## OVERVIEW

We were established in the PRC in July 2003. In September 2010, our Company was converted into a joint stock limited company and our name was changed to Shenzhen Megmeet Electrical Co., Ltd.* (深圳麥格米特電氣股份有限公司).

Since March 6, 2017, our Company's A Shares have been listed on the Shenzhen Stock Exchange (stock code: 002851.SZ). After 20 years of growth and development under the leadership of Dr. Tong, we have become a leading industrial technology group built on power electronics with global operations. Leveraging our long-standing technical expertise in power electronics, we have developed a product architecture comprising core components, software, and system solutions. This architecture is supported by three core technology platforms, namely power conversion technology platform, digital power control technology platform, and system control and communication technology platform. On this foundation, we have established six major business segments, comprising power supplies, new energy transportation, industrial automation, smart home appliances, intelligent equipment, and precision connectivity and magnetic components.

## KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

The following table sets out a summary of our Group's key development milestones:

| **Year** | **Milestone** |
|---|---|
| 2003 | Our Company was established as a limited liability company in Shenzhen, the PRC, under the former name of Shenzhen Megmeet Electrical Technology Co., Ltd.* (深圳市麥格米特電氣技術有限公司). |
| 2007 | We commenced research and development of our frequency converters, medical power supplies, and telecommunications and power supply units, marking our first entry into the industrial automation and industrial power supply sectors. |
| 2010 | Zhuzhou Megmeet Electrical, one of our wholly owned subsidiaries, was established to conduct manufacturing, research and development, and sales of products. |
| 2011 | We commenced research and development on core components for new energy vehicles and rail transit. |
| 2014 | We launched our global manufacturing hub for electronic and electric products in Zhuzhou, Hunan, the PRC. |
| 2017 | Our Company's A Shares were listed on the Shenzhen Stock Exchange (stock code: 002851.SZ). |
| 2019 | We established our global footprints by (i) setting up research institutes in Bielefeld in Germany and Xi'an, Wuhan, and Changsha in China; and (ii) commenced operations in Southeast Asia. |
| 2022 | We completed optimization and restructuring of our organizational structure which reorganized our previous four business segments into six major business segments. |
| 2024 | We established our new R&D center in Changsha, and a new self-owned production facility in Rayong, Thailand. |
| 2025 | Our Company completed the initial commercialization of a portfolio of AIDC power supply solutions. |

## OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, we had 39 subsidiaries. The following table sets forth the principal activities, the date and place of incorporation/commencement of business, and the equity interest attributable to our Group in respect of each of our Major Subsidiaries:

| **Name of Major Subsidiary** | **Date and place of incorporation/ commencement of business** | **Equity interest held by the Company** | **Principal business activities** |
|---|---|---|---|
| Zhuzhou Megmeet Electrical | December, 15, 2010, the PRC | 100% | Manufacturing, research and development, and sales of products |
| Hunan Megmeet Electrical Technology | October 18, 2018, the PRC | 100% | Manufacturing, research and development, and sales of products |
| Megmeet SZ Supply Chain | January 19, 2024, the PRC | 100% | Procurement and import and export trade |
| Megmeet Hong Kong | June 3, 2010, Hong Kong | 100% | Investment holding, cross-border trades, and sales of products |
| Megmeet Electrical India | November 28, 2018, India | 99.99%(1) | Manufacturing and sales of products |
| Zhejiang IKAHE | January 10, 2011, the PRC | 100% | Research and development, manufacturing and sales of sanitaryware products |
| Megmeet Welding Technology | September 6, 2017, the PRC | 53.70%(1) | Research and development and sales of smart welding products |

*Note:*

(1) See "– Shareholding and Corporate Structure immediately prior to the **[REDACTED]**" in this section below for details of the holders of the minority equity interests in our Major Subsidiaries.

The Company held majority equity interests in the above Major Subsidiaries throughout the Track Record Period. We have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under paragraph 26 of Appendix D1A to the Listing Rules, in respect of disclosing the particulars of any alteration in the capital of any member of our Group within the two years immediately preceding the issue of this Document. See "Waivers and Exemption – Waivers and Exemption in respect of Particulars of Information of our Subsidiaries" for more details. For shareholding changes of our Major Subsidiaries during the two years immediately preceding the date of this Document, see "Statutory and General Information – A. Further Information about Our Group – 3. Changes in the Share Capital of Our Major Subsidiaries" in Appendix IV.

## CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

### 1. Early Development of our Company and Conversion into a Joint Stock Company

In July 2003, our Company was established by our Director, Mr. Zhang Zhi (張志) and his spouse with a registered capital of RMB500,000. In July 2005, Dr. Tong and his spouse, Ms. Wang Ping, subscribed for an additional registered capital of RMB2,600,000. Immediately following the aforesaid capital injection, our Company had a registered capital of RMB3,100,000 and was owned as to approximately 83.87% and 16.13% by (a) Dr. Tong and his spouse Ms. Wang Ping, and (b) Mr. Zhang Zhi and his spouse, respectively.

From August 2005 to June 2010, the Company went through several rounds of capital injection and share transfers. In September 2010, our Company was converted into a joint stock company with limited liability with a registered capital of RMB121,000,000 divided into 121,000,000 Shares, which were subscribed by all of the then Shareholders in proportion to their respective equity interests in our Company. After the conversion, the shareholding structure of our Company was as follows:

| No. | Shareholders/Promotors | Number of Shares held | Shareholding (%) |
|---|---|---|---|
| (1) | Dr. Tong | 43,589,300 | 36.02% |
| (2) | Ms. Wang Ping | 19,634,800 | 16.23% |
| (3) | Huizhou TCL Venture Capital Co., Ltd. (惠州市 TCL 創業投資有限責任公司)(1) | 12,826,000 | 10.60% |
| (4) | Li Shengfu | 10,515,400 | 8.69% |
| (5) | Zhang Zhi | 9,420,400 | 7.79% |
| (6) | Gao Yun | 4,679,700 | 3.87% |
| (7) | Wang Xiaorong | 3,858,800 | 3.19% |
| (8) | Chen Yangde | 3,730,800 | 3.08% |
| (9) | Yan Qinbin | 2,202,800 | 1.82% |
| (10) | Wang Tao | 2,000,000 | 1.65% |
| (11) | 36 employees each holding less than 5% of the Shares | 8,542,000 | 7.06% |
| | **Total** | **121,000,000** | **100.00%** |

*Note:*

(1) Currently known as Shenzhen Dongxi Jiashang Entrepreneurship Investment Co., Ltd.* (深圳東熹佳尚創業投資有限公司), which is an Independent Third Party.

## 2. Listing on the Shenzhen Stock Exchange in March 2017

In March 2017, our Company completed the initial public offering and listing of our A Shares on the Shenzhen Stock Exchange (stock code: 002851.SZ), under which a total of 44,500,000 new A Shares, representing 25.04% of our enlarged share capital immediately following the completion of the A Shares Listing, were issued. Immediately upon the completion of the A Shares Listing, our registered capital was increased to RMB177,725,147, and the shareholding structure of our Company was as follows:

| No. | Shareholder | Equity Interests Held | Shareholding |
|---|---|---|---|
| (1) | Dr. Tong | 44,334,300 | 24.95% |
| (2) | Ms. Wang Ping | 19,634,800 | 11.05% |
| (3) | Shanghai Fosun Chuanghong Equity Investment Fund Partnership (Limited Partnership)* (上海複星創泓股權投資基金合夥企業（有限合夥） | 10,897,354 | 6.13% |
| (4) | Mr. Li Shengfu | 10,515,400 | 5.92% |
| (5) | Mr. Zhang Zhi | 9,420,400 | 5.30% |
| (6) | Other Shareholders each holding less than 5% of our Shares | 82,922,893 | 46.65% |
| | **Total** | **177,725,147** | **100.00%** |

## 3. Issuance of Convertible Bonds and Redemption

In December 2019, we conducted public issuance of convertible bonds of RMB655,000,000 at a par value of RMB100 (the "**2019 Convertible Bonds**") and the 2019 Convertible Bonds were listed on the Shenzhen Stock Exchange (bond code: 128089) on January 21, 2020. On July 27, 2020, the Board resolved to exercise the Company's redemption right and redeem all the outstanding 2019 Convertible Bonds after close of market on September 1, 2020. On September 2, 2020, all of the then outstanding 2019 Convertible Bonds in the amount of RMB1,098,900 were redeemed by the Company at the price of RMB1,101,976.92. Our registered share capital increased to RMB501,907,534 following the conversion and redemption of the 2019 Convertible Bonds. The 2019 Convertible Bonds were delisted on the Shenzhen Stock Exchange on September 10, 2020.

In October 2022, we conducted public issuance of convertible bonds of RMB1,220,000,000 at a par value of RMB100 (the "**2022 Convertible Bonds**") and the 2022 Convertible Bonds were listed on the Shenzhen Stock Exchange (bond code: 127074) on November 9, 2022. On November 11, 2024, the Board resolved to exercise the Company's redemption right and redeem all the outstanding 2022 Convertible Bonds after close of market on December 6, 2024. On December 6, 2024, all of the then outstanding 2022 Convertible Bonds in the amount of RMB1,434,700 were redeemed by the Company at the price of RMB1,436,852.05. Our registered share capital increased to RMB546,400,647 following the conversion and redemption of the 2022 Convertible Bonds. The 2022 Convertible Bonds were delisted on Shenzhen Stock Exchange on December 16, 2024.

### 4. Private Placing of A Shares in February 2026

In April 2025, our Company obtained Shareholders' approval for the proposed private placement of A Shares. In December 2025, the CSRC approved the registration of such private placement. As of January 21, 2026, our Company issued 31,325,851 new A Shares under the private placement at a subscription price of RMB85.01 per A Share, raising net proceeds of RMB2,629,352,509.50 after deducting the relevant issuance expenses. The newly issued A Shares were subscribed for by 10 investors, including nine institutional and individual investors who are Independent Third Parties and Dr. Tong, and were listed on the Shenzhen Stock Exchange on February 6, 2026. The net proceeds from the private placement are intended to be used primarily to fund the expansion of our research and development and production capacities and for general working capital purposes. Following the completion of the private placement of A Shares, our total issued share capital increased by 31,325,851 A Shares.

### 5. Other Shareholding Changes

We have also completed various rounds of issuance, repurchase and cancellation of A Shares for employee incentive purpose during the Track Record Period and up to the Latest Practicable Date, and there have been several instances of share capital changes of our Company. For details of changes in share capital of our Company within the two years immediately preceding the date of this Document, see "Statutory and General Information – A. Further Information about Our Group – 2. Changes in Share Capital of Our Company" in Appendix IV to this Document. As of the Latest Practicable Date, the total issued share capital of our Company consisted of 581,787,652 A Shares, all of which are listed on the Shenzhen Stock Exchange.

## OUR PRE-[REDACTED] SHARE INCENTIVE PLANS

For the purpose of attracting and retaining talents and motivating our employees, we have adopted Pre-**[REDACTED]** Share Incentive Plans, including the 2017 Restricted Share Incentive Scheme, 2022 Stock Option Incentive Plan and 2025 Restricted Share Incentive Scheme. Given no further share options or share awards will be granted under the Pre-**[REDACTED]** Share Incentive Plans after the **[REDACTED]**, the terms of the Pre-**[REDACTED]** Share Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules.

For the details of the Pre-**[REDACTED]** Share Incentive Plans, please refer to "Appendix IV – Statutory and General Information – C. Pre-**[REDACTED]** Share Incentive Plans" in this Document.

## MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

### Acquisition of Minority Interests of Subsidiaries

In August 2018, with a view to furthering our overarching multi-product development strategy that relied on a unified core technology platform, our Company entered into equity purchase agreements (the "**Acquisition Agreements**") to consolidate the minority interests (the "**Acquisition**") of our three non-wholly owned subsidiaries (together, the "**Acquired Entities**"), namely (i) Zhejiang IKAHE, which was principally engaged in providing ODM smart bathroom solutions in China; (ii) Megmeet Drive Technology, which was principally engaged in the research, development, production and sales of drives and related power conversion systems; and (iii) Megmeet Control Technology, which was principally engaged in upstream industrial automation components deployed in smart equipment, new energy vehicles, and rail transit, including (i) an aggregate of 34.00% equity interest in Zhejiang IKAHE, from six individuals, (ii) 58.70% equity interest in Megmeet Drive Technology, from 26 individuals, and (iii) 46.00% equity interest in Megmeet Control Technology, from 12 individuals. Each of the sellers of the Acquisition was an Independent Third Party (except for their then interests in the respective Acquired Entities).

The total consideration for the Acquisition was RMB896,298,000, among which (i) RMB13,188,000 had been settled in cash and (ii) the remaining portion was settled by way of issuance of an aggregate of 41,972,884 A Shares (representing approximately 13.41% of the total share capital of our Company immediately upon completion of such issuance at the relevant time), which were listed on the Shenzhen Stock Exchange on September 18, 2018. The consideration for the Acquisition was determined on arm's length basis among the parties to the Acquisition Agreements with reference to the appraised value of the total shareholders' equity of each of Zhejiang IKAHE, Megmeet Drive Technology and Megmeet Control Technology as at December 31, 2017 prepared by an independent valuation institution based on the income approach.

Given that the underlying research and development technologies of the Acquired Entities form an integral part of our Group's core technology platforms, and their respective product offerings serve as critical components of our Group's diversified product portfolio, the Acquisition benefited our Group to maximize technological synergies, optimize operational efficiency, and enhance our overall market competitiveness. Immediately upon completion of the Acquisition, our Company held 86%, 99.70%, and 100% equity interests in Zhejiang IKAHE, Megmeet Drive Technology, and Megmeet Control Technology, respectively. The Acquisition had been properly and legally completed as of the Latest Practicable Date.

### Other Major Acquisitions, Disposals and Mergers

We had not carried out any major acquisitions, disposal or mergers which would fall within the scope of Rule 4.05A of the Listing Rules during the Track Record Period and up to the Latest Practicable Date.

## OUR LISTING ON THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE HONG KONG STOCK EXCHANGE

Since March 2017, our A Shares have been listed on the Shenzhen Stock Exchange (stock code: 002851.SZ). Our Directors confirmed that we had no instance of non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects since our listing on the Shenzhen Stock Exchange and, to the best knowledge of our Directors after having made all reasonable enquiries, there was no material matter that should be brought to the **[REDACTED]** attention in relation to our compliance record on the Shenzhen Stock Exchange. Based on the filings on the website of the Shenzhen Stock Exchange and the information available in the public domain, our PRC Legal Advisor is of the view that the above confirmation of our Directors with regard to our compliance record is accurate and reasonable. Based on the independent due diligence conducted by the Joint Sponsors and our PRC Legal Advisor's view above, nothing has come to the Joint Sponsors' attention that would cause them to cast reasonable doubt on our Directors' confirmation with regard to the compliance record of the Company on the Shenzhen Stock Exchange in any material respect.

We seek to be **[REDACTED]** on the Stock Exchange to further enhance our capital strength and overall competitiveness, boost our international brand profile and image, satisfy our international business development needs, and continue advancing our global strategy. See "Business – Our Strategies" and "Future Plans and Use of **[REDACTED]**" in this Document for more details.

## OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Single Largest Group of Shareholders comprises Dr. Tong and his spouse, Ms. Wang Ping, who held approximately 16.96% and 6.23% of the total issued Shares of our Company as of the Latest Practicable Date, and will, immediately following completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**), hold approximately **[REDACTED]**% and **[REDACTED]**% of the total issued Shares of our Company, respectively. Upon completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**), our Single Largest Group of Shareholders will hold **[REDACTED]**% of the equity interests in our Company in aggregate.

As of the Latest Practicable Date, all of our Shares were traded on the Shenzhen Stock Exchange. To the best knowledge of our Directors having made all reasonable enquiries, as of the Latest Practicable Date, save as disclosed above, no other Shareholders of our A Shares were close associates of any of our Single Largest Group of Shareholders.

## [REDACTED] AND [REDACTED]

### Satisfaction of the [REDACTED] Requirement

Under Rule 19A.13A(2) of the Listing Rules, the H shares for which the listing is sought that are held by the public, at the time of listing, must (a) represent at least 10% of the PRC issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3,000 million. Further, Rule 19A.28B(2) of the Listing Rules requires that, for a PRC issuer with other listed shares, a portion of H shares listed on the Stock Exchange and held by the public must, at all times: (a) have a market value of at least HK$1 billion; or (b) represent at least 5% of the PRC issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares).

**[REDACTED]**

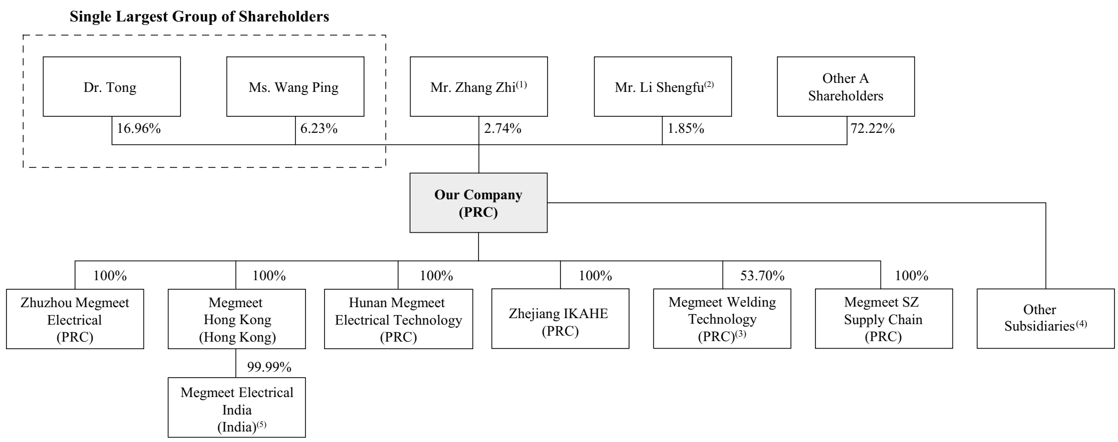
### Satisfaction of the [REDACTED] Requirement

Rule 19A.13C(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50 million; or (b) have an expected market value at the time of listing of not less than HK$600 million. **[REDACTED]**

## OUR SHAREHOLDING AND CORPORATE STRUCTURE

### Shareholding and Corporate Structure Immediately before the [REDACTED]

The following chart illustrates our simplified shareholding and corporate structure immediately prior to the completion of the **[REDACTED]** (assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**):




*Notes:*

(1) Dr. Tong and Mr. Zhang Zhi are our Directors.

(2) Mr. Li Shengfu (李升付) is our employee, being a director of certain subsidiaries of our Company.

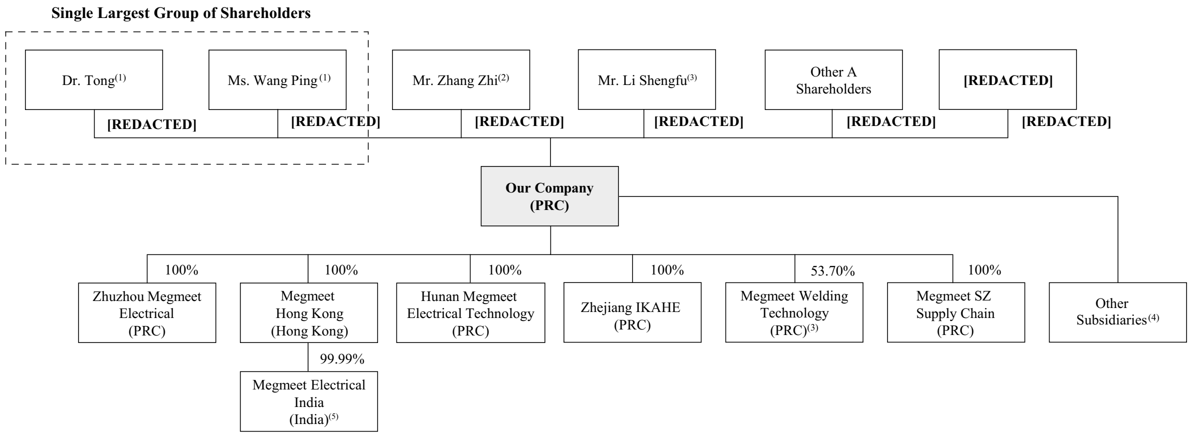
(3) As of the Latest Practicable Date, Megmeet Welding Technology was owned as to (a) 53.70% by the Company, (b) 15.76% by Mr. Lin Qinsen, an Independent Third Party (save for his interests in Megmeet Welding Technology) and (c) 30.54% by 45 other shareholders who are Independent Third Parties, each holding less than 5% equity interests in Megmeet Welding Technology.

(4) As of the Latest Practicable Date, other subsidiaries included (i) 27 subsidiaries incorporated in the PRC, one subsidiary incorporated in the United States, one subsidiary incorporated in Germany and one subsidiary incorporated in South Korea, with primary business of sales of products and international business operations, (ii) one subsidiary incorporated in Thailand, with primary business of manufacturing of products, and (iii) one subsidiary incorporated in Brazil which has not yet engaged in substantive business operations and is intended in the future to engage in our international business operations. For those subsidiaries which are not wholly owned by our Company, all of the other shareholders are Independent Third Parties.

(5) As of the Latest Practicable Date, Megmeet Electrical India was held by Megmeet Hong Kong as to 99.99% and by Mr. Chen Jie (陳杰), an employee of our Group, as to 0.01%.

## Shareholding and Corporate Structure upon Completion of the [REDACTED]

The following chart illustrates our simplified shareholding and corporate structure immediately following the completion of the **[REDACTED]**, assuming that the **[REDACTED]** is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**:




*Notes (1) to (5):* See the corresponding notes under "– Shareholding and Corporate Structure Immediately Before the **[REDACTED]**" in this section.