultivating a strong and inspiring set of core values, we have successfully attracted and retained top talent from around the world. At the same time, we have built a vibrant, innovative, and collaborative workplace that fuels our sustained growth and long-term success.

OUR STRATEGIES

Strengthen our leading position in Africa, continue our expansion in global emerging markets

Strengthening our foothold in the African market remains our long-term strategy. We are committed to a user-centric approach, focusing on key value drivers to develop competitive, locally tailored products. We plan to enhance the in-store presence of our brands, integrate online and offline channels, and actively support the growth of local retail chains. Additionally, we plan to deepen partnerships with both traditional and digital media to further expand our market influence.

We will continue to focus on expanding our presence in global emerging markets. With a deep understanding of consumer needs in these regions, we will continue to refine our localization strategies and increase resource allocation in target markets. We plan to strengthen relationships with local distributors and partners while building robust local teams to improve our responsiveness to market demands. By better addressing consumer needs, we aim to enhance our market competitiveness and drive sustainable growth.

Develop strong R&D capabilities driven by customer needs and technology

We remain committed to increasing our R&D investment, particularly in exploring advanced technologies and integrating AI capabilities to deliver exceptional user experiences while meeting the fundamental needs of emerging markets. Specifically, we plan to: (i) strengthen our AI fundamental capabilities, (ii) develop AI assistants and AI agents, (iii) further upgrade our proprietary Transsion OS, and (iv) strengthen our imaging capabilities. We believe these investments will further strengthen our technological leadership and support the long-term differentiation of our products and services.

Further develop our interconnected ecosystem of products and services

We are pursuing a diversified business strategy by enriching our product portfolio and expanding into new growth areas, building a product and brand ecosystem with smartphones at its core. In addition to further increasing the market share of our smartphone business, we will accelerate the development of mobile internet services and expand into other product categories beyond smartphones, including IoT products, energy storage products, and lightweight electric mobility devices. Our goal is to create a comprehensive ecosystem of smart hardware and services. Through synergies across our business segments, we aim to strengthen our overall competitiveness, enhance customer loyalty, and further elevate our brand value.

Continuously enhance the integration of operation

We will continue to drive the integration of supply chain, production, logistics, and sales to further enhance overall operational efficiency. By optimizing supply chain management, we aim to strengthen partnerships with core suppliers, ensuring supply chain stability and cost advantages. Through improvements in production automation and quality control, we will further enhance manufacturing efficiency and product competitiveness. We also plan to continuously enhance coordination between production and sales by strengthening communication and alignment across the production and marketing functions. Additionally, by developing an intelligent logistics system, we will increase the efficiency of distribution and delivery. Through the expansion and optimization of online sales channels, we aim to further improve market coverage and enhance the level of service provided to consumers.

Enhance organizational capabilities to support strategy execution

We plan to further strengthen our market position by enhancing team development, improving product design capabilities, and increasing investment in brand building. We are committed to fostering a culture and work environment that attract and retain top talent, supported by short-, medium-, and long-term incentive mechanisms and management systems designed to motivate and empower our teams. In terms of brand building, we aim to enhance our brand image and global influence through precise brand positioning and integrated marketing strategies.

OUR PRODUCTS AND SERVICES

Overview

The following table sets forth a summary of our products and services.

Products and Services	Description
Mobile phones	
Smartphones	We offer smartphones primarily under three brands: • *TECNO*: focuses on premium design targeting middle-to-high-end consumers • *Infinix*: features trendy design targeting young consumers • *itel*: emphasizes affordability and reliability targeting mass-market consumers
Feature phones	Our feature phones provide essential voice and messaging capabilities, long battery life, and easy-to-use interfaces. While certain feature phone models may incorporate selected enhanced functions, such as touch keypad, high-voltage fast charging or localized entertainment features, feature phones generally operate on lightweight operating systems with limited computing capabilities, and do not support advanced functionalities such as multi-skin tone photography technology or AI-powered imaging technologies, nor the wide range of mobile Internet services typically available on smartphones.

Products and Services	Description
Mobile Internet services . .	We offer users mobile Internet services based on our proprietary Transsion OS, including application downloading, gaming and content viewing, through our application portfolio.
IoT products and others	
IoT products	We offer a diversified range of IoT products, including (i) laptops and tablets, (ii) smart watches, (iii) smart audio devices, such as TWS earbuds, (iv) digital accessories, such as power banks, and (v) home appliances, such as smart TV and kitchen appliance.
Energy storage products	Our energy storage products primarily include (i) hybrid inverters, (ii) lithium battery modules, (iii) portable energy storage systems, and (iv) PV modules.
Lightweight electric mobility devices	Our lightweight electric mobility devices primarily include (i) two-wheel electric vehicles and (ii) three-wheel electric vehicles.

The following table sets forth a breakdown of our revenue by products and services for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Mobile phones	**57,348,058**	**92.0**	**63,196,562**	**92.0**	**58,447,549**	**89.1**
Smartphones	51,406,072	82.5	57,906,047	84.3	54,820,768	83.6
Feature phones	5,941,986	9.5	5,290,515	7.7	3,626,781	5.5
Mobile Internet services	**791,097**	**1.3**	**834,959**	**1.2**	**942,032**	**1.4**
IoT products and others	**4,155,722**	**6.7**	**4,683,758**	**6.8**	**6,201,655**	**9.5**
IoT products	1,954,909	3.1	2,112,708	3.1	3,306,783	5.0
Energy storage products	4,178	0.0	66,067	0.1	357,927	0.5
Lightweight electric mobility devices	1,864	0.0	20,487	0.0	143,884	0.2
Others(1)	2,194,771	3.6	2,484,496	3.6	2,393,061	3.8
Total	**62,294,877**	**100.0**	**68,715,279**	**100.0**	**65,591,236**	**100.0**

Note:

(1) Others primarily include (i) mobile phone accessories and other electronic products, such as data cables, chargers and power strips; (ii) electronic components representing surplus materials; and (iii) after-sales services.

Mobile Phones

We offer mobile phones primarily under three brands: TECNO, Infinix and itel. The following table sets forth a breakdown of revenue from mobile phones by brands for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
TECNO	25,295,295	44.1	27,608,503	43.7	26,923,918	46.1
Infinix	21,375,807	37.3	24,184,954	38.3	23,276,978	39.8
itel	10,676,955	18.6	11,305,893	17.9	8,135,243	13.9
Others	–	–	97,212	0.2	111,410	0.2
Total	**57,348,058**	**100.0**	**63,196,562**	**100.0**	**58,447,549**	**100.0**

Smartphones

TECNO

TECNO targets middle-to-high-end consumers by providing smartphones that combine modern design with updated technology. TECNO's smartphones are characterized by premium materials and finishes, such as glass or metal bodies, curved or narrow-bezel displays, or foldable screens, as well as flagship-level performance driven by advanced imaging technologies, localized AI capabilities and large-memory configurations.

The following table sets forth details of flagship models of TECNO smartphones.

Flagship Model	Image	Launch Time	Recommended Retail Price[(1)]	Key Features
SPARK 40 Pro+		June 2025	RMB1,200	• 160g lightweight and 6.49mm thin • 6.78" 1.5K 144Hz 3D AMOLED display • MediaTek Helio G200 processor • 50MP EIS camera • IP68/IP69 dust & water resistance • Powered by TECNO AI

Flagship Model	Image	Launch Time	Recommended Retail Price[(1)]	Key Features
POVA 7 Ultra 5G		June 2025	RMB2,400	• Interstellar spaceship design with dynamic status light • MediaTek Dimensity 8350 ultimate processor • 6000mAh battery, multiple fast charging modes • Hyper gaming engine, 120fps gaming • 6.67" 1.5K 144Hz AMOLED display
CAMON 40 Pro 5G		March 2025	RMB1,900	• Classic side-axis design inspired by swan neck • 144Hz curved AMOLED display • 50MP Sony's LYT-700C night camera • IP68/IP69 dust & water resistance • Powered by TECNO AI

Note:

(1) Retail price may vary depending on the sales region and product configuration.

Infinix

Infinix targets young consumers by providing smartphones with contemporary aesthetics and features tailored to entertainment and digital lifestyles. Infinix's smartphones are characterized by vibrant and trendy designs, featuring bold colors, gradient finishes and dynamic styling, as well as strong performance optimized for entertainment and gaming, including high-refresh-rate AMOLED displays, immersive sound systems, advanced cooling technologies and fast-charging capabilities.

The following table sets forth details of flagship models of Infinix smartphones.

Flagship Model	Image	Launch Time	Recommended Retail Price[(1)]	Key Features
GT 30 Pro		June 2025	RMB2,300	• All-day full FPS system • GT trigger for console-level control • MediaTek Dimensity 8350 ultimate 5.5G • 1.5K & 144Hz AMOLED gaming display with eye care • Mechanical light waves

Flagship Model	Image	Launch Time	Recommended Retail Price[(1)]	Key Features
NOTE 50 Pro+ 5G		March 2025	RMB3,000	• 100X periscope camera • 100W All-Round FastCharge 3.0 • 50W wireless MagCharge • Metal frame • MediaTek Dimensity 8350 ultimate 5.5G
HOT 50 Pro+ . . .		October 2024	RMB1,250	• 6.8mm 3D-curved SlimEdge design • 3D-curved 120Hz AMOLED display • MediaTek Helio G100 processor • 50MP camera

Note:

(1) Retail price may vary depending on the sales region and product configuration.

itel

itel targets mass-market consumers by offering entry-level smartphones that are affordable, reliable, and designed to meet everyday smart life needs. itel's smartphones are characterized by practical designs that utilize lightweight materials and enhanced durability features, such as dust and drop resistance, as well as reliable performance focused on essential communication needs, including long-lasting battery life, and smooth everyday operation.

The following table sets forth details of flagship models of itel smartphones.

Flagship Model	Image	Launch Time	Recommended Retail Price[(1)]	Key Features
S26 Ultra		August 2025	RMB1,100	• 6.78" 3D curved AMOLED display • 6.89mm ultra slim body • 6000mAh large capacity battery • 32MP AI selfie camera

Flagship Model	Image	Launch Time	Recommended Retail Price[(1)]	Key Features
City 100		April 2025	RMB580	• 7.65mm slim unibody design • IP64 dust & water resistance and drop resistance • 6.67" 90Hz high brightness display • 5200mAh robust battery
A90		March 2025	RMB480	• IP54 dust & water resistance • 90Hz 6.6" dynamic display • 5000mAh battery with 15W fast charging • itel OS 14 with side fingerprint & face unlock

Note:

(1) Retail price may vary depending on the sales region and product configuration.

Key Technologies and Features

The key technologies and features of our smartphones include:

- ***Multi-skin tone photography technology***: We have developed multi-skin tone photography capabilities, including a global skin tone database and a skin restoration and enhancement system designed to reproduce a wide range of skin tones. Our technology is optimized for the unique demands of emerging markets, ensuring that users' skin tones are captured accurately in portrait photography, reflecting our commitment to inclusivity worldwide. We have collaborated with leading institutions in color science to integrate advanced research into our algorithms, improving the overall accuracy of skin tone representation.

  The following pictures show how our multi-skin tone photography technology presents diverse skin tones:

Without multi-skin tone photography technology

With multi-skin tone photography technology

- ***AI-powered imaging technologies***: Our imaging capabilities leverage AI algorithms, proprietary image processors and hardware-software integration to deliver clear and accurate photo and video outputs across different environments. In particular, our imaging technologies (i) automatically identify and capture the optimal frame to help users take better photos with minimal effort; (ii) enhance image quality through AI-based processing such as detail enhancement and glare removal to deliver refined and visually appealing results; (iii) adjust skin tones and color profiles to achieve natural and inclusive portrait effects suitable for diverse user groups; (iv) reduce motion blur and image shake in low-light conditions through advanced stabilization and deblurring technologies, enabling clearer photos in dim environments; and (v) enable smooth and intuitive zooming, allowing users to capture distant subjects accurately without compromising clarity.

  The following pictures show how our AIGC Image Editing optimizes image quality by removing glare:

Without AIGC Image Editing

With AIGC Image Editing

- ***Hardware innovation for enhanced user experience***: We focus on the development of materials that improve the performance and user experience of our devices. For example, our lightweight composite materials combine fiber fabric with epoxy resin, offering a slimmer profile and reduced weight while maintaining durability. We have also introduced passive cooling technologies that use polymer coatings to address heat dissipation challenges during intensive activities like gaming and under extreme weather conditions in hot-climate regions like the Middle East.

- ***Localized OS and mobile Internet services***: Our smartphones operate on Transsion OS, a customized Android-based platform tailored for emerging markets. Transsion OS powers various proprietary technologies and provides access to various mobile Internet services. For details, see "—Our Products and Services—Mobile Internet Services."

Feature phones

Key Models of Feature Phones

The following table sets forth details of key models of our feature phones.

Key Model	Image	Launch Time	Key Features
itel Signal 10 & King Signal		May 2025	• Enhanced signal reception • 2" display • FM radio • KingVoice voice assistance • Opera mini browser
TECNO S701		April 2024	• 5000mAh battery • Reverse wireless charging • 3.98" touchscreen • Stylish design

Key Technologies and Features

The key technologies and features of our feature phones include:

- ***Hardware designs adapted local condition***: In response to specific environmental challenges in certain emerging markets, particularly Africa, our feature phones are equipped with solutions such as high-voltage fast charging technology, extended battery life, temperature-sensitive current control, and sweat-resistant USB ports. These enhancements improve usability in regions where power supply is unstable, daily temperature varies significantly, and users often operate devices with moist hands.

- ***Localized entertainment features***: To cater to local entertainment preferences, our feature phones offer FM radio functions that do not require wired earphones as antennas. In addition, our feature phones are equipped with bass-optimized speaker systems to align with regional audio preferences.

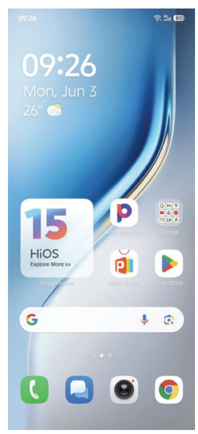
Mobile Internet Services

Based on our proprietary mobile operating system, Transsion OS, we offer our users a wide range of mobile Internet services, including application downloads, gaming and content viewing, through our application portfolio.

Transsion OS

Transsion OS is our proprietary mobile operating system pre-installed on our smartphones. We launched the first version of Transsion OS in 2015 and have since continued to enhance performance, localization, and integration across our products. With a user-centric approach, Transsion OS focuses on delivering an efficient and intuitive system experience, tailored to the realities of emerging markets — such as intermittent connectivity, high data costs, multilingual environments, and varying device capabilities. In 2025, Transsion OS had over 290 million average MAUs. During the Track Record Period, substantially all of our smartphones, and certain of our IoT products such as tablets and certain smart TVs were installed with Transsion OS. Revenue generated from such devices accounted for over 80% of our total revenue in each period during the Track Record Period.

The following screenshot shows the home page of Transsion OS:



Transsion OS has the following key technologies and features: (i) data and memory optimization through system-level enhancements such as data-saving modes, memory fusion technology, and background process management to ensure smooth device performance; (ii) AI assistant and intelligent agents providing personalized, AI-driven support across communication, productivity, entertainment, and imaging, enabling efficient task completion and proactive recommendations; (iii) localized AI voice and audio technologies, including voice recognition, noise reduction, and voiceprint separation, to improve usability in multilingual and noisy environments; (iv) multi-language and regional customization, supporting over 100 languages, including local dialects, as well as regionally tailored themes, wallpapers, and content; and (v) seamless IoT connectivity, enabling integration with our IoT products for centralized device control.

Customization Based on Android

Transsion OS is customized based on the Android Open Source Project ("**AOSP**"), which is open-source and freely available for use subject to compliance with applicable open-source license requirements, to suit the needs and preferences of users in emerging markets. Such customization primarily includes (i) tailored user interface and user experience design to optimize visual presentation and user interaction, (ii) extension and optimization of system functions, including intelligent refresh rate adjustment to enhance battery efficiency and dynamic frame interpolation in scrolling scenarios to improve interface responsiveness, (iii) integration of AI capabilities to support functions such as AI voice interaction and imaging optimization, and (iv) enhanced security and privacy features. In addition, Transsion OS is compatible with the Android ecosystem, allowing our devices to run a wide range of third-party applications, including applications from Google, namely Google Mobile Services ("**GMS**") and Google Mobile Experience Plus ("**GME +**").

In terms of GMS, to ensure access to essential Android components and mobile Internet services, we have entered into a licensing agreement with Google. The following sets forth the salient terms of our licensing agreement with Google.

- ***License scope***: We receive a nontransferable and nonexclusive license to distribute and reproduce GMS.

- ***Compliance requirements***: We are required to comply with Google's compatibility standards.

- ***Payments***: Both parties retain all revenue generated from provision of their respective products or services.

- ***Termination***: Each party may terminate this agreement upon written notice upon a material breach by the other party.

In terms of GME+, we have entered into an agreement with Google to pre-install additional Google applications on our devices and charge Google on a per device basis. See "—Our Products and Services—Mobile Internet Services—Monetization" for details on such application pre-installation services.

Our Directors are of the view that the risk of termination of our use of the Android platform is remote, primarily because (i) our use of the Android platform is aligned with Google's commercial interests. The AOSP has been maintained and developed by Google as an open-source platform for over 18 years as part of its long-term strategy to promote widespread adoption of the Android platform and to expand its ecosystem. In addition, Transsion OS, which is developed based on the Android platform, serves as an important gateway through which users, particularly in emerging markets, access Google's applications, thereby contributing a natural and expanding user base that supports Google's organic growth; (ii) according to Frost & Sullivan, it is a common industry practice for smartphone manufacturers to develop their operating systems based on the Android platform; and (iii) to the best of our knowledge, Google would generally consider terminating collaboration or certification in exceptional circumstances, such as material policy violations or significant compliance failures. During the Track Record Period and up to the Latest Practicable Date, we have complied with the applicable open-source requirements relating to our use of the Android platform in all material respects, and have not experienced any material breaches or any material disputes with Google. Nonetheless, we are continuing to develop and maintain Transsion OS and strengthening proprietary application portfolio. Based on the due diligence conducted, the Sole Sponsor did not identify any matters that would reasonably cast doubt on our Directors' views.

Application Portfolio

Palm Store. Palm Store is our application distribution platform, pre-installed on our smartphones. It provides a secure and localized gateway for users to discover, download, and update Android-based mobile applications, such as communication, entertainment, productivity, gaming, and utility tools, and supports application discovery powered by our recommendation algorithms. In 2025, Palm Store had over 180 million average MAUs.

AHA Games. AHA Games is our mobile instant-play gaming platform, pre-installed on our smartphones. AHA Games is designed to provide users in emerging markets with access to a wide range of casual and mid-core games featuring lightweight downloads, low data consumption and smooth performance. We also support independent developers in China, Africa and South Asia through co-publishing initiatives. In 2025, AHA Games had over 130 million average MAUs.

Boomplay. Boomplay is a music streaming platform in Africa, jointly incubated by us and NetEase and operated through non-consolidated entities of us, allowing us to expand our digital service reach while maintaining a capital-light model. Boomplay offers a music library with millions of tracks from African, international, and regional artists. In addition to global partnerships, Boomplay actively curates localized playlists and editorial content to suit diverse cultural and market preferences across Africa and other emerging markets. In 2025, Boomplay had over 50 million average MAUs.

Phoenix. Phoenix is a content distribution platform, optimized for fast, secure, and data-efficient content browsing in emerging markets. Phoenix is jointly developed by us and Tencent and operated through non-consolidated entities of us, allowing us to expand our digital service reach while maintaining a capital-light model. Phoenix includes a personalized content feed on the homepage and supports integration with web-based applications. With localized language support and low memory requirements, Phoenix has gained strong traction in markets with limited internet infrastructure. In 2025, Phoenix had over 140 million average MAUs.

Monetization

The paying customers of our mobile Internet services primarily include (i) third-party application developers and (ii) advertising customers. The monetization methods of our mobile Internet services mainly include:

- ***Application pre-installation services***: We help third-party application developers pre-install their applications on our smartphones, offering them direct exposure to our smartphone users. We typically charge third-party application developers based on the number of mobile phones sold with their applications pre-installed.

- ***Application distribution services***: Our application distribution platform hosts applications developed by third-party application developers. We typically charge third-party application developers based on the number of installations by users through our application distribution platform.

- ***In-application advertising services***: We allow advertising customers to place advertisements primarily on applications on our smartphones. We typically charge advertising customers based on (i) the duration or location of the advertisement display and (ii) user interaction metrics, including cost-per-click or cost-per-impression. We share such revenue with developers of relevant applications.

The following table sets forth key operating data for our mobile Internet services.

	Year ended December 31,		
	2023	2024	2025
Average MAUs for Transsion OS (million)	210	266	312
Number of paying customers of mobile Internet services	783	904	969
Retention rate of paying customers of mobile Internet services (%)	N/A	46.0	53.0
User interaction metrics for in-application advertising services (billion)			
– Number of clicks	2.8	8.4	16.1
– Number of impressions	51.7	160.8	188.1

IoT Products and Others

Overview

In addition to our mobile phones and mobile Internet services, we have expanded into other product categories to further diversify our revenue streams and enhance the overall synergy of our product portfolio, including laptops, tablets, earbuds, watches, televisions, kitchen appliances, power banks, among others.

IoT Products

We offer IoT products under five major brands, including (i) TECNO, Infinix and itel, (ii) our stylish IoT product brand, oraimo, and (iii) home appliances brand, Syinix.

The following table sets forth the details of our key IoT products.

Product Category	Image	Key Features
Laptop		• Premium all-metal design • On-device AI • Immersive 16" FHD display • i9-13900 HK intel core
Tablet		• 90hz FHD and eye care display • Powered by Android 15 • 4G LTE connected • Powered by Infinix AI

Product Category	Image	Key Features
TWS earbuds		• 50dB hybrid noise canceling • 11mm dynamic driver & HavyBass • Personalized lighting effect • Intelligent calling mode

Energy Storage Products

We offer energy storage products under two major brands, including (i) itel Energy, which targets mass households and small commercial users with cost-effective energy storage products, and (ii) DYQUE Energy, which targets high-end households and commercial users with premium and reliable energy storage products.

The following table sets forth the details of our key energy storage products.

Product Category	Image	Key features
Hybrid inverter		• Dual output channels • PV input up to 8 kW • Overload capacity up to 200% for 10 seconds • IP54 dust & water resistance
Portable energy storage system		• Capacity options from 320 Wh to 1 kWh, suitable for multiple scenarios • Universal output interfaces including Type-A, Type-C, and DC ports • Multi-mode charging via grid and solar input for continuous power supply • Durable LiFePO battery cells with up to 6,000 cycles

Lightweight Electric Mobility Devices

We offer lightweight electric mobility devices, including two-wheeled electric vehicles and three-wheeled electric vehicles, under two major brands, including (i) Revoo, which targets individual users with reliable and stylish lightweight electric mobility devices and (ii) TankVolt, which targets small business operators with passenger and cargo transportation needs.

RESEARCH AND DEVELOPMENT

Our R&D Team

We have built a dedicated and experienced R&D team. As of December 31, 2025, our R&D team consisted of over 5,000 employees, representing 23.6% of our total employees, approximately 26.7% of whom held a master's degree or above.

As of December 31, 2025, we had three R&D centers respectively located in Shanghai, Shenzhen and Chongqing. These R&D centers mainly focused on the R&D of our smartphones. Our R&D efforts are primarily conducted in-house and driven by user needs, with a focus on enhancing imaging, design, user experience, gaming, AI and charging technologies through integrated hardware-software development. During the Track Record Period, in-house R&D accounted for approximately 96.3%, 88.9% and 91.3% of our total research and development expenses in 2023, 2024 and 2025, respectively. We have introduced a series of key technologies and intellectual property in-house, including AI-powered imaging technologies, fast-charging technologies and AI assistants. For details, see "—Our Products and Services—Mobile Phones" and "—Our Products and Services—Mobile Internet Services—Transsion OS."

Product Development Process

We have established an integrated product development (the "**IPD**") process from product concept to lifecycle management, including (i) product concept and planning, where we formulate product concepts, define design and software specifications, assess intellectual property and technical feasibility, and prepare supply and marketing plans, with a focus on refining product positioning, ensuring design and resource feasibility, and assessing commercial viability; (ii) product development and verification, where we carry out detailed hardware, software and structural design, conduct prototype trials, iterative verification and small-scale production, with a focus on validating functionality and performance, optimizing design, and ensuring readiness for mass production; and (iii) market launch and lifecycle management, where we complete supply, manufacturing, sales and after-sales preparations, conduct product launch and monitor initial sales performance, adjust marketing strategies based on feedback, and throughout the lifecycle optimize products, manage demand, and execute orderly phase-out to maximize product value.

We adapt to evolving demand trends through our localized market insights, agile product development processes and flexible supply chain arrangements. By conducting in-depth local market research and closely monitoring user preferences, we are able to identify emerging consumer needs and timely incorporate relevant features and technologies into our product planning and development.

The following table sets forth the typical product lifecycle of our smartphone models.

Process	Time
Lead time from product design and order to delivery	Approximately four to eight months, with approximately four to five months for mid- to low-end models and approximately six to eight months for high-end models
Product iteration cycle	Approximately eight to 12 months, with approximately eight to ten months for mid- to low-end models and approximately 11 to 12 months for high-end models
Lifespan before models become obsolete in the market	Typically two to three years

Our Collaboration with ODM Providers

We engage ODM providers primarily to leverage their specialized engineering expertise and development resources, enabling us to quickly integrate new technologies and shorten our R&D timelines. ODM providers primarily contribute engineering support and design implementation for certain smartphones and IoT products based on our requirements, while the overall product positioning, core design concepts and key functional specifications are determined by us. Our R&D team works closely with our ODM providers, providing product specifications, conducting quality checks, testing product performance and making necessary adjustments to ensure that the final products meet our standards. The intellectual property developed by ODM providers within the scope of our cooperation, or derived from our confidential information, technical specifications or existing intellectual property provided by us, are generally owned by us. For production by ODM providers, see "—Production—Our Collaboration with ODM and OEM Providers."

PRODUCTION

During the Track Record Period, we primarily produce our smartphones in-house while a portion of our smartphones, feature phones and our IoT products and others were primarily manufactured by ODM and OEM providers, which are generally located in Mainland China. This approach allows us to ensure flexibility and efficiency in our operations. According to Frost & Sullivan, the outsourced production is in line with the industry practice.

Our Production Bases

As of the Latest Practicable Date, we had five production bases in Chongqing, Shenzhen, Nanchang, Bangladesh and Ethiopia.

We have invested in improving the automation level and intelligent manufacturing capability of our production facilities. We have seven major categories of equipment and machinery, including automated warehousing, surface mount technology ("**SMT**"), dispensing, assembly, testing, packaging and logistics systems, all of which have improved our production efficiency. In recognition of our continuous efforts in smart manufacturing, our production bases in Chongqing and Shenzhen have obtained high-level certifications for intelligent manufacturing capability from accredited national institutions.

The following table sets forth the details of the production capacity, production volume and utilization rate for smartphones in our production bases for the periods indicated.

	Year ended December 31,								
	2023			2024			2025		
	Designed production capacity(1)	Actual production volume(2)	Utilization rate(3)	Designed production capacity(1)	Actual production volume(2)	Utilization rate(3)	Designed production capacity(1)	Actual production volume(2)	Utilization rate(3)
	'000 units	*'000 units*	*%*	*'000 units*	*'000 units*	*%*	*'000 units*	*'000 units*	*%*
Chongqing production base	16,530	14,900	90.1	17,500	13,597	77.7	24,500	19,938	81.4
Shenzhen production base	10,670	10,028	94.0	7,121	6,037	84.8	8,500	7,480	88.0
Nanchang production base	2,850	2,687	94.3	9,600	8,163	85.0	10,800	8,483	78.5
Bangladesh production base	2,500	1,919	76.8	2,500	1,883	75.3	3,200	2,764	86.4
Ethiopia production base	5	4	89.0	80	55	68.7	300	260	86.6
Total/Overall	**32,555**	**29,538**	**90.7**	**36,801**	**29,735**	**80.8**	**47,300**	**38,925**	**82.3**

Notes:

(1) The designed production capacity for the year is calculated based on the following assumptions: our bases operate eight hours per day, 22 days per month, and 12 months for 2023, 2024 and 2025.

(2) The actual production volume during the year is the total volume of the products produced during that year.

(3) The utilization rate during the year equals the actual production volume divided by the designed production capacity during the same year.

The utilization rate of our production bases fluctuated at a relatively high rate during the Track Record Period, primarily due to our flexible production allocation among our self-operated manufacturing facilities and our OEM and ODM providers.

During the Track Record Period, approximately 40% of our smartphones were manufactured in-house while approximately 30% and 30% were manufactured by ODM and OEM providers, respectively. When determining whether to manufacture smartphones in-house or by ODM and OEM providers, we consider a number of factors, including product complexity, cost efficiency, time-to-market considerations and supply chain flexibility. This hybrid production model allows us to maintain closer control over production processes and quality for certain key products, while leveraging the manufacturing expertise and capacity of ODM and OEM providers to support a diversified product portfolio and respond effectively to fluctuations in market demand.

Our Production Process

The following table illustrates the key steps of a typical production process of our smartphones.

Major production steps	Details
SMT	The SMT stage begins with loading components, followed by laser marking and automated pick-and-place operations to mount components onto the PCB. The assembled boards undergo subsequent testing and packaging. This process ensures assembly accuracy and quality of PCBA units.
Dispensing	The dispensing stage involves loading parts and dispensing glue, followed by screen assembly to integrate key components. The assembled units then go through pressure-holding and curing before passing through inspection. This process ensures reliable bonding performance.
Assembly	The assembly process starts with PCBA assembly, followed by module integration and final testing. The units then proceed through multiple man-machine interface test and burn-in test. This process ensures product reliability and functional stability before final packaging.
Packaging	The packaging stage mainly focuses on firmware programming and pairing, screen-protector application and packaging of the product together with accessories. Afterward, the units are sealed to complete the packaging workflow. This process ensures product completeness and readiness for distribution.
Finished goods	Finished products undergo palletizing, warehousing and final shipment procedures. These steps prepare the completed goods for delivery to customers.

Our Collaboration with ODM and OEM Providers

We engage ODM and OEM providers primarily to (i) utilize external capacity to address seasonal order fluctuations and reduce recruitment pressure; (ii) produce certain new products at their initial testing stages and products with smaller volumes that we prefer not to mass-produce in-house; and (iii) benefit from our ODM and OEM providers' specialized expertise in certain areas.

We carefully take into account factors such as price, quality, production capacity, financial conditions, delivery scheme, business scale and reputations of ODM and OEM providers. We carefully manage and monitor the performance of our ODM and OEM providers, and require our ODM and OEM providers to comply with our internal guidelines and policies. In the event of any failure by our ODM and OEM providers to meet our internal guidelines and policies, we may cease to work with them.

We maintain long-term relationships with our ODM and OEM providers. Key contractual terms of our purchase agreements with ODM and OEM providers include the following:

- ***Duration and termination***: The term of the purchase agreements is typically two years, with either party entitled to terminate for breach.

- ***Procurement of raw materials***: Our ODM and OEM providers are generally required to purchase specific raw materials directly from us or from other designated third-party suppliers for the manufacturing of designated products. In certain cases, however, they are responsible for the procurement of raw materials.

- ***Production***: We specify the product type, unit price, quantity, delivery timeline and other detailed items in each purchase order we send to our ODM and OEM providers from time to time. The ODM and OEM providers are obligated to produce the products we demand.

- ***Intellectual property***: We require our ODM and OEM providers not to make any unauthorized use or licensing of materials, proprietary equipment, technology or assets supplied by us, and to warrant that they either possess independent, lawful and sufficient intellectual property rights in the products supplied to us or have obtained the necessary authorizations.

- ***Confidentiality***: Both parties shall keep the agreement confidential. Without the consent of the other party, neither party shall not use nor disclose, sell, or engage in any other actions that could result in the disclosure of confidential information to third parties outside of the agreement.

- ***Payment***: Payment terms vary by supplier or product, or situation, and are generally made by bank transfer between 30 and 90 days.

SALES AND DISTRIBUTION NETWORK

Our Sales Channels and Network

During the Track Record Period, we sold our products and services to over 100 countries and regions worldwide. We primarily sold products through distributors during the Track Record Period, who in turn resold our products to their sub-distributors and their retail channels, including national and regional retail chains, cellular network carriers, retail stores, e-commerce platforms, and others. We chose to adopt a distributorship model primarily to leverage distributors' market expertise and established sales networks to effectively reach consumers in newly entered markets and gain greater market coverage. Our adoption of the distributorship is in line with the industry practice, according to Frost & Sullivan.

During the Track Record Period, we also maintained a very limited direct sales relationship with customers through offline self-operated flagship stores and online self-operated store on e-commerce platform, as part of experimental initiatives. These initiatives were primarily intended for brand showcase, product experience and consumer engagement, as well as to explore the integration of offline and online sales channels to support an omnichannel retail model. Going forward, we may selectively establish a limited number of self-operated flagship stores in certain key markets. In each period during the Track Record Period, revenue from direct sales accounted for less than 1.0% of our total revenue.

The following table sets forth a breakdown of our revenue by geographic regions, mainly based on (i) the designated sales region of our distributors for revenue from mobile phones and IoT products and others and (ii) the locations of our paying customer for revenue from mobile Internet services, in absolute amounts and as percentages of the total revenue for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Africa	21,770,766	34.9	22,551,092	32.8	24,752,983	37.7
Emerging APAC markets	21,504,656	34.5	24,834,423	36.1	23,895,187	36.4
Middle East	5,629,182	9.0	6,631,828	9.7	6,155,102	9.4
Latin America	5,120,208	8.2	6,877,278	10.0	5,248,319	8.0
Central and Eastern Europe	6,321,372	10.1	5,568,159	8.1	3,558,378	5.4
Other regions	1,948,693	3.3	2,252,499	3.3	1,981,267	3.1
Total	**62,294,877**	**100.0**	**68,715,279**	**100.0**	**65,591,236**	**100.0**

Distributorship

Overview

During the Track Record Period, our distributors primarily included regional trading agents, retail chains, cellular network carriers and e-commerce platforms. The following table sets forth the movement in the number of our distributors for the periods indicated.

	Year ended December 31,		
	2023	2024	2025
As of the beginning of the period	3,478	3,405	3,262
Addition of new distributors[(1)]	894	710	1,145
Termination of existing distributors[(2)]	(967)	(853)	(821)
Net increase/(decrease) of distributors	(73)	(143)	324
As of the end of the period	**3,405**	**3,262**	**3,586**

Notes:

(1) New distributors refer to distributors who (i) had at least one transaction with us in the relevant period; and (ii) did not have any transaction with us in the immediately preceding calendar year.

(2) Terminated distributors refer to distributors who (i) did not have any transaction with us in the relevant period; and (ii) had at least one transaction with us in the immediately preceding calendar year.

We terminated collaborations with certain distributors, primarily because (i) we had arranged some distributors whose purchase amount was relatively small, particularly those in India, to purchase our products from our other distributors instead of purchasing directly from us, so as to focus our resources on managing distributors who purchased larger amount of products; (ii) we terminated collaboration with distributors who failed to meet our evaluation standards, including sales performance, reputation, and general working relationship with us, or violation of our contractual arrangements; and (iii) some of our distributors had ceased operation or changed their business. During the Track Record Period and up to the Latest Practicable Date, we did not have any material unresolved disputes or lawsuits with our distributors.

Principal Contractual Terms

We typically enter into a standard non-exclusive distribution agreement with our distributors. Key contractual terms of our distribution agreements include the following:

- ***Duration***: The term of the distribution agreements is typically two years.

- ***Payment***: We generally require the distributor to make full payment through bank transfer before the shipment of products.

- ***Designated sales region***: We normally designate geographic distribution regions for each distributor for their sales activities.

- ***Pricing policy***: A fixed price is provided in each purchase order under the framework distribution agreement.

- ***Sales target and minimum purchase requirement***: We determine the incentive amount based on our sales incentive scheme to encourage distributors to fulfill annual sales target and promote the sales of our products. We do not set minimum purchase requirements.

- ***Product warranty***: We generally provide a warranty period of 12 months.

- ***Product return or exchange policy***: We typically do not allow distributors to return or exchange products unless there are product quality issues caused by us.

- ***Termination***: Both parties have the right to unilaterally terminate the agreement by giving at least 30 days' advance written notice. Additionally, we have the right to unilaterally terminate the distribution agreement if a distributor materially breaches its obligations under the distribution agreement.

Relationship with Distributors

We maintain seller-buyer relationships with our distributors. Historical sales generated by our distributors were generally recurring in nature and the discounts and rebates provided to our distributors are in line with market practice, according to Frost & Sullivan. We strictly forbid existing employees to work for or have equity in our distributors. To the best of our knowledge and after reasonable inquiry, save as Yiwill Holdings Connected Persons as disclosed in "Connected Transactions — Connected Persons," during the Track Record Period and up to the Latest Practicable Date, all of our distributors were Independent Third Parties. One of our Independent Third Party distributors is a company in which we hold a 40% equity interest and one of our five largest customers in each period during the Track Record Period ("**Company A**"). Company A primarily purchased mobile phones from us during the Track Record Period. Our transaction with Company A was conducted in the ordinary course of business and carried out on commercial terms that were negotiated at arm's length.

Sub-Distributors

We permit our distributors to engage sub-distributors within their respective designated sales territories to help them market and sell our products. During the Track Record Period and up to the Latest Practicable Date, we did not have any direct contractual relationships with our sub-distributors, thus generally having no control over sales activities of such sub-distributors.

Our distributors are generally responsible for managing their sub-distributors, including ensuring that the sub-distributors' operations are in line with our overall sales and distribution strategy, including designated sales territories and pricing policies. In the event of any violation or misconduct of sub-distributors identified by our distributors, our distributors will accordingly notify the relevant sub-distributors and request them to take corrective and rectification measures.

Selection and Management

We select our distributors based on comprehensive criteria, including their distribution network coverage, customer management capabilities, financial stability, logistics infrastructure and compliance track record. We establish sales guidelines for our distributors, covering pricing policies, inventory management, payment requirements and business integrity, to ensure they operate in accordance with our market strategies and legal requirements. To maintain transparency and control over sales channels, we require our distributors to provide delivery and sales statistics, allowing us to track the final destination of our products. We regularly review distributor performance based on their sales volume, customer engagement, and operational compliance, and assess contract renewals accordingly.

In order to prevent channel stuffing and cross-region sales, and to mitigate cannibalization risk within our distribution channels, we implemented the following measures to oversee and manage our distributors:

- ***Geographic distribution restrictions***: We designate sales region for each distributor in our distribution agreements. We are entitled to impose penalties, withdraw certain market resources or suspend promotional policies if distributors breach these terms.

- ***Product traceability***: We track mobile phones through their unique international mobile equipment identity ("**IMEI**") codes, which help us to trace activation location and detect irregularities. This enhances transparency and mitigates the risk of cross-regional or cross-channel sales.

- ***Pricing guidance***: We provide pricing guidance to our distributors. Distributors who engage in malicious low-price sales, including selling products below cost in a manner that disrupts the market, may face deductions from performance assessments or fines for breach of contract.

- ***Inventory control and management***: We require distributors to maintain appropriate stock levels sufficient to meet market demand, which generally should not fall below a specified turnover period. Distributors are also required to adopt a first-in, first-out method to avoid product obsolescence. In addition, distributors shall submit inventory balance reports from time to time. Our regional managers communicate with them regularly and conduct on-site inspections to review and monitor their inventory levels including reviewing relevant sales and inventory records in distributors' internal systems, inspecting warehouse facilities and verifying inventory conditions, which enables us to independently assess their operational and inventory status.

- ***Sales record audit and compliance***: We require distributors to retain sales documents, such as contracts, invoices, payment records for a period of time for audit purposes.

- ***Ongoing distributor management***: We maintain close communication and oversight of our distributors, including conducting on-site inspections and monitoring sales performance based on IMEI code activation. Any irregularities or improper practices are identified and addressed in a timely manner.

During the Track Record Period and up to the Latest Practicable Date, we did not identify any material instances of cross-regional or cross-channel sales, underscoring the effectiveness of our approach to minimize cannibalization among different sales channels and different geographical areas.

Pricing

We price our products considering a variety of factors, primarily including (i) customer demands, (ii) raw material costs, (iii) product differentiation and (iv) competitive landscape of the markets. We adjust the final pricing based on the specific client on a case-by-case basis.

Marketing

We continuously invest in our brands to enhance our brand image and awareness. To increase brand visibility, we carry out various advertising and promotional activities, including:

- ***Celebrity partnerships***: We engage celebrities, such as movie stars and singers, as our brand spokespersons to strengthen consumer confidence in our products. As of December 31, 2025, we had partnered with over 20 celebrities across various countries to promote our products and services.

- ***Sponsorships***: We sponsor major sports and e-sports events, such as the FIFA World Cup Qatar, the Africa Cup of Nations, the AFC Champions League and professional e-sports leagues, which help us reach broad consumer audiences and highlight specific product features, for instance, smartphones optimized for gaming.

- ***Co-branding campaigns***: We collaborate with well-known designers, brands and games to launch limited-edition products, such as the *TECNO CAMON 20 Mr. Doodle Edition*, the *TECNO POVA 5 Free Fire Edition* and *POVA 6 Free Fire Edition*, and the *TECNO SPARK 30 Series Transformers Edition*.

- ***Traditional media advertising***: We advertise on television, which is an effective promotional medium in emerging markets, as well as on billboards and branded vehicles.

- ***Online marketing***: We leverage new media platforms and e-commerce platforms to strengthen our online presence and reach younger consumer segments.

- ***KOL collaborations***: We collaborate with KOLs to produce and publish unboxing or reviewing videos featuring our products. During the Track Record Period, we partnered with KOLs from various countries and regions.

Our Major Customers

During the Track Record Period, our customers primarily consisted of our distributors. In 2023, 2024 and 2025, revenue generated from our five largest customers amounted to RMB7,919.6 million, RMB9,997.0 million and RMB8,786.9 million, respectively, accounting for 12.7%, 14.5% and 13.4% of our total revenue in the same periods, respectively. Revenue from our largest customer in each period during the Track Record Period accounted for 3.5%, 4.0% and 3.1% of our total revenue, respectively.

During the Track Record Period and up to the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who owned or, to the knowledge of our Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest customers. All of our five largest customers during each period of the Track Record Period were Independent Third Parties. One of our five largest customers in each period of the Track Record Period is a company in which we hold a 40% equity interest and was our distributor during the Track Record Period. See "—Our Sales Channels and Network—Distributorship—Relationship with Distributors."

THIRD-PARTY PAYMENT ARRANGEMENTS

Background

During the Track Record Period, certain customers (individually or collectively, the "**Relevant Customer(s)**") settled payments with us through accounts belonging to parties (individually or collectively, the "**Relevant Payor(s)**") other than the contractual counterparties under the corresponding sales and purchase agreements (the "**Relevant Payment Arrangements**") entered into between us and such Relevant Customers. The Relevant Customers during the Track Record Period primarily consisted of our distributors in emerging markets.

To the best of our knowledge, the Relevant Payors primarily consisted of:

- Payors who make payments to us for the Relevant Customers through providing the Authorization Letters to us (the "**Payors with Authorization Letters**"). The majority of such Payors with Authorization Letters are independent third parties of the Relevant Customers located in United Arab Emirates ("**UAE**"), Kenya or Hong Kong, whose principal businesses include trading and the sale of mobile phone and its accessories, while a small proportion of such Authorized Payers are affiliated entities of the Relevant Customers, including entities which are under common control with the Relevant Customers. Since October 2025, we have replaced the Authorization Letter with revised Payment Notification Deed. See "—Internal Control Measures for Third-Party Payment Arrangements—Enhanced Internal Control Measures." Payors who make payments to us for the Relevant Customers with revised Payment Notification Deed (the "**Payors with revised Payment Notification Deed**") are substantially the same as Payors with Authorization Letters; and

- Payors who make payments to us for the Relevant Customers without providing the Authorization Letters to us (the "**Payors without Authorization Letters**"). Such payors are mainly local sub-distributors of the Relevant Customers located in Ethiopia and Bangladesh, who are independent third parties of the Relevant Customers.

To the best of our knowledge, each of the Relevant Payors does not have any past or present relationships (whether business, employment, family, trust, fund flow, financing or otherwise) with our Company, our subsidiaries, shareholders, directors or senior management, or any of their respective associates, apart from being a Relevant Payor.

The following table sets forth amount attributable to different types of Relevant Payors under Relevant Payment Arrangements for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	%	*RMB'000*	%	*RMB'000*	%
Payors with Authorization Letters	20,535,462	99.4	21,392,506	98.9	13,409,296	44.2
Payors without Authorization Letters	121,574	0.6	244,427	1.1	102,093	0.4
Payors with revised Payment Notification Deed	–	–	–	–	10,709,207	55.4
Total	**20,657,036**	**100.0**	**21,636,933**	**100.0**	**24,220,596**	**100.0**

In 2023, 2024, and 2025, the number of the Relevant Customers was 735, 1,038 and 990, respectively, which represented 21.6%, 31.8% and 25.3% of the number of the total customers. In 2023, 2024 and 2025, the aggregate amount involving the Relevant Payment Arrangements was RMB20,657.0 million, RMB21,636.9 million and RMB24,220.6 million, respectively, which represented approximately 33.2%, 31.5% and 36.9% of our total revenue, respectively. No individual Relevant Customer had made a material contribution to our revenue during the Track Record Period and up to the Latest Practicable Date. The aggregate amount involving the Relevant Payment Arrangements from the single largest Relevant Customer accounted for less than 2% of the total payments we received from all customers during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, all Relevant Payment Arrangements were initiated by Relevant Customers, not by us. The pricing and payment terms we provided to the Relevant Customers were in line with those provided to customers not involved in the Relevant Payment Arrangements in all material respect. During the Track Record Period and up to the Latest Practicable Date, we did not provide any discount, commission, rebate or other benefits to any of the Relevant Customers or Relevant Payors to facilitate or incentivize the Relevant Payment Arrangements. To the best of our knowledge, we were not the subject of any investigations, enquiries, penalties, or surcharges as a result of our involvement in the Relevant Payment Arrangements during the Track Record Period and up to the Latest Practicable Date. In addition, we had not encountered any refund requests, actual or pending disputes or disagreements due to Relevant Payment Arrangements or any material claims against us in relation to the Relevant Payment Arrangements during the Track Record Period and up to the Latest Practicable Date.

Reasons for Third-Party Payment Arrangements

To the best knowledge of the Directors, Relevant Payment Arrangements was primarily due to the business needs of the Relevant Customers, and specifically, the Relevant Customers utilized Relevant Payment Arrangements primarily because:

- ***Payment through Payors with Authorization Letters and Payors with revised Payment Notification Deed***: To minimize foreign exchange risks, we generally accept settlements U.S. dollars or United Arab Emirates Dirham ("**AED**", which is pegged to the U.S. dollar), and typically requires full payment from customers prior to the delivery of goods. Certain Relevant Customers made payments to us through Payors with Authorization Letters and Payors with revised Payment Notification Deed, mainly due to the shortage of foreign exchange in emerging markets, which made it necessary for such Relevant Customers to rely on such payors that had U.S. dollar or AED reserves and reciprocal currency conversion needs.

- ***Payment through Payors without Authorization Letters***: Certain Relevant Customers made payments to us through their sub-distributors, primarily due to the inefficiency of local banking systems, where multiple bank transfers may take considerable time to process and complete. Therefore, to expedite settlement and meet our strict prepayment requirements prior to shipment, certain Relevant Customers arranged for their sub-distributors to make payments to us directly, thereby bypassing one layer of bank transfer and improving payment efficiency. Such Relevant Payment Arrangements mostly occurred in countries such as Ethiopia and Bangladesh where we operated local sales companies and is required to settle in local currency.

According to Frost & Sullivan, it is a common commercial practice in cross-border transactions, particularly in emerging markets where foreign currency resources are limited and foreign exchange controls or restrictions are in place, for customers to arrange for their payments to suppliers to be made through other payors, and it may not be commercially viable for them to completely cease this practice.

Internal Control Measures for Third-Party Payment Arrangements

Internal Control Measures

During the Track Record Period, we implemented internal control measures (the "**Current Internal Control Measures**") to monitor and manage the Relevant Payment Arrangements. Since prior to our A-share listing application in 2019, we have required the Relevant Customers and Relevant Payors to provide us with written letters of authorization (the "**Authorization Letters**") prior to making payments under the Relevant Payment Arrangements before the implementation of the revised Payment Notification Deed. We are not a signing party to the Authorization Letters, but are designated therein as the recipient of payments. The Authorization Letter typically specifies the following: (i) the Relevant Payor is authorized by the Relevant Customer to make payments to us on behalf of the Relevant Customers through the pre-agreed account of the Relevant Payor; (ii) payment made by the Relevant Payor does not confer upon such Relevant Payor any rights or entitlements against us; (iii) payment made by Relevant Payors is irrevocable and we have no obligation to refund any of the payment; (iv) any legal dispute arising from the Relevant Payment Arrangements shall be resolved between the Relevant Customers and the Relevant Payors, without involving us; (v) the Relevant Payors and their affiliates have no affiliation with us or any of our affiliates; (vi) both the Relevant Customers and the Relevant Payors have confirmed and declared that (a) their business is lawful and does not belong to any cash-intensive industries, (b) they have never been involved in any money laundering, terrorist financing, proliferation of weapon of mass destruction or drug trafficking activities, and (c) they are not on any sanctions or specially designated lists of any jurisdiction or international organization; (vii) the Relevant Payors have confirmed and declared that the funds used for payment to be made to us are generated from normal and lawful business operations, comply with applicable foreign exchange regulations, and have not been used to facilitate any money laundering, commercial bribery, or other unlawful activities; (viii) the Relevant Payors have confirmed and declared that they have not received any funds from unknown third parties for the purpose of making such payments; (ix) the Relevant Customers have confirmed that they have conducted due diligence on the Relevant Payors to the maximum extent commercially reasonable, and to their best knowledge, no material risk or irregularity has been identified in relation to the Relevant Payors or their sources of funds; and (x) both the Relevant Customers and the Relevant Payors have confirmed and declared that all information and facts provided are true, complete and accurate, and undertake to be jointly and severally liable for any misrepresentation or breach of the foregoing undertakings.

During the Track Record Period, substantially all of the Relevant Customers had provided us with Authorization Letters before making payments under the Relevant Payment Arrangements before the implementation of the revised Payment Notification Deed. For payments made through Payors without Authorization Letters, such payments were generally made by sub-distributors on behalf of the Relevant Customers, were settled in local currencies and did not involve cross-border fund transfers, and the amount of each payment was relatively small. Given the nature of such arrangements, we did not require Authorization Letters in these limited circumstances, which accounted for less than 1.1% of the total amount under the

Relevant Payment Arrangements during each period of the Track Record Period. Nevertheless, such payments remained subject to the other internal control measures described below. We had notified all Relevant Customers who made payments through Payors without Authorization Letters in August 2025 that we would terminate such Relevant Payment Arrangements, with all such terminations completed by October 2025.

In addition, we have adopted enhanced KYC procedures to verify the identities of the Relevant Customers and Relevant Payors and to ensure that Relevant Payments are made in accordance with contractual arrangements. To verify the authenticity of Relevant Payment Arrangements, our finance staff are authorized to only recognize payments from Relevant Payors and match such payments to the corresponding Relevant Customers on the condition that the information of Relevant Payors matches that in the corresponding Authorization Letter or revised Payment Notification Deed. As part of the enhanced KYC efforts, we screen Relevant Payors through the Dow Jones risk database to ensure they do not appear on sanctions lists, anti-money laundering watchlists. Any abnormalities identified during the screening process will be reported to the legal department for assessment of whether the transactions may proceed. We will also promptly verify and, where necessary, implement relevant measures in coordination with the Relevant Customers. All Relevant Payment Arrangements were required to be settled via bank transfers. We designated certain receiving banks with stringent internal control systems, including anti-money laundering, and anti-bribery monitoring. Payments from the Relevant Payors were processed by these banks in accordance with their standard compliance procedures before being credited to our accounts.

We believe the Current Internal Control Measures have been effective in safeguarding the legitimacy of the Relevant Payment Arrangements, mitigating risks of fraud and money laundering, and ensuring the accuracy and completeness of its accounting books and records.

Enhanced Internal Control Measures

To safeguard our interest against risks associated with Relevant Payment Arrangements, in addition to the Current Internal Control Measures, since October 2025, we have implemented enhanced internal control measures to strengthen control over Relevant Payment Arrangements in transactions (collectively, the "**Enhanced Internal Control Measures**"). The Enhanced Internal Control Measures include, among other things:

- ***Revised sales and purchase agreement***: we have adopted revised sales and purchase agreement which expressly provide that payments shall in principle be made directly by the customer. Only under limited circumstances may a payor be appointed, and such appointment shall be subject to our prior review and acceptance at its sole discretion. The revised sales and purchase agreement requires the customer to provide comprehensive business information and supporting documents of the payor, together with the revised Payment Notification Deed duly executed between the customer and the payor, which shall only take effect upon being duly stamped and accepted by us. All customers that intend to appoint a payor for payment are required to enter into a Payment Notification Deed with the payor and submit relevant supporting materials for our review and acceptance prior to any payment made by the payor. The revised Payment Notification Deed, once executed by us, shall be incorporated by reference into and form an integral part of the sales and purchase agreement, and any payment made by the payor in accordance with the terms thereof shall be deemed to constitute valid payment made by the customer;

- ***Revised Payment Notification Deed***: we have adopted the revised Payment Notification Deed (previously the Authorization Letter), which, being executed as a deed, ensures the legal enforceability by us against the contracting parties. The revised Payment Notification Deed (i) clearly makes reference to the underlying sales and purchase agreements, (ii) specifies a validity period of authorization, (iii) includes comprehensive representations, warranties, and undertakings by both the customer and the payor that all payments are irrevocable and non-refundable, that the payor has no affiliation with us and acquires no rights vis-à-vis us by making such payments, and that funds used are legitimate and compliant with applicable anti-money laundering and sanctions regulations, (iv) provides that we are entitled to refuse any payment if there is reasonable basis to suspect risk, (v) provides that the customer shall remain fully liable for any unpaid obligations notwithstanding the appointment of a payor; and (vi) provides that the customer and the payor shall be jointly and severally liable to us for any breach of their respective obligations under the Payment Notification Deed, and that we may enforce such liability directly against either party without first proceeding against the other, with such liability remaining effective notwithstanding any variation of the underlying agreements. As both the revised sales and purchase agreement and the revised Payment Notification Deed are governed by Hong Kong law, we have sought advice from our special legal advisor as to Hong Kong law advising on the Relevant Payment Arrangements. As advised by our Special Legal Advisor as to Hong Kong law, (i) the revised Payment Notification Deed is signed among us, the customer and the payor and constitutes a tripartite contractual arrangement and (ii) upon execution of the revised Payment Notification Deed, the payor is obligated to make all payments that the customer is obligated to make to us pursuant to the terms of the revised sale and purchase agreement upon the request of the customer;

- ***Enhanced internal policy and procedural control***: we have further improved the Administrative Measures for Relevant Payment Arrangements, which clearly provides that, we shall, in principle, only accept payments made directly by the customer. Only in specific circumstances where (i) the customer is incorporated or located in emerging market countries, (ii) the customer faces practical difficulties in making direct payments, and (iii) upon completion of proper internal approval procedures, may a payor be accepted. In assessing whether a customer faces practical difficulties in making direct payments, we consider a number of factors on a case-by-case basis, including whether the customer is located in a jurisdiction where foreign currency resources are limited, whether there are limitations in local payment infrastructure that may hinder direct cross-border payments, and whether there are other regulatory or administrative constraints. Customers are generally required to provide supporting explanations or documentation, and such arrangements are subject to internal review and approval procedures. We have also adopted measures to minimize the use of Relevant Payment Arrangements going forward, such that such arrangements will only be permitted on a limited and exceptional basis, subject to more stringent internal approval procedures and ongoing review; and

- ***Enhanced system control***: to implement Administrative Measures for Relevant Payment Arrangements and prevent inappropriate payment arrangement, we have upgraded its online finance system to include a dedicated module for Relevant Payment Arrangements, which requires (i) uploading the revised Payment Notification Deed duly executed between the customer and the payor and duly stamped and accepted by us, in our prescribed form; (ii) uploading the Dow Jones screening record for any newly introduced payor; and (iii) uploading the business license and other qualification documents of the payor.

Following the implementation of the Current Internal Control Measures and Enhanced Internal Control Measures, we (i) will regularly check their effectiveness so as to promptly address any deficiency and (ii) expects to accept Relevant Payment Arrangements only in specific circumstances where customers in emerging market countries face practical difficulties in making direct payments. We do not expect the aggregate amount involving Relevant Payment Arrangements to significantly increase as a proportion of the total payments we receive from all customers in the near future, unless there are significant changes in (i) the economic or financial policies of emerging markets countries leading to further foreign exchange shortages, or (ii) settlement methods, which may involve a shift in how payments are processed or made (e.g., adoption of new payment channels or currency mechanisms), both of which are factors outside of our control.

Our internal control consultant conducted an independent and follow-up review of the Current Internal Control Measures and Enhanced Internal Control Measures and found no material deficiencies in (i) ensuring the sources of funds from the Relevant Customers and the Relevant Payors are reasonable and supported by properly executed contracts, (ii) ensuring the accuracy and completeness of our accounting books and records, and (iii) preventing typical risks associated with Relevant Payment Arrangements, including money laundering risks or other risks relating to violation of applicable laws and regulations. We will further enhance its internal control measures as appropriate in accordance with the recommendations of the internal control consultant as and when it is needed. Having taken into account the work and procedures performed by our internal control consultant, as well as the independent due diligence conducted by the Sole Sponsor, nothing has come to the attention of the Sole Sponsor that would reasonably cast doubt on the effectiveness and adequacy of the Enhanced Internal Control Measures, and the Sole Sponsor is not aware of any issues indicating that the Enhanced Internal Control Measures would have any material adverse effect on the Group's operations and financial performance.

Legality of Third-Party Payment Arrangements

The sales and purchase agreement, the revised sales and purchase agreement and the revised Payment Notification Deed are governed by Hong Kong law primarily because our Hong Kong subsidiaries, as the major sales entities, are the signing party for the majority of our sales and purchase agreement, accounting for approximately 60% of our total revenue during the Track Record Period. Our special legal advisor as to Hong Kong law is of the view that (i) the Relevant Payment Arrangements do not violate any applicable laws and/or regulations in Hong Kong, (ii) the sales and purchase agreement, the Authorization Letter, the revised sales and purchase agreement and the revised Payment Notification Deed are not in breach of any Hong Kong laws and are valid, binding and enforceable as between us and the Relevant Customer, (iii) the Authorization Letter and the revised Payment Notification Deed serves as a valid document for the Relevant Customer to appoint the Relevant Payor as its agent to settle payment on its behalf, and (iv) the revised sales and purchase agreement and the revised Payment Notification Deed are enforceable against the contracting parties under the Hong Kong law.

We confirm that, to our best knowledge, there were no instances of breaches of Hong Kong laws and regulations in relation to money laundering activities or terrorist financing (including but not limited to the Organized and Serious Crimes Ordinance (Chapter 455 of the laws of Hong Kong) and the United Nations (Anti-Terrorism Measures) Ordinance (Chapter 575 of the laws of Hong Kong) tax related administrative penalties in relation to our activities under the Relevant Payment Arrangements during the Track Record Period and up to the Latest Practicable Date in all material respects.

During the Track Record Period, Relevant Payment Arrangements involved more than 100 jurisdictions. We have sought advice from legal advisors from the jurisdictions where the majority of the Relevant Payors are incorporated, including UAE, Kenya, Hong Kong, DR Congo, Iraq, Bangladesh, Ethiopia, Tanzania, Guinea, Zambia, Liberia and Uganda, which together accounted for a substantial majority of the total transaction amount under the Relevant Payment Arrangements in 2025. We have further tightened our control over Relevant Payment Arrangements, and since June 1, 2026, we only accept payors located in jurisdictions for which we have obtained local legal advice in connection with the Relevant Payment Arrangements, subject to enhanced internal approval and ongoing compliance review procedures. As advised by our UAE Legal Advisor, Kenya Legal Advisor, DR Congo Legal Advisor, Iraq Legal Advisor, Bangladesh Legal Advisor, Ethiopia Legal Advisor, Tanzania Legal Advisor, Guinea Legal Advisor, Zambia Legal Advisor, Liberia Legal Advisor, Uganda Legal Advisor, and our Special Legal Advisor as to Hong Kong Law, (i) the Relevant Payment Arrangements do not violate any applicable local laws and regulations, (ii) the Relevant Payors are not required to obtain any specific license to make payments on behalf of the Relevant Customers, nor are we required to obtain any specific license to receive such payments from the Relevant Payors; (iii) the risk of us being required to return payments to the Relevant Payors under the Relevant Payment Arrangements is remote, (iv) the risk of us being prosecuted of money laundering, bribery or corruption solely by reason of the existence of the Relevant Payment Arrangements is remote and (v) the revised Payment Notification Deed are enforceable against the contracting parties. We consider that advice from legal advisors in such representative jurisdictions provides a reasonable basis to address the legal concerns in relation to the Relevant Payment Arrangements.

Having taken into account the views of our UAE Legal Advisor, Kenya Legal Advisor, DR Congo Legal Advisor, Iraq Legal Advisor, Bangladesh Legal Advisor, Ethiopia Legal Advisor, Tanzania Legal Advisor, Guinea Legal Advisor, Zambia Legal Advisor, Liberia Legal Advisor, Uganda Legal Advisor, and our Special Legal Advisor as to Hong Kong Law, together with its independent due diligence conducted, nothing has come to the attention of the Sole Sponsor that would reasonably cast doubt on the legality of the Relevant Payment Arrangements.

THE IMPACT OF SANCTIONS, EXPORT CONTROLS, U.S. TARIFFS, AND FINAL RULE

International Sanctions

During the Track Record Period, we have sold our mobile phones products and IoT products to 572 business customers located in certain regions subject to sanctions imposed by the United States, the European Union or the United Nations (the "**International Sanctions**"), including Burundi, Central African Republic, Democratic Republic of the Congo, Ethiopia, Guinea, Guinea-Bissau, Iraq, Lebanon, Libya, Mali, Myanmar, Niger, Russia, Somalia, South Sudan, Syria, Turkey, Ukraine, Yemen, and Zimbabwe (the "**Relevant Regions**"). Revenue generated from sales to customers in Relevant Regions was approximately RMB14,488.3 million, RMB14,562 million and RMB11,165 million in 2023, 2024 and 2025, respectively, accounting for 23.3%, 21.2% and 17.0% of our total revenue for the respective periods. Our mobile phones products and IoT products sold to customers in the Relevant Regions are used by local individual consumers for personal use and our contracts with such customers include clauses prohibiting any military use of our products. As of the Latest Practicable Date, we have not identified any indication that our mobile phones products and IoT products sold to the customers in the Relevant Regions have military applications. During the Track Record Period, we also procured agricultural products from 47 suppliers in Ethiopia. The purchase amounts were approximately RMB98.6 million, RMB61.8 million and RMB116.5 million in 2023, 2024 and 2025, respectively, accounting for 0.2%, 0.1% and 0.2% of the total procurement amount for the same periods. Our sales and procurement activities in the Relevant Regions are ongoing.

As advised by our International Trade Controls Legal Advisor, our sales and procurement activities in the Relevant Regions did not constitute Primary Sanctioned Activities or Secondary Sanctionable Activities, given that (1) none of the Relevant Regions were comprehensively sanctioned countries at the time of the relevant transactions (our sales to the customer in Syria commenced in September 2025, after the comprehensive OFAC sanctions program against Syria was terminated on August 26, 2025), (2) our products sold to the Relevant Regions are not specifically designed for, nor predominantly marketed to, entities operating in industries subject to heightened or sectoral sanctions (e.g., defense, energy, or finance), and (3) none of our business customers and suppliers in the Relevant Regions during the Track Record Period were Sanctioned Targets at the time of the relevant transactions.

U.S. Export Controls

In recent years, the United States has increased export controls restrictions on China through the Export Administration Regulations (the "**EAR**"), which includes a list of foreign persons on which certain trade restrictions are imposed (the "**Entity List**"). The export, re-export and in-country transfer of items subject to the EAR to a listed foreign person is generally prohibited unless the specified license requirements are met. As advised by our International Trade Controls Legal Advisor, the majority of our products are not subject to the EAR, because such products are not of U.S. origin or located in the U.S., do not incorporate U.S.-origin components, software, or technology to the level that would trigger EAR jurisdiction under the *de minimis* rule, and are not direct products of U.S.-origin technology or software, and are not produced using any complete plant or major component that is itself a direct product of such controlled U.S. technology or software. However, our products that move in transit through the United States to customers in Latin America do fall under the EAR. Our International Trade Controls Legal Advisor is of the view that such products are subject to limited U.S. controls under the EAR, and are prohibited from being provided to any restricted customers or prohibited regions. After due and careful inquiry, we have not identified any customers that were listed on the Entity List at the time of the relevant transactions. Nor did we provide our products subject to the EAR to any restricted customers or prohibited regions. As a result, our International Trade Controls Legal Advisor is of the view that the current U.S. government export controls should not have any material adverse effect on our business.

U.S. Tariffs Policies

Our products exported from China to the U.S. are subject to U.S. tariffs. Since early 2025, the United States government announced a series of tariff increases on imports from China. As of the Latest Practicable Date, it remained uncertain how the Sino-U.S. and the global trade situation will develop.

Tariffs under the International Emergency Economic Powers Act ("IEEPA")

In February and March 2025, the United States imposed cumulative 20% tariffs on imports from China (including Hong Kong SAR) under IEEPA in response to fentanyl-related concerns, later reducing the cumulative rate by 10% in November 2025. In April 2025, the United States introduced "reciprocal tariffs" on imports from major trading partners, including China, with rates on Chinese goods rising as high as 125% (in addition to existing tariffs) before being reduced to 10% following bilateral negotiations in May 2025. On February 20, 2026, the United States Supreme Court issued its decision that the IEEPA does not authorize the President to impose tariffs, and invalidating both the reciprocal tariffs and the tariffs in response to fentanyl-related concerns. On the same day, the U.S. government announced the end of the IEEPA tariffs, including the reciprocal tariffs, stating that such duties "shall no longer be in effect and, as soon as practicable, shall no longer be collected."

Tariffs under Section 122 of the Trade Act of 1974

On February 20, 2026, the U.S. government announced that it would impose, for a period of 150 days, a 10% ad valorem import duty on articles imported into the United States under Section 122 of the Trade Act of 1974, effective February 24, 2026. During the Track Record Period, our revenue generated from our product sales to the U.S. amounted to approximately RMB137.7 million, RMB63.2 million and RMB7.3 million, respectively, accounting for 0.2%, 0.1% and 0.01% of the total revenue for the respective periods. Given that the revenue we generated from the U.S. represented an immaterial amount of our total revenue during the Track Record Period, our International Trade Controls Legal Advisor is of the view that U.S. tariff policies concerning China did not have any material adverse effect on our business operations and financial conditions.

Final Rule

On October 28, 2024, the U.S. Department of the Treasury (the "**Department of Treasury**") issued the "Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern" (the "**Final Rule**"). The Final Rule became effective on January 2, 2025. In addition, the Outbound Investment Security Program ("**OISP**") applies to an investment by a U.S. person involving "covered foreign person", who are persons associated with a "country of concern" and engaged in one or more "covered activities" in three sectors pertaining to national security technologies and products (such an investment is a "covered transaction"): (1) semiconductors and microelectronics, (2) quantum information technologies, and (3) artificial intelligence ("**AI**").

We have developed certain AI systems, which were developed for integration into our mobile phone and IoT products, or for use in screen inspection, knowledge base integration, and business scenario modeling. All such AI systems were trained using a quantity of computing power that do not meet the technical threshold of "notifiable transactions" or "prohibited transactions" under the OISP, and we do not plan to develop any AI systems that meet such technical threshold. Our AI-related research and development activities are not intended for military end use, government intelligence or mass-surveillance end use, cybersecurity applications, digital forensics tools, penetration testing tools, or the control of robotic systems. As advised by our International Trade Controls Legal Advisor, our AI-related research and development activities do not fall under the definition of a 'notifiable transaction" or a "prohibited transaction" under the OISP, and we are not a "covered foreign person" under the Final Rule, as we do not engage in any "covered activity" as defined therein.

RAW MATERIALS AND SUPPLIERS

Raw Materials Procurement

Our raw materials primarily include (i) electronic components, mainly including memory chips and SoCs, (ii) cameras and (iii) screens. We procure raw materials mainly from globally recognized manufacturers and their authorized distributors. We formulate our procurement plans dynamically, taking into account historical demand, sales forecasts, inventory levels, R&D needs, and market expansion strategies. All materials undergo quality inspections prior to warehousing, ensuring compliance with our strict standards.

During the Track Record Period, we did not have significant reliance on any single supplier. We maintain a diversified supplier base and have established long-term and stable relationship with suppliers. During the Track Record Period, we collaborated with over 10,000 suppliers across Chinese Mainland, Hong Kong and Taiwan. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any shortages with our procurement that materially affected our operations.

Key Arrangements with Suppliers

We generally enter into framework agreements with raw material suppliers, which set forth the general terms and conditions of purchase. Salient terms of the framework supply agreements with our raw material and component suppliers typically include:

- ***Duration and Termination***: The term of the supply agreements is typically two years, with either party entitled to terminate for breach.

- ***Product Specifications***: We specify the product specification, price, quantity, delivery timeline and other detailed items in each purchase order we send to our suppliers.

- ***Risk Transfer***: The risk transfers to us after we complete inspection and confirm receipt of the products.

- ***Quality Assurance***: Suppliers generally grant a warranty period of 13 months. In the event of a quality issue arising during the warranty period, the supplier is obliged to provide a response and resolution.

- ***Product Return***: We have the right to reject, replace or return products which are non-conforming with product quality standard, product specifications or quantity with the order placed.

- ***Payment***: Payment terms vary by supplier or product, or situation, and we are generally granted credit terms between 30 and 90 days.

Supplier Management

We typically engage reputable suppliers with proven track records to ensure the quality of our products. We have established a comprehensive supplier management system to ensure supply chain stability, cost efficiency, and quality compliance. Our supplier lifecycle management covers the entire engagement process, including selection, evaluation, performance tracking, and potential disengagement. We consider a comprehensive set of factors when selecting suppliers, which mainly include cost competitiveness, delivery reliability, quality assurance, and technical capabilities. New suppliers must undergo rigorous qualification processes, including registration, capability assessment, material certification, on-site inspections, and contractual agreements before being included in our approved supplier list. Existing suppliers are subject to quarterly and annual performance reviews, which classify them into different categories based on performance. Suppliers that fail to meet performance expectations may be subject to corrective action plans, reduced procurement volumes, or contract termination. In addition, we conduct regular supplier training programs to enhance their understanding of product quality, corporate social responsibility, and compliance requirements.

Major Suppliers

The following table sets forth the details of our five largest suppliers in each period during the Track Record Period.

Rank	Supplier	Purchase Amount	Percentage of Total Purchase	Type of Products Provided	Business Relationship Since
		(RMB'000)			
For year ended December 31, 2023					
1	Supplier A[(1)]	5,361,669	10.8	Memory chips and SoCs	2015
2	Supplier B[(2)]	4,925,516	10.0	SoCs	2015
3	Supplier C[(3)]	3,834,155	7.7	Functional chips, control and display assemblies, memory chips and home appliances	2021
4	Supplier D[(4)]	2,231,807	4.5	Memory chips and driver ICs	2019
5	Supplier E[(5)]	1,849,480	3.7	Memory chips	2021
Total . .		18,202,627	36.7		

Rank	Supplier	Purchase Amount	Percentage of Total Purchase	Type of Products Provided	Business Relationship Since
		(RMB'000)			
For the year ended December 31, 2024					
1	Supplier A[(1)]	6,220,150	12.3	Memory chips and SoCs	2015

Rank	Supplier	Purchase Amount	Percentage of Total Purchase	Type of Products Provided	Business Relationship Since
		(RMB'000)			
2	Supplier B[(2)]	5,344,465	10.6	SoCs	2015
3	Supplier C[(3)]	3,276,438	6.5	Functional chips, control and screen assemblies, memory chips and home appliances	2021
4	Supplier D[(4)]	1,968,451	3.9	Memory chips and driver ICs	2019
5	Supplier F[(6)]	1,881,322	3.7	Memory chips	2015
Total . .		18,690,826	37.0		

Rank	Supplier	Purchase Amount	Percentage of Total Purchase	Type of Products/Services Provided	Business Relationship Since
		(RMB'000)			
For the year ended December 31, 2025					
1	Supplier B[(2)]	4,547,033	9.2	SoCs	2015
2	Supplier D[(4)]	3,782,638	7.6	Memory chips and driver ICs	2019
3	Supplier A[(1)]	3,524,373	7.1	Memory chips and SoCs	2015
4	Supplier F[(6)]	3,108,788	6.3	Memory chips	2015
5	Supplier G[(7)]	2,119,219	4.3	Production consumables, screens, home appliances and appliance assemblies	2019
Total . .		17,082,051	34.5		

Notes:

(1) Supplier A is established in Shenzhen, China and primarily engages in the distribution of electronic components. It was listed on the Shenzhen Stock Exchange in April 2023.

(2) Supplier B is established in Hong Kong SAR and primarily engages in the distribution of semiconductor and electronics.

(3) Supplier C is established in Taiwan, China and primarily engages in the distribution of semiconductor and other electronic components. It was listed on the Taiwan Stock Exchange in December 2007.

(4) Supplier D is established in Hong Kong SAR and primarily engages in the technology development, wholesale and sales of optoelectronic display products, electronic products and electronic application materials.

(5) Supplier E is established in Hong Kong SAR and primarily engages in the manufacturing of memory chips and provides memory solutions.

(6) Supplier F is established in Hong Kong SAR and primarily engages in the manufacturing of electronic components and equipment.

(7) Supplier G is established in Shenzhen, China and primarily engages in the manufacturing of mobile and automotive display products, providing comprehensive customized display solutions and rapid service support. It was listed on the Shenzhen Stock Exchange in March 1995.

During the Track Record Period and up to the Latest Practicable Date, none of our Directors, their respective associates, nor any shareholders of our Company (who or which to the knowledge of the Directors owned more than 5% of our Company's issued share capital) had any interest in any of our five largest suppliers. None of our major suppliers are our major customers and vice versa. All of our five largest suppliers in each period during the Track Record Period were Independent Third Parties.

LOGISTICS AND INVENTORY MANAGEMENT

Logistics

We engage qualified third-party logistics service providers to deliver our products from the manufacturing facilities to the locations specified by our customers. We conduct regular evaluations of these third-party logistics providers to ensure their compliance with our quality standards and efficient delivery performance. To the best of our knowledge, during the Track Record Period, all of our logistics service providers are Independent Third Parties.

Inventory Management

We place high importance on our inventory and turnover health, assigning dedicated personnels in our supply chain team to maintain routine inventory check and provide reports to our management team for review. Our inventories primarily consist of (i) raw materials, (ii) work in progress, (iii) finished goods and (iv) consigned materials for processing.

To maintain our competitiveness, align our products with evolving market demand, and prevent inventory obsolescence, we have implemented measures to optimize our inventory levels. We adopt a first-in, first-out management policy and maintain a safety stock level to prepare for unexpected increase in demand or delay, shortage in supply. We routinely monitor our inventory and ensure that all goods in transit are effectively managed. We also proactively track market condition change and pre-order and stockpile in advance strategic raw materials in anticipation of potential supply shortage, particularly for key raw materials that are subject to price or availability fluctuations, such as memory chips. For further details, see "Financial Information—Selected Balance Sheet Items—Current Assets/Liabilities—Inventories."

QUALITY CONTROL

We are committed to maintaining the highest level of quality across our products and solutions. Our comprehensive quality management system ensures full lifecycle quality control, covering R&D, design, testing, production, delivery, and after-sales service. Our commitment to high quality and reliability helps strengthen the recognition of our brand. As of December 31, 2025, we had a quality control workforce of over 200 personnel. Our quality control team is equipped with advanced inspection instruments for higher testing capabilities to ensure product quality. Our quality control team is responsible for formulating, managing and supervising our quality control system. All employees in the quality control team enter have completed training in quality management systems and regularly undergo training on quality management regulations to continuously enhance their professional knowledge and legal expertise in quality and safety management, ensuring their competence in performing their duties.

Our Quality Accreditations

We adhere to globally recognized quality and environmental management standards, ensuring that our products and operations comply with the highest industry benchmarks. We have obtained ISO9001, ISO14001 and ISO45001 certifications, covering R&D, supply chain management, and customer service, which systematically enhance our operational quality and risk management capabilities.

To ensure compliance with environmental and hazardous substance regulations, we strictly follow European Union's Restriction of Hazardous Substances ("RoHS") ("歐盟有害物質限制") and Registration, Evaluation, Authorization, and Restriction of Chemicals ("REACH") ("歐盟關於化學物質的註冊、評估、授權和限制法規") directives, ensuring that all our products meet the latest environmental safety requirements. In addition, our quality control efforts have been recognized by the industry. These recognitions reinforce our ongoing commitment to product safety, quality management, and sustainable production practices, positioning us as a trusted and responsible player in the industry.

Our Quality Control Programs

Supply Chain Quality Control

A robust supply chain quality control process is essential to maintaining consistent and high-performing components. We enforce strict supplier audits, evaluating potential partners based on manufacturing capabilities, quality track record, and regulatory compliance. Only materials that pass our rigorous qualification and certification process are approved for use. Throughout the procurement and production cycle, we maintain full-process quality management, ensuring that all raw materials meet our design specifications and environmental compliance standards. We implement multi-layered quality checks, from incoming material inspections to critical material sealing procedures, preventing substandard components from entering production. This proactive approach enables us to minimize quality risks, strengthen supplier accountability, and ensure stable supply chain performance.

Production Quality Control

We have established a comprehensive quality control system across various stages of our production. To ensure effective implementation and compliance with national and industry production standards as well as our internal production guidelines, our quality control staff conduct routine inspections and periodic sample checks throughout the entire production process. Our quality control measures include (i) establishing quality standards and inspection plans to guide quality control activities; (ii) conducting inspections of incoming materials and first-article checks to ensure only qualified components enter production; (iii) performing in-process monitoring, including patrol, process-wide and control point inspections, to identify and address quality risks; (iv) carrying out finished product inspections, including sampling audits and reliability tests, to ensure compliance with quality and safety standards; and (v) implementing post-production measures, including inventory re-inspections and ongoing monitoring, to enhance product reliability prior to delivery.

Finished Products Quality Control

Before shipment, finished products undergo comprehensive quality testing to ensure performance, reliability, and compliance with international standards. Our hardware testing verifies circuit integrity, thermal stability, and structural durability, while software testing assesses functionality, firmware stability, and user experience. We conduct extensive reliability testing, simulating real-world operating conditions to validate long-term product performance. Additionally, we ensure compliance with international certification requirements, such as environmental substance testing and target market regulatory approvals, to facilitate seamless global market entry. Through these rigorous validation processes, we endeavor to guarantee that every product meets our strict quality benchmarks before reaching customers.

Customer Services

To better serve users of our smart devices, we have established a comprehensive after-sales service network under the brand Carlcare. Carlcare provides repair, online consultation and other value-added services. Our after-sale services ensure a reliable user experience and supports long-term customer satisfaction.

We have developed a multi-tiered customer service system to provide timely and comprehensive support to our distributors, end-users, and other stakeholders. This system covers both post-sales support and general consumer inquiries. Post-sales services are typically provided through direct, one-on-one assistance to resolve product-related issues effectively. For general inquiries — including product information, usage suggestions, and feedback on marketing — we engage users through various channels, such as our customer hotline and official social media platforms, ensuring a seamless and responsive communication experience.

As of December 31, 2025, we operated over 2,000 customer service centers globally, which handle product- and service-related inquiries and complaints. Our customer service team regularly coordinates with other departments to improve service quality and address evolving customer needs. During the Track Record Period and up to the Latest Practicable Date, we did not have any material complaints in relation to our products and services.

Product Return Policies

For our distributors, we maintain a relatively stringent return policy under which distributors are generally not allowed to return or exchange products after receipts unless there are quality issues. If a product is found to have quality defects caused by us, we will recall the affected products to our production facilities for further handling, and we will bear the costs incurred in connection with such product exchanges or returns. During the Track Record Period, our product returns were primarily due to quality issues that could not be repaired by our local after-sales service team. The value of products returned by us accounted for less than 0.4% of our total revenue during the Track Record Period. During the Track Record Period and up to the Latest Practicable Date, we did not experience any product recalls, product returns, or product liability claims that materially and adversely affected our business.

INTELLECTUAL PROPERTY

Our patents, copyrights, trademarks, domain names, know-how, proprietary technologies, trade secrets and other intellectual property rights are critical to our business operations. As of December 31, 2025, we had over 3,000 granted patents in China and overseas, including over 1,300 invention patents. As of December 31, 2025, we had over 2,200 copyrights, over 3,500 registered trademarks, and over 600 domain names in China and overseas. See "Appendix IV—B Further Information about Our Business—Intellectual Property Rights" for more details of the material intellectual property rights.

We rely primarily on a combination of patents, copyrights, trademarks, trade secret and unfair competition laws and contractual rights, such as confidentially agreement, to protect our intellectual property rights. We clearly state all rights and obligations regarding the ownership and protection of intellectual properties in all employment agreements and commercial agreements we enter into. When encountering infringement, we conduct relevant investigations, obtain proper evidence, take appropriate action such as warnings and legal proceedings, to safeguard our legal rights and interests. During the Track Record Period and up to the Latest Practicable Date, we were involved in certain intellectual property disputes, including claims relating to standard essential patents ("**SEPs**") which are common within the industry and other non-SEP intellectual properties proceedings. See "—Legal Proceedings and Compliance—Legal Proceedings" for details. However, as of the Latest Practicable Date, none of such Proceedings had resulted in any final and enforceable judicial determination that we had infringed any third party's intellectual property rights. Based on the forgoing, our Directors are of the view that during the Track Record Period and up to the Latest Practicable Date, we did not infringed any third-party intellectual property rights and that we were not involved in any legal proceedings in relation to infringement of any intellectual property rights which would have any material adverse impacts on our business, financial condition, and results of operations. See "Risk Factors—Risks Relating to Our Business and Industry—We may not be able to obtain or maintain adequate intellectual property rights or trade secrets protection for our products and may become involved in lawsuits to protect or enforce our intellectual property" and "Risk Factors—Risks Relating to Our Business and Industry—If third parties claim that we infringe upon their intellectual property rights, we may incur liabilities and damages and may have to redesign or suspend the sales of products involved."

INFORMATION SECURITY AND DATA PRIVACY

We have established a strict company-wide policy on data collection and processing and have implemented a network of process and software controls to preserve individual personal information and privacy. In accordance with our policy, the processing of any user data is required to go through the following assessment procedures: (i) providing adequate notice to users as to why and how their data is being collected and used, (ii) providing users with the choice to opt-out or opt-in, (iii) making reasonable efforts to prevent loss or leakage of any user data, (iv) providing users access to personal information held about them, and (v) enforcing the policy with effective means.

We collect personal data primarily through our devices, operating systems and related applications and services, including those provided through Transsion OS. We only collect users' personal data after they have been presented with our privacy policy and have provided their consent. Personal data are mainly obtained through (i) information voluntarily provided by users when they register accounts, use certain functions or submit information through our devices, applications or services, and (ii) data generated during the provision of services based on users' authorization and interaction with our systems and applications.

With prior user consent and depending on the types of services that users engage with, we may collect the following categories of personal and behavioral data: (i) contact information (such as name, birthday, gender, mobile phone number, e-mail address, and delivery address); (ii) device information (such as IMEI code, serial number and hardware usage patterns); (iii) software and application usage information; (iv) social activities (such as current employer, job title and education background); (v) transaction activities (such as purchase records, bank account number, and credit card number); (vi) location information; and (vii) Internet browsing activities.

We only process behavioral statistics as part of our effort to develop more advanced AI technology for our products and services. We do not sell our users' personal data. Subject to users' authorization and in accordance with applicable data protection requirements, we may share limited information, such as encrypted advertising identifiers, with third-party advertising platforms for the purpose of advertisement placement. We encrypt user data in network transmission. For back-end storage, we also use various encryption technologies at software and hardware levels to protect sensitive user data.

To minimize the risk of data loss or leakage, we conduct regular data backup and data recovery tests. We also require any access to or processing of user data to go through strict assessment and approval procedures in order to assure that only valid and legitimate requests are executed. Our proprietary mobile security software protects users from phishing sites in real time. In order to comply with relevant local laws and regulations, user and behavioral data is primarily stored in the facilities of our domestic and international cloud service providers in Chinese Mainland, Hong Kong, United States, India and Germany. Where permitted under applicable laws and regulations, we may transfer data across borders for storage or processing purposes. In conducting such cross-border data transfer, we implement appropriate security measures, including encryption and de-identification, to safeguard personal data. All user and behavioral data are only stored for a fixed period of time in accordance with local laws and regulations, and only until the business purposes for collecting and processing such data has been fulfilled, whichever is earlier. The user data collected is under our control, and we may analyze and utilize such data for permitted applications under relevant laws and regulations, as well as in accordance with user consent.

We prioritize user data security and privacy by strictly following our policy. We have a dedicated team to enforce our privacy practices. Since 2021, the privacy practice of our Transsion OS has been certified under ISO/IEC 27001:2022, ISO/IEC 27701:2019 and ISO/IEC 27018:2019 by Det Norske Veritas, a global provider of privacy compliance and risk management services, which conducts comprehensive assessments of privacy policies and control measures. Each member of our big data team is required to sign an additional agreement with respect to the safeguarding of user data, in addition to standard employment agreements. Upon any breach of our data privacy and protection policy, as incorporated into our employee handbook, we may subject the relevant employees to strict disciplinary actions, including possible termination, as well as pursuing legal action for damages against such employees, based on such additional agreement. Similarly, we pursue legal actions against any business partner who violates data privacy and protection-related provisions of the cooperation agreements that we have in place with them. Our specific measures for preventing improper use and disclosure of data include: (i) strict classification of business and user data, (ii) network segregation, (iii) multi-factor authentication, and (iv) advanced encryption and watermarking technology.

During the Track Record Period and up to the Latest Practicable Date, we were not subject to any material claims by users or material penalties from regulatory authorities regarding personal information leakage, misuse or any other related matters, nor have there been any material investigations, penalties, litigations or legal proceedings against us relating to data privacy and protection. Our Directors and our PRC Legal Advisor are of the view that, during the Track Record Period and up to the Latest Practicable Date, we have complied with currently effective and applicable PRC laws and regulations on data privacy and security in all material respects.

INFORMATION TECHNOLOGY SYSTEM

Our information technology systems are integral to our operational efficiency, data security, and business continuity. Our core information technology systems include (i) an enterprise resource planning system that covers key business functions, including supply chain, production, materials management, sales, marketing, finance and human resources, and integrates data across procurement, inventory, planning, orders, logistics and finance; (ii) a supplier relationship management system that integrates supplier management, sourcing and procurement, order and logistics collaboration and accounts payable reconciliation, enhancing efficiency and transparency across the supply chain; (iii) a customer relationship management system that consolidates functions such as work order management, warehousing, call center operations and materials control, supporting customer service and operational coordination; and (iv) a digital channel retail system that integrates digitalized functions for marketing, channel distribution, retail terminal management, warehousing and workforce management, supporting execution across retail and distribution channels.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material IT system failure or downtime that had a material adverse effect on our business operations.

COMPETITION

We operate in a competitive and rapidly evolving market. We primarily compete with a large and increasing number of companies engaged in the global mobile phone market and mobile Internet service market in emerging markets. Our ability to maintain and expand our market share depends on our capacity to compete effectively with these market participants. The competitive landscape is influenced by various factors, including brand equity, product functionalities, consumer preferences and trends, pricing and consumer perception, distribution network, digitalization capabilities, product innovation, and overall economic conditions. See "Industry Overview—Overview of Global Mobile Phone Market and Mobile Internet Service Market—Competitive Landscape of the Global Mobile Phone Market" for details of comparison of product functionalities between us and our peers.

We believe that our diversified product portfolio, optimal product functionalities, and extensive sales and distribution network enable us to serve a broad customer base. In addition, our advanced technological capabilities differentiate us from our competitors and provide us with long-term competitive advantages, supporting our sustainable growth. See "Industry Overview" for more details. Specifically, we plan to implement a number of initiatives to secure orders and enhance our competitiveness in the global market. For example, we plan to (i) strengthen our mobile phones by continuing to upgrade our product portfolio and expanding mid-to-high-end product offering, (ii) strengthen our mobile Internet services by expanding the range of services available on our platform, and (iii) strengthen our IoT products by expanding our connected device offerings and enhancing integration across devices to provide a more comprehensive smart lifestyle experience. To support these initiatives, we will continue to increase our investment in research and development to drive product innovation and improve user experience.

TRANSFER PRICING ARRANGEMENT

During the Track Record Period, we conducted our operations through subsidiaries in China and multiple overseas jurisdictions, with an aggregate intra-group transaction amount of RMB204.9 billion, RMB216.4 billion and RMB227.0 billion in 2023, 2024 and 2025, respectively, to expand our operation in the international markets. Our intra-group transactions primarily include (i) purchase and sales of raw materials and finished goods, (ii) transactions of rights to use intangible assets, (iii) intra-group services, and (iv) loan transactions. During the Track Record Period, we did not make any transfer pricing adjustments as the estimated tax exposures are not material to our Group's financial performance.

The Organization for Economic Cooperation and Development (the "**OECD**"), an international organization of international cooperation, promulgated the transfer pricing guidelines for multinational enterprises and tax administrations (the "**OECD Transfer Pricing Guidelines**"), which is generally followed by the relevant tax jurisdictions involved in the intra-Group transactions. According to the OECD Transfer Pricing Guidelines, the intra-Group transactions should be at arm's length basis to avoid distorted taxable income in different jurisdictions.

After consultation with our transfer pricing consultant, our Directors are of the view that (i) our intra-group transactions were in line with the arm's length principle under both OECD Transfer Pricing Guidelines and complied with the applicable local laws and regulations related to transfer pricing in the relevant jurisdictions in material respects, and (ii) the risk for our Group to conduct material transfer pricing adjustment and pay additional tax can be considered as relatively low. In addition, our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we had not been subject to nor were we aware of any material outstanding enquiries, audit, investigation or challenge by any tax authorities in relation to our intra-group transactions and transfer pricing arrangements. Based on discussions with the transfer pricing consultant and our Directors on our Group's intra-group transactions against the OECD Guidelines and applicable local transfer pricing regulations, and having considered our Directors' confirmations that (i) such transactions complied with applicable laws during the Track Record Period and up to the Latest Practicable Date, (ii) no material transfer pricing compliance issues have been identified, and (iii) the associated transfer pricing risk can be considered relatively low, nothing has come to the attention of the Sole Sponsor that would reasonably cast doubt on our Directors' view on the compliance of our Group's transfer pricing arrangements with applicable tax law and regulations.

OUR OPERATIONS IN NON-IOSCO COUNTRIES

We have business operations in certain countries that are not members of the International Organization of Securities Commissions Multilateral ("**IOSCO**") or full signatories to the IOSCO Multilateral Memorandum of Understanding ("**IOSCO MMOU**") (Collectively, the "**Non-IOSCO Countries**," each a "**Non-IOSCO Country**"). Specifically:

- ***Subsidiaries***: During the Track Record Period, certain of our subsidiaries were incorporated in Non-IOSCO Countries, including Burkina Faso, Cambodia, Cameroon, Côte d'Ivoire, Democratic Republic of Congo, Ethiopia, Mali, Myanmar, Nepal, Philippines, Rwanda, Senegal and Togo. In 2023, 2024 and 2025, revenue generated from subsidiaries incorporated in Non-IOSCO Countries was approximately RMB170.5 million, RMB212.2 million and RMB272.0 million, respectively, representing approximately 0.3%, 0.3% and 0.4% of our total revenue for the respective periods. As of December 31, 2023, 2024 and 2025, the assets of subsidiaries incorporated in Non-IOSCO Countries were approximately RMB241.7 million, RMB121.6 million and RMB189.5 million, respectively, representing approximately 0.5%, 0.3% and 0.4% of our total assets as of the same dates. Except for the subsidiary incorporated in Ethiopia which primarily engages in the manufacturing of mobile phones, our subsidiaries incorporated in Non-IOSCO Countries primarily provide after-sale services. See "—Production—Our Production Bases" for more details on our production base in Ethiopia.

- ***Sales***: During the Track Record Period, certain of our products and services were delivered to Non-IOSCO Countries, including Afghanistan, Azerbaijan, Benin, Bolivia, Botswana, Burkina Faso, Cambodia, Cameroon, Chad, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Ethiopia, Gabon, Gambia, Guatemala, Guinea, Guinea-Bissau, Iraq, Kyrgyzstan, Laos, Lebanon, Liberia, Libya, Madagascar, Mali, Mauritania, Mozambique, Myanmar, Namibia, Nepal, Niger, Papua New Guinea, Paraguay, Philippines, Republic of the Congo, Rwanda, Senegal, Sierra Leone, Solomon Islands, Somalia, South Sudan, Sudan, Tajikistan, Togo, Ukraine, Uzbekistan, Venezuela, Yemen, Zimbabwe, Burundi and Equatorial Guinea. In 2023, 2024 and 2025, revenue generated from products and services delivered to Non-IOSCO Countries was RMB20,415.7 million, RMB23,664.7 million and RMB22,317.8 million, respectively, representing 32.8%, 34.4% and 34.0% of our total revenue for the respective periods.

Despite the above, we consider our operations in and sales to Non-IOSCO Countries will not affect our suitability for [**REDACTED**] on the basis that:

- Our place of central management and control is China. Except for one of our Directors with place of residence in Singapore, all the members of our Board of Directors and senior management are located in China to direct, control and coordinate our business both within and outside China.

- We generate, store and maintain the principal books and records of our subsidiaries in the finance management system whose server is located in China, ensuring timely access to financial and operational information for regulatory oversight.

- We are listed on the Shanghai Stock Exchange and regulated by the CSRC which is a full signatory to the IOSCO MMOU.

- We have adopted measures and plan to continuously monitor our management procedures to ensure the Hong Kong regulators can obtain information as to our operations in Non-IOSCO Countries as and when necessary and in a timely manner.

In addition, we have adopted measures and plan to continuously monitor our management procedures to ensure the Hong Kong regulators can obtain information as to our operations in Non-IOSCO Countries as and when necessary and in a timely manner. The measures include: (i) we from time to time reviews its internal control polices on the management of books and records of its overseas subsidiaries stored in the finance management system located in PRC; (ii) our legal department provides timely legal advice to our Board of Directors and other relevant personnels on the applicable laws, rules and regulations concerning its operations. We may from time to time hire external legal counsel to provide legal advice on specific legal issues; and (iii) our Directors have attended, and will continue to attend, relevant training on the ongoing obligations, duties and responsibilities of directors of publicly listed companies under applicable laws and regulations.

We will cooperate and procure our relevant employees and staff to cooperate with the Hong Kong regulators to ensure their full and timely access to information as to our business in the Non-IOSCO Countries.

While we continue to expand, we do not expect significant growth in the revenue contribution or assets of our subsidiaries incorporated in Non-IOSCO Countries in the near future, nor do we anticipate a significant increase in the production volume of the manufacturing facility located in Ethiopia. We have no intention of establishing any additional subsidiaries or manufacturing facilities in Non-IOSCO Countries in the near future. Based on the foregoing, we believe we are and will be in compliance with Rule 8.02A of the Listing Rules. Based on its due diligence conducted, the Sole Sponsor is not aware of any issues indicating that the Group is not in compliance with Rule 8.02.

EMPLOYEES

The following table sets forth a breakdown of our employees by function as of December 31, 2025.

Function	Number	Percentage of Total Number
		(%)
Sales and marketing	10,631	44.2
Production	5,820	24.2
R&D	5,037	21.0
Administrative	2,537	10.6
Total	**24,025**	**100.0**

The table sets forth a breakdown of our employees by their work geographical locations as of December 31, 2025.

Geographical location	Number	Percentage of Total Number
		(%)
China	11,205	46.6
South Asia	3,823	15.9
Africa	2,800	11.7
Southeast Asia	5,797	24.1
Other regions	400	1.7
Total	**24,025**	**100.0**

We recruit employees primarily through referrals, headhunters, online job portals and campus job fairs. We offer new employee orientation training and regular on-the-job training to our employees. We and employees enter into individual employment contracts covering matters including salary, bonuses, employee benefits, confidentiality obligations, non-compete clauses, work product and intellectual property transfer clauses and reasons for contract termination. The remuneration packages of our employees include salary and bonuses, which are usually determined based on their seniority, performance appraisal and term of service. We also provide share incentives and promotion opportunities to motivate our employees.

Sharing success with employees and empowering them to grow is one of the core elements of our corporate culture. We always strive to provide employees with comprehensive social benefits, a safe working environment and diverse career development opportunities. Meanwhile, we strictly abide by the laws, regulations and standards on workplace safety in relevant countries and regions. We are committed to creating a safe and healthy working environment for employees and ensuring their safety and physical and mental health by implementing a highly efficient management system.

We believe that we maintain good working relationships with our employees, and we have not experienced any material labor disputes, strikes, protests or any difficulty in recruiting staff for our operations that could have a material and adverse effect on our business, financial condition or results of operations during the Track Record Period and up to the Latest Practicable Date.

Social Insurance and Housing Provident Fund Contributions

During the Track Record Period, we had not made social insurance and housing provident fund contributions for certain of our employees, in full, in accordance with the relevant PRC laws and regulations. This was primarily because (i) certain employees had chosen for us not to pay the social insurance and housing provident fund contributions in full, as that also requires additional contributions from the employee, (ii) certain employees had chosen to participate in the rural social security contribution plans in their residential places or their hometowns, and (iii) consistent with the industry norm, our employees are highly mobile, which made it impracticable for us to make full contributions in time for relevant employees that leave us shortly after onboarding. We estimate that the aggregate shortfall of social insurance and housing provident fund contributions accounted for approximately 0.1% of our total revenue in each period during the Track Record Period.

During the Track Record Period and up to the Latest Practicable Date, (i) we had obtained enterprise credit reports for substantially all of our subsidiaries from competent local social insurance and housing provident fund governmental authorities, as confirmed by our PRC Legal Advisor, each stating that the relevant subsidiary had not subject to any administrative penalty, (ii) no administrative action or penalty had been imposed by the relevant governmental authorities with respect to our social insurance and housing provident fund contributions, (iii) we had not received any notification from the relevant PRC authorities requiring us to pay material shortfalls or the penalties with respect to social insurance and housing provident fund contributions, and (iv) we were not aware of any material employee complaints nor were involved in any material labor disputes with our employees with respect to social insurance and housing provident fund contributions.

Based on the foregoing, our PRC Legal Advisor is of the view that the likelihood that we are subject to material administrative penalties due to our failure to make full contribution of social insurance and housing provident fund contributions during the Track Record Period is remote. As a result, we had not made any provision for the shortfall in our social insurance and housing provident fund contributions during the Track Record Period and up to the Latest Practicable Date.

We have taken the following internal control enhancement measures relating to social insurance and housing provident funds contributions: (i) we have designated our human resource department to monitor the reporting and contributions of social insurance and housing provident fund contributions; (ii) we will consult PRC legal counsel on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant regulatory developments; and (iii) we will actively communicate with relevant social insurance and housing fund local authorities to ensure we have the most updated information about the relevant laws and regulations concerning social insurance and housing fund.

As of the Latest Practicable Date, in an effort to make full contributions to the extent possible and as soon as practicable, we were in the process of actively communicating with our employees to seek their understanding and cooperation in complying with the applicable payment base, which require additional contributions from them. We undertake to make full contributions of social insurance and housing provident funds in accordance with relevant PRC laws and regulations as soon as practicable, subject to the cooperation of our employees in making full contributions. Additionally, if relevant authorities order us to fully contribute to the social insurance and/or housing provident funds going forward, we undertake to make full contributions and/or make such rectification measures promptly within the specified period.

However, there is no assurance that our historical and current practice with respect to the contribution of social insurance plans will at all times be deemed in full compliance with relevant laws and regulations in Chinese Mainland by government authorities. As a result, we may be required to make additional contributions to social insurance fund and/or housing provident fund and pay late payments and fines under PRC laws and regulations.

INSURANCE

We maintain insurance policies to cover various aspects of our business, including commercial general liability insurance, employer's liability insurance and cargo insurance, to safeguard our business continuity. In accordance with the requirements of relevant laws and regulations, we take out social insurances for our employees working in China, including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance. In line with general market practice, we do not maintain any business interruption insurance or insurance policies covering damages to our network or information technology systems. We regularly review our insurance policies to ensure compliance with statutory requirements. Our insurance coverage is in line with industry standards, according to Frost & Sullivan.

PROPERTIES

Owned Properties

Land

As of Latest Practicable Date, we had the right to use one land parcel in Nigeria, with an aggregate gross site area of approximately 4,000 sq.m., which were primarily expected to be used as our offices, staff dormitory or other operational purpose. As of our Latest Practicable Date, our rights to use such lands were lawful and valid, and there were no disputes or potential disputes over the ownership over such lands.

Buildings

As of the Latest Practicable Date, we owned (i) 37 properties in China with an aggregate gross floor area of approximately 396,000 sq.m., and (ii) five properties in Kenya, Nigeria and Tanzania, with an aggregate gross site area of approximately 8,000 sq.m., which were primarily used as our offices and staff dormitories. During the Track Record Period and up to the Latest Practicable Date, we had obtained the building ownership certificates for all of our owned properties in China.

Lease Properties

As of Latest Practicable Date, our leased properties in China and overseas were primarily used as our offices, production bases and after-sale services centers.

During the Track Record Period and up to the Latest Practicable Date, with respect to six leased properties in mainland China with relatively large gross floor area, the lessors had obtained the relevant title certificates and/or consent, authorization, or approval which entitled the lessors to lease out such properties.

During the Track Record Period and up to the Latest Practicable Date, for the 18 properties our Company and our major subsidiaries leased in China, we had not completed lease registration or lease registration modification for any of these properties. As the registration of a lease agreement requires the cooperation between the lessor and lessee and lessors are typically unwilling to undertake the administrative, we were not able to complete the registration of lease agreements mentioned above. During the Track Record Period and up to the Latest Practicable Date, in relation to the leased properties that had not completed lease registration or lease registration modification, we had not been required by the relevant local housing administrative authorities to complete the registrations, nor been penalized or fined by the relevant authorities. According to our PRC Legal Advisor, we may be subject to fines ranging from RMB1,000 to RMB10,000 for each lease agreement that is unregistered if we fail to rectify the non-compliance within the time frame prescribed by the relevant authorities, and the potential maximum penalties would be RMB18,000. As advised by our PRC Legal Advisor, the absence of registrations will not affect the validity of the lease agreements, nor materially and adversely affect our operations.

See "Risk Factors—Risks Relating to Our Business and Industry—Failure to renew our leases or comply with PRC property-related laws and regulations regarding certain of our properties and leased properties could adversely affect our business" for risks relating to our properties.

Property Valuation

As of December 31, 2025, we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Listing Rules to include in this document any valuation report. Pursuant to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are committed to social responsibility and recognize the importance of Environmental, Social, and Governance (the "**ESG**") factors in our path towards sustainable development. Our primary goal is to generate and amplify a positive impact on our employees, customers and business partners. Simultaneously, we are dedicated to enhancing our environmental accountability and our role in the public sphere. To comply with applicable laws and regulations, from time to time, our Board of Directors periodically reviews our policies and, if needed, makes adjustments to accommodate substantial modifications in labor and workplace safety regulations.

ESG Governance

We are committed to integrating ESG principles into our corporate strategy and daily operations. To enhance decision-making effectiveness and governance efficiency, we have established a structured ESG governance framework that aligns with our long-term development strategy. Our ESG governance structure consists of three levels, strategic, policy, and execution, covering our Board of Directors, ESG committee, and ESG Working Group, each with distinct roles and responsibilities, ensuring effective implementation of ESG initiatives.

Our Board of Directors serves as the highest decision-making body for ESG strategy. It is responsible for supervising, reviewing and making decisions on major ESG matters. The Chairman of the Board also acts as the head of the ESG Committee, ensuring the alignment of ESG initiatives with corporate priorities. The ESG Committee takes the lead in advancing ESG governance framework and its integration with corporate strategy. It is primary responsible for conducting research and proposing suggestions for our long-term development strategy, as well as on major investment, financing, significant capital operations and asset management projects that require Board approval under the Articles of association. The Committee also identifies and evaluates material ESG-related risks and opportunities, and advises on our ESG strategy. Under the guidance of the ESG Committee, the ESG Working Group is responsible for executing ESG-related tasks and ensuring the implementation of ESG policies at the operational level.

ESG-related Risk Identification and Assessment

We have established a comprehensive risk management framework that clearly defines responsibilities at each level and continuously refines processes for risk identification, assessment, and response, thereby strengthening our overall risk control capabilities.

Strategies Addressing ESG-related Risks

Our ESG risk management process includes risk identification and assessment, response and ongoing improvement, integrating environmental, social, and governance considerations into our overall business strategy. During the Track Record Period, the amount of capital expenditure, financing or investment deployed by us towards addressing climate-related risks and opportunities was approximately RMB48.0 million, mainly relating to green energy efficiency.

We regularly review and assess ESG reports from comparable industry peers to facilitate timely identification of emerging ESG-related risks. We continuously monitor regulatory developments and update internal policies and management processes to maintain compliance with evolving environmental and governance requirements. We periodically assess the implementation of environmental safety management goals to facilitate the effective implementation of management measures, thereby reducing environmental compliance risks. We assess carbon emission risks and update our carbon management policies to comply with the latest government regulations. We continue to enhance our climate change governance framework and advance the management of climate change response. We implement environmental responsibility management for external suppliers and service providers to encourage their compliance with our environmental control standards. Additionally, we enforce oversight of contractors and third-party personnel, requiring adherence to relevant environmental and safety regulations to prevent environmental pollution and workplace safety incidents.

Goals, Measures and Targets

Environmental and Energy Management

We continue to optimize energy consumption by adopting energy-efficient equipment and advancing energy structure transition, supported by a monitoring system that continuously evaluates and adjusts our energy strategies. To achieve this goal, we have implemented the following measures: (i) promote clean energy utilization by advancing energy structure transition and upgrading clean energy infrastructure, including in 2024 expanding photovoltaic power generation in our plants, enhancing our energy monitoring platform, and building an energy management system to increase the proportion of renewable energy; (ii) advance energy-saving technologies by identifying and assessing energy consumption risk points across production stages, conducting analysis, and implementing process and equipment upgrades to reduce energy intensity per unit of product; (iii) initiate digital energy management to improve overall energy performance through advanced management practices alongside ongoing equipment upgrades; and (iv) enforce strict air-conditioning and lighting control policies, conduct regular inspections to prevent energy waste, and implement a central air-conditioning condensate recovery and circulation system to reduce chiller energy consumption and electricity load.

Water Resource and Waste Management

We place great importance on water conservation and proper waste management, strictly complying with national environmental regulations and promoting initiatives to improve water use efficiency and waste disposal practices. To this end, we have implemented the following measures: (i) source all water supply from municipal sources for our plants in Shenzhen, Chongqing, Nanchang, and Bangladesh in 2024, with no water withdrawn from water-stressed regions, thereby reducing pressure on local water resources and mitigating water-related risks, with no material impact from changes in water extraction, consumption, drainage, or storage; (ii) promote employee awareness on water conservation, conduct facility inspections to prevent leaks, and optimize water usage efficiency in office operations; (iii) minimize waste generation by optimizing production processes, strengthening the classification, collection, and proper disposal of hazardous waste, and strictly controlling wastewater, exhaust gas, and noise pollution in line with the principles of "reduction, recycling, and harmless treatment"; and (iv) minimize air pollutant emissions by establishing a systematic pollutant management framework supported by technological innovation and stringent compliance practices. We also integrate environmental protection throughout the entire product lifecycle, including research and development, design, production, use, and recycling, by prioritizing eco-friendly materials and reducing packaging in product design, strictly controlling pollutant emissions in production, and actively conducting electronic waste recycling to prevent environmental pollution.

Monitoring Indicators and Targets

We monitor the following indicators to assess and manage our environmental and climate-related risks arising from our business operations.

	Year ended December 31,		
	2023	2024	2025
Indicator			
GHG Emission			
– Scope 1 Emissions (tons of CO2e)(1)	24.9	219.2	255.7
– Scope 2 Emissions (tons of CO2e)(2)	18,078.3	25,769.4	31,802.8
– Scope 3 Emissions (tons of CO2e)(3)	3,354,518.0	1,626,511.6	1,497,897.0
– Total GHG emission (tons of CO2e)	3,372,621.2	1,652,500.2	1,529,955.6
– Total GHG emission per unit of revenue (tons of CO2e/RMB in million)	54.1	24.0	23.3
– Year-over-year change of total GHG emission per unit of revenue (%)	N/A	(55.6)	(3.0)
Gasoline Consumption			
– Total gasoline consumption (Liters)(4)	722.6	7,931.5	21,163.6
– Total gasoline consumption per unit of revenue (Liters/RMB in million)	0.01	0.1	0.3

	Year ended December 31,		
	2023	2024	2025
– Year-over-year change of total gasoline consumption per unit of revenue (%) . . .	N/A	895.1	222.7
Power Consumption			
– Total electricity consumption (MWh)(4) .	31,699.6	48,023.5	59,937.4
– Total electricity consumption per unit of revenue (MWh/RMB in million)	0.5	0.7	0.9
– Year-over-year change of total electricity consumption per unit of revenue (%) . . .	N/A	37.3	30.5
Water Consumption			
– Total water consumption (Tons)(4)	145,047.9	151,778.0	197,602.6
– Total water consumption per unit of revenue (tons/RMB in million)	2.3	2.2	3.0
– Year-over-year change of total water consumption per unit of revenue (%) . . .	N/A	(5.1)	36.9
Waste generation			
– Amount of non-hazardous waste (tons) .	237.4	1,176.1	4,933.0
– Amount of hazardous waste (tons)	8.6	16.3	21.0
– Total amount of waste(4)	246.0	1,192.4	4,954.0
– Total amount of waste per unit of revenue (tons/RMB in million)	0.004	0.02	0.1
– Year-over-year change of total amount of waste per unit of revenue (%)	N/A	339.4	277.6

Notes:

(1) Scope 1 emissions refer to direct emissions from fuel consumption, following Greenhouse Gas Accounting System—Enterprise Accounting and Reporting Standard.

(2) Scope 2 emissions refer to indirect emissions from electricity consumption, following Greenhouse Gas Accounting System—Enterprise Accounting and Reporting Standard.

(3) Scope 3 emissions refer to other indirect emissions, including emissions from operational waste, business travel and sold products, following Greenhouse Gas Accounting System—Enterprise Accounting and Reporting Standard. Our Scope 3 emissions decreased from 2023 to 2024 and 2025, primarily due to the decrease in GHG emissions of sold products since 2024 as a result of (a) the improvement of charging efficiency of our products due to optimization of charging technologies and (b) the decrease in sales of high-voltage products.

(4) Our gasoline, power and water consumption and waste generation increased during the Track Record Period, primarily due to our business expansion and enhanced tracing, monitoring and management of such data.

In 2024, our total GHG emissions, total electricity consumption, total water consumption and total waste generation were lower than the corresponding averages of (i) a technology company listed on the Nasdaq Stock Market engaged in the design, manufacture and sale of smartphones, personal computers and related services, (ii) a smartphone manufacturer primarily engaged in smart devices and mobile Internet services, (iii) a consumer electronics company specializing in smartphones, smart devices and related services, and (iv) a technology company listed on The Stock Exchange of Hong Kong Limited engaged in smartphones, AIoT platforms and internet services, which amounted to 4,009,456.0 tons of CO2e, 1,167,134.6 MWh of electricity, 151,778.0 tons of water and 16,045.0 tons of waste, respectively.

Based on our 2024 consumption data, we plan to lower electricity, gasoline and water consumption intensity as well as waste generation intensity by 2% by 2030 and GHG emission by 2% by 2030, primarily through measures including (i) enhancing energy efficiency by upgrading equipment and optimizing operational processes, (ii) strengthening energy use management through digital monitoring and regular performance review, (iii) improving water recycling and reuse systems to enhance water efficiency and (iv) implementing waste reduction and classification measures to minimize waste generation.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may, from time to time, become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any material legal, arbitral or administrative proceedings that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. In addition, we were not aware of any pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. See "Risk Factors—Risks Relating to Our Business and Industry—We may be involved in legal proceedings and commercial or contractual disputes, which could materially and adversely affect our reputation, business, financial condition and results of operations" and "Risk Factors—Risks Relating to Our Business and Industry—If third parties claim that we infringe upon their intellectual property rights, we may incur liabilities and damages and may have to redesign or suspend the sales of products involved."

The following table sets forth the details of ongoing material legal proceedings that our Group was involved in during the Track Record Period and up to the Latest Practicable Date.

No.	Background and Latest Status	Products Alleged to Infringe the IPs at Issue	Claims and Maximum Potential Legal Consequences
1.	In 2025, InterDigital VC Holdings, Inc., together with certain European subsidiaries of InterDigital, Inc., as the plaintiffs, filed a lawsuit against us before the Unified Patent Court, alleging that the manufacture and sale of our mobile phone products in certain European jurisdictions, including Denmark, Finland, France, Germany, Italy, the Netherlands and Sweden, infringe a standard-essential patent ("SEP") relating to cellular communication standards allegedly held by the plaintiffs. As of the Latest Practicable Date, the case is under first-instance proceedings.	All mobile phones manufactured and/or sold by us in Denmark, Finland, France, Germany, Italy, the Netherlands and Sweden that are alleged by the plaintiffs to infringe the standard-essential patent at issue. During the Track Record Period, we did not generate any revenue from the manufacture or sale of mobile phone products in the aforementioned European jurisdictions.	The plaintiffs seek, among other relief, (i) injunctive relief, (ii) monetary damages of approximately €0.4 million from us, together with litigation costs, and (iii) compensatory damages calculated based on a reasonable royalty that would have been payable for the use of the patents at issue absent the alleged infringement. We intend to seek a settlement with the plaintiffs on FRAND terms. However, if no such settlement is reached and the court determines that our products infringe the plaintiffs' SEP, we may be subject to the relief sought by the plaintiffs, including injunctive relief, litigation costs, monetary damages and compensatory damages.
2.	In 2025, InterDigital Patent Holdings, Inc., together with certain European subsidiaries of InterDigital, Inc., as plaintiffs, filed a lawsuit against us before the Unified Patent Court, alleging that the manufacture and sale of our mobile phone products in certain European jurisdictions, including Denmark, Finland, France, Germany, Italy, the Netherlands and Sweden, infringe a SEP relating to the high efficiency video coding ("HEVC") standard allegedly held by the plaintiffs. As of the Latest Practicable Date, the case is under first-instance proceedings.	All mobile phones manufactured and/or sold by us in Denmark, Finland, France, Germany, Italy, the Netherlands and Sweden that are alleged by the plaintiffs to infringe the standard-essential patent at issue. During the Track Record Period, we did not generate any revenue from the manufacture or sale of mobile phone products in the aforementioned European jurisdictions.	The claims, relief sought and potential legal consequences are substantially the same as those disclosed in Case 1 above.

No.	Background and Latest Status	Products Alleged to Infringe the IPs at Issue	Claims and Maximum Potential Legal Consequences
3.	In 2025, Telefonaktiebolaget L.M. Ericsson ("Ericsson"), together with certain of its subsidiaries, as plaintiffs, filed a lawsuit against us before the the Hague Local Division of the Unified Patent Court, alleging that the manufacture and sale of our mobile phone products in certain European jurisdictions, including Germany, France, the Netherlands, Italy, Austria, Belgium, Denmark, Estonia, Finland, Lithuania, Luxembourg, Latvia, Malta, Portugal, Sweden, Slovenia and Spain, infringe a SEP relating to cellular communication standards allegedly held by the plaintiffs. As of the Latest Practicable Date, the case is under first-instance proceedings.	All mobile phones manufactured and/or sold by us in Germany, France, the Netherlands, Italy, Austria, Belgium, Denmark, Estonia, Finland, Lithuania, Luxembourg, Latvia, Malta, Portugal, Sweden, Slovenia and Spain that are alleged by the plaintiffs to infringe the standard-essential patent at issue. During the Track Record Period, we did not generate revenue from the manufacture and sale of mobile phones in Germany, France, the Netherlands, Italy, Austria, Belgium, Denmark, Estonia, Finland, Lithuania, Luxembourg, Latvia, Malta, Portugal, Sweden, Slovenia and Spain. Revenue generated from mobile phones sold in Bulgaria and Romania amounted to RMB68.4 million, RMB15.9 million and RMB0.2 million in 2023, 2024 and 2025, respectively, accounting for 0.11%, 0.02% and 0.00% of our total revenue for the respective periods.	The plaintiffs seek, among other relief, (i) injunctive relief, (ii) monetary damages of approximately €0.8 million from us, together with litigation costs, and (iii) compensatory damages calculated based on a reasonable royalty that would have been payable for the use of the patents at issue absent the alleged infringement. We intend to seek a settlement with the plaintiffs on FRAND terms. However, if no such settlement is reached and the court determines that our products infringe the plaintiffs' SEP, we may be subject to the relief sought by the plaintiffs, including injunctive relief, litigation costs, monetary damages and compensatory damages.
4.	In 2025, Ericsson, together with certain of its subsidiaries, as plaintiffs, filed a lawsuit against us before the the Mannheim Local Division of the Unified Patent Court, alleging that the manufacture and sale of our mobile phone products in certain European jurisdictions, including Germany, France, Italy, the Netherlands, Belgium, Austria, Sweden, Finland, Denmark, Portugal, Luxembourg, Estonia, Latvia, Lithuania, Bulgaria, Romania and Slovenia, infringe a SEP relating to cellular communication standards allegedly held by the plaintiffs. As of the Latest Practicable Date, the case is under first-instance proceedings.	All mobile phones manufactured and/or sold by us in Germany, France, Italy, the Netherlands, Belgium, Austria, Sweden, Finland, Denmark, Portugal, Luxembourg, Estonia, Latvia, Lithuania, Bulgaria, Romania and Slovenia that are alleged by the plaintiffs to infringe the standard-essential patent at issue. During the Track Record Period, we did not generate revenue from the manufacture and sale of mobile phones in Germany, France, Italy, the Netherlands, Belgium, Austria, Sweden, Finland, Denmark, Portugal, Luxembourg, Estonia, Latvia, Lithuania and Slovenia. Revenue generated from mobile phones sold in Bulgaria and Romania amounted to RMB68.4 million, RMB15.9 million and RMB0.2 million in 2023, 2024 and 2025, respectively, accounting for 0.11%, 0.02% and 0.00% of our total revenue for the respective periods.	The plaintiffs seek, among other relief, (i) injunctive relief, (ii) monetary damages of approximately €0.1 million from us, together with litigation costs, and (iii) compensatory damages calculated based on a reasonable royalty that would have been payable for the use of the patents at issue absent the alleged infringement. We intend to seek a settlement with the plaintiffs on FRAND terms. However, if no such settlement is reached and the court determines that our products infringe the plaintiffs' SEP, we may be subject to the relief sought by the plaintiffs, including injunctive relief, litigation costs, monetary damages and compensatory damages.

No.	Background and Latest Status	Products Alleged to Infringe the IPs at Issue	Claims and Maximum Potential Legal Consequences
5.	In 2025, Ericsson, together with certain of its subsidiaries, as plaintiffs, filed a lawsuit against us before the Paris Local Division of the Unified Patent Court, alleging that the manufacture and sale of our mobile phone products in certain European jurisdictions, including Germany, France, Italy, the Netherlands, Austria, Sweden and Belgium, infringe a SEP relating to cellular communication standards allegedly held by the plaintiffs. As of the Latest Practicable Date, the case is under first-instance proceedings.	During the Track Record Period, we did not generate any revenue from the manufacture or sale of mobile phone products in the aforementioned European jurisdictions.	The claims, relief sought and potential legal consequences are substantially the same as those disclosed in Case 4 above.
6.	In 2026, Ericsson, together with certain of its subsidiaries, as plaintiffs, filed a lawsuit against us before the Central Intellectual Property and International Trade Court of Thailand, alleging that the manufacture and sale of our mobile phone products in Thailand infringe a SEP relating to cellular communication standards allegedly held by the plaintiffs. As of the Latest Practicable Date, the case is under first-instance proceedings.	All mobile phones manufactured and/or sold by us in Thailand that are alleged by the plaintiffs to infringe the standard-essential patent at issue. Revenue generated from mobile phones sold in Thailand amounted to approximately RMB441.0 million, RMB654.0 million and RMB420.0 million in 2023, 2024 and 2025, respectively, accounting for approximately 0.7%, 1.0% and 0.6% of our total revenue for the respective years.	The plaintiffs seek, among other relief, (i) monetary damages of approximately THB100.8 million from us, together with interest thereon, and (ii) compensation for lost profits and other associated costs allegedly incurred by the plaintiffs as a result of the alleged infringement, in an amount of approximately THB4.0 million per month. We intend to seek a settlement with the plaintiffs on FRAND terms. However, if no such settlement is reached and the court determines that our products infringe the plaintiffs' SEP, we may be subject to the relief sought by the plaintiffs, including monetary damages and compensation.
7.	In 2026, Ericsson, together with certain of its subsidiaries, as plaintiffs, filed a complaint against us before the Bureau of Legal Affairs of the Intellectual Property Office of the Philippines, alleging that the manufacture and sale of our mobile phone products in the Philippines infringe a SEP relating to cellular communication standards allegedly held by the plaintiffs. As of the Latest Practicable Date, the case is under preliminary examination.	All mobile phones manufactured and/or sold by us in the Philippines that are alleged by the plaintiffs to infringe the standard-essential patent at issue. Revenue generated from mobile phones sold in the Philippines amounted to approximately RMB3,178.0 million, RMB3,711.0 million and RMB3,605.0 million in 2023, 2024 and 2025, respectively, accounting for approximately 5.1%, 5.4% and 5.5% of our total revenue for the respective years.	The plaintiffs seek, among other relief, monetary damages of approximately US$29.2 million from us, together with other associated costs. We intend to seek a settlement with the plaintiffs on FRAND terms. However, if no such settlement is reached and the court determines that our products infringe the plaintiffs' SEP, we may be subject to the monetary relief sought by the plaintiffs.

No.	Background and Latest Status	Products Alleged to Infringe the IPs at Issue	Claims and Maximum Potential Legal Consequences
8.	In 2024, PTC Inc., as plaintiff, filed a lawsuit against us before the Chongqing First Intermediate People's Court, alleging that we had, without authorization, installed and used multiple copies of its industrial design software on computers at our business premises in connection with the design and development of our mobile phone products, thereby infringing its copyrights. In December 2025, the court ruled that (i) the alleged copyright infringement be ceased, and (ii) we pay monetary damages of RMB2.8 million to the plaintiffs. Both the plaintiffs and we appealed the judgment to the Chongqing High People's Court, seeking to reverse the lower court's rulings. As of the Latest Practicable Date, the appeal remained pending.	N/A	The plaintiff initially seeks, among other relief, (i) injunctive relief, (ii) litigation costs, and (iii) monetary damages of approximately RMB86.7 million from us. We intend to defend ourselves vigorously. However, if the court determines that we have infringed one or more of the plaintiff's patents, we may be liable for the claimed damages and associated litigation costs.

During the Track Record Period and up to the Latest Practicable Date, (i) none of our Directors is named as a party to, or otherwise involved in, any of the aforementioned proceedings and, accordingly, such proceedings do not and are not expected to adversely affect the suitability of our Directors, (ii) we had not been subject to any final and conclusive judgment or ruling by any court or competent authority determining that our Group had infringed any third-party intellectual property rights, which infringement could, individually or in the aggregate, have a material adverse effect on our Group's business operation and financial condition, and (iii) we have made provisions for the aforementioned legal proceedings based on either prevailing industry cumulative royalty rates or the relevant first-instance judgments, as applicable, which we believe that such provisions are sufficient to cover the aggregate claim amounts in respect of these pending legal proceedings.

We have implemented enhanced measures to prevent potential infringement of third-party intellectual property. We conduct regular trademark monitoring to identify and address potential conflicts through oppositions, invalidation proceedings, or negotiations with trademark owners. We have embedded intellectual property risk screening in our procurement, R&D, and sales processes, including contract reviews and overseas exhibition activities. We maintain an internal reporting system requiring employees to escalate suspected infringement issues to our intellectual property team for coordinated resolution.

Based on the foregoing, our Directors are of the view that the aforementioned legal proceedings have not had, and are not expected to have, any material adverse impact on our Group's business operations or financial condition, nor do they indicate any material deficiencies in our internal controls that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations, primarily because

(i) Cases 1 to 7 relate to SEPs, and we operate in an industry where disputes relating to SEPs arise in the ordinary course of business. According to Frost & Sullivan, SEP-related claims and litigation are prevalent among market participants, particularly those in competitive positions such as our Company, and may include claims based on allegations that are ultimately determined to be without merit; (ii) after consulting our legal advisor as to SEPs, our Directors are of the view that the likelihood of the courts ruling in favor of the plaintiffs' claims in their entirety is remote, and such cases are typically resolved through commercial settlements; (iii) with respect to Case 8, the amounts claimed by the plaintiffs are immaterial to our overall financial condition, amounting to less than 0.2% of our total revenue in any given period during the Track Record Period; (iv) we have made sufficient provisions; and (v) we have engaged an independent internal control consultant to conduct regular reviews of our internal controls, particularly in respect of IP-related matters, and, based on their advice, we have adopted enhanced internal control measures to better detect, prevent and mitigate IP infringement risks.

Compliance

During the Track Record Period and up to the Latest Practicable Date, according to our PRC Legal Advisor, Singapore Legal Advisor, Bangladesh Legal Advisor, UAE Legal Advisor, Ethiopia Legal Advisor, India Legal Advisor, and our Local Legal Advisor as to Hong Kong Law, (i) we had complied with applicable laws and regulations in all material aspects, and (ii) we had not been subject to any material investigations in relation to our business operation in the jurisdictions that we have material businesses. See "Regulatory Overview" for more information about the laws and regulations applicable to us.

INTERNAL CONTROL AND RISK MANAGEMENT

We have developed and implemented risk management policies and internal control measures in relation to our business operations, financial reporting, compliance with sanctions and international trading laws and regulations and general compliance. To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [**REDACTED**], we have adopted and will adopt, among other things, the following risk management measures:

- We design a comprehensive set of policies to identify, analyze, manage and monitor various risks, and periodically assess and update our risk management policies;

- Our Board is responsible for overseeing the overall risk management and internal control;

- Our Audit Committee is authorized to review and evaluate our financial control, risk management and internal control system. See "Directors and Senior Management—Management and Corporate Governance—Board Committees—Audit Committee" for the composition of the Audit Committee and the qualifications and experience of them;

- We will adopt various policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure;

- We will continue to organize training sessions for our Directors and senior management with respect to the relevant requirements of the Listing Rules and duties of directors of companies [**REDACTED**] in Hong Kong;

- We have established a comprehensive compliance control framework covering economic sanctions, export control and anti-money laundering, supported by a dedicated compliance management committee to oversee implementation and material compliance matters;

- We conduct due diligence and screening on customers and suppliers, including verification of their regulatory compliance status and assessment of potential exposure to sanctions and trade restrictions;

- We maintain ongoing monitoring of international sanctions regimes, export control regulations and restricted party lists, and ensure relevant business activities are assessed against applicable laws across multiple jurisdictions;

- Our procurement department performs supplier on-boarding screening, maintains databases of materials, software and technologies (including export control classifications), and escalates any potential export control issues to the compliance management committee for further assessment;

- Our sales department is responsible for customer on-boarding, due diligence and transaction monitoring, including identification and reporting of large or suspicious transactions and potential sensitive business activities; and

- We have established internal approval and escalation procedures for cross-border transactions and potential high-risk activities, supported by management oversight, employee training and coordinated compliance measures across business functions.

IMPACT OF COVID-19

COVID-19 did not have a material adverse effect on our business or financial performance during the Track Record Period, primarily because the COVID-19 outbreak has largely subsided since late 2022 and, we did not expect any further significant impact from COVID-19 on our business operations going forward as of the Latest Practicable Date.

LICENSES, APPROVALS AND PERMITS

We are required to maintain various licenses and permits to operate our business. We closely monitor the status of our licenses and permits and making timely applications for renewal. The following table sets forth material licenses and permits obtained by our Group.

Jurisdiction	License/Permit	Grant Date	Expiry Date
China	Fixed Pollution Source Discharge Registration (Shenzhen)	November 15, 2022	November 14, 2027
China	Fixed Pollution Source Discharge Registration (Chongqing)	August 25, 2025	August 24, 2030
China	Fixed Pollution Source Discharge Registration (Nanchang)	July 12, 2024	July 11, 2029
China	Municipal Sewage Discharge Permit	March 27, 2023	March 27, 2028
Hong Kong . . .	Business registration certificate (Tecno Reallytek Limited)	April 28, 2025	April 27, 2026
Hong Kong . . .	Business registration certificate (Tecno Mobile Limited)	March 27, 2025	March 26, 2026
Hong Kong . . .	Business registration certificate (Infinix Mobility Limited)	March 25, 2025	March 24, 2026
Hong Kong . . .	Business registration certificate (Itel Mobile Limited)	March 25, 2025	March 24, 2026
Hong Kong . . .	Radio Dealer License (Tecno Reallytek Limited)	September 1, 2025	August 31, 2026
Hong Kong . . .	Radio Dealer License (Tecno Mobile Limited)	September 1, 2025	August 31, 2026
Hong Kong . . .	Radio Dealer License (Infinix Mobility Limited)	September 1, 2025	August 31, 2026
Hong Kong . . .	Radio Dealer License (Itel Mobile Limited)	September 1, 2025	August 31, 2026
Bangladesh . . .	Trade Licence (Head Office — Infinix)	July 8, 2025	June 30, 2026
Bangladesh . . .	Trade Licence (Head Office — Tecno)	July 8, 2025	June 30, 2026
Bangladesh . . .	Trade Licence (Factory)	August 19, 2020	May 20, 2026
Bangladesh . . .	Factory Licence	August 6, 2025	August 2, 2026
Bangladesh . . .	Environmental Clearance	July 10, 2023	July 17, 2028
Bangladesh . . .	Mobile Phone Handset Manufacturer and Vendor Enlistment Certificate	April 18, 2023	April 17, 2026
Bangladesh . . .	Radio Equipment Importer and Vendor Enlistment Certificate	July 7, 2022	July 14, 2026
UAE	General Trading Licence	January 11, 2015	January 10, 2027
Ethiopia	Commercial Registration Certificate	November 28, 2025	November 27, 2026

Jurisdiction	License/Permit	Grant Date	Expiry Date
Ethiopia	Business Licence — Manufacture of Communication Machineries, Spare Parts and Apparatus	November 29, 2025	November 29, 2026
Ethiopia	Business Licence — Manufacture of Electrical Machinery and Apparatus	December 2, 2025	December 1, 2026
Ethiopia	Business Licence — Manufacture of Computer, Computer Equipment and Apparatus	December 29, 2025	December 28, 2026
Ethiopia	Title Deed Certificate	January 12, 2024	January 11, 2047
India	Certificate of Incorporation	August 30, 2016	N/A
India	Importer-Exporter Code	December 12, 2016	N/A
India	Registration Certificate for Import of Products	August 8, 2025	N/A
India	Registration Certificate for Manufacturer and Packers of Products	August 8, 2025	N/A

During the Track Record Period and up to the Latest Practicable Date, according to our PRC Legal Advisor, Singapore Legal Advisor, Bangladesh Legal Advisor, UAE Legal Advisor, Ethiopia Legal Advisor, India Legal Advisor, and our Local Legal Advisor as to Hong Kong law, we had obtained all material requisite licenses, approvals and permits from relevant government authorities that are material to our business operations in China and overseas. During the Track Record Period and up to the Latest Practicable Date, according to our PRC Legal Advisor, Singapore Legal Advisor, Bangladesh Legal Advisor, UAE Legal Advisor, Ethiopia Legal Advisor, India Legal Advisor, and our Local Legal Advisor as to Hong Kong law, all material requisite licenses and permits had remained in full effect, and there are no material legal impediment to renewing relevant licenses, approvals and permits and currently we do not expect any material difficulties in such renewal.