OVERVIEW

We are a leading solution provider of vehicle diagnostics and charging. We pursue technological innovation and are actively exploring solutions that seamlessly integrate hardware and software to address evolving customer needs, contributing to the advancement of an intelligent future with human at its core.

Our history can be traced back to September 2004, when our predecessor, Shenzhen Daotong Technology Co., Ltd. (深圳市道通科技有限公司) ("**Autel Shenzhen**"), was established in the PRC. Subsequently in June 2014, we were converted from a limited liability company into a joint stock limited company, known as Autel Intelligent Technology Corp., Ltd (深圳市道通科技股份有限公司). In February 2020, our A Shares were listed on the STAR Market of the Shanghai Stock Exchange (stock code: 688208) (the "**A Share Listing**").

As of the Latest Practicable Date, Mr. Li, our founder, Controlling Shareholder, executive Director, chairman of our Board and general manager of our Company, directly held 252,169,993 A Shares, representing approximately 37.63% of our total issued share capital. For details of Mr. Li's background, see "Directors and Senior Management" in this document.

BUSINESS MILESTONES

The following is a summary of our key development milestones.

Year	Event
2004	Autel Shenzhen, our predecessor, was established in the PRC.
2005	Our first generation intelligent code-reader card, GS100, was launched.
2010	Our first generation comprehensive automotive diagnostic device, DS708, was launched.
2013	Our second generation comprehensive automotive diagnostic device, MS908, was launched, which incorporated a self-developed Android-based dedicated operating system.
2016	We launched the intelligent comprehensive diagnostic system for heavy-duty trucks, MaxiSys CV, expanding our product coverage from passenger vehicles to commercial vehicles.
2017	We launched our self-developed four-in-one universal programmable TPMS sensor.
2018	Our first-generation ADAS calibration main frame was released.
2020	Our A Shares were listed on the STAR Market of the Shanghai Stock Exchange (stock code: 688208).
	Our third-generation ADAS calibration products, diagnostic tablets, Maxisys Ultra, was released, featuring cloud platform-based remote diagnosis.
2021	We strategically deployed our second business segment — the charging solutions.

Year	Event
2022	We released the product that combine four-wheel alignment with ADAS calibration in a single integrated frame, as well as a series of new energy comprehensive diagnostic tablets.
	We launched a series of DC charging stations along with our charging cloud platform.
2023	We launched the DC ultra-fast charging stations with a maximum power of up to 640kW.
2024	We strategically deployed our third growth curve — the multi-agent collaborative solutions.
2025	We released the new-generation AI-enabled products and solutions, including comprehensive diagnostic product UltraS2, new-generation ADAS calibration product IA1000; launched the new-generation AI-enabled charging network.

OUR MAJOR SUBSIDIARIES

The following sets out the principal business activities, place of establishment and date of establishment and commencement of business of our major subsidiaries that made a material contribution to our results of operations during the Track Record Period:

Name of subsidiary	Place of establishment	Date of establishment	Equity interest attributable to our Group	Principal business activities
Autel Hesheng	PRC	October 14, 2016	100%	R&D and sales of diagnostic software
Autel New York	USA	May 10, 2011	100%	Sales of vehicle diagnostic and charging
Autel New Energy Vietnam .	Vietnam	April 12, 2022	100%	Production of charging network
Autel Vietnam	Vietnam	September 4, 2018	100%	Production of diagnostic devices
Autel Heda	PRC	February 11, 2022	100%	Centralized procurement of raw materials
Autel Digital Power.	PRC	September 16, 2013	81.5%(1)	Production and sales of charging networks
Autel Hunan	PRC	September 28, 2010	100%	R&D of diagnostic software
Autel Europe	Germany	July 15, 2014	100%	Sales of vehicle diagnostic and charging
Autel Hong Kong	Hong Kong	July 9, 2018	100%	Investment holding company

Name of subsidiary	Place of establishment	Date of establishment	Equity interest attributable to our Group	Principal business activities
Rainbow Information	PRC	February 9, 2001	100%	Property management of buildings
Autel New Energy US	New York	April 8, 2022	81.5%(1)	Production of charging networks

Note:

(1) For further details of the other shareholders of Autel Digital Power, see "— Corporate Structure — Corporate Structure Immediately Before the **[REDACTED]**" in this section. As of the Latest Practicable Date, Autel New Energy US was a wholly-owned subsidiary of Autel Digital Power.

As of the Latest Practicable Date, our Company had a total of 41 subsidiaries. See "— Corporate Structure" in this section and Note 16 of the Accountants' Report set out in Appendix I to this document for information on our major subsidiaries. For changes in the registered capital of our subsidiaries, see "Statutory and General Information — A. Further Information about Our Group — 3. Changes in the Share Capital of Our Subsidiaries" in Appendix IV to this document.

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

1. Early Development and Conversion into a Joint Stock Limited Company

On September 28, 2004, the predecessor of our Company, Autel Shenzhen, was established under the laws of the PRC as a limited liability company with an initial registered capital of RMB500,000, which was contributed by Mr. Li, Mr. Wei Xiao (危驍) and Mr. Zeng Ning (曾寧) as to 40%, 30% and 30%, respectively. Mr. Wei Xiao and Mr. Zeng Ning are early investors of our Company and are Independent Third Parties.

On June 13, 2014, our Company was converted from a limited liability company into a joint stock limited company and renamed as Autel Intelligent Technology Corp., Ltd (深圳市道通科技股份有限公司) with a registered capital of RMB150,000,000 converted into 150,000,000 Shares, which were subscribed by all of the then Shareholders in proportion to their then respective equity interests in our Company. The shareholding structure of our Company immediately following our conversion into a joint stock limited company was as follows:

Shareholder	Number of Shares	Shareholding Percentage
Mr. Li	98,646,000	65.76%
Shenzhen Daohe Tongda Investment Enterprise (Limited Partnership) (深圳市道合通達投資企業(有限合夥)) ("**Daohe Tongda**")(1)	17,604,000	11.74%
Mr. Li Hong (李宏)(2)	11,250,000	7.50%
Other Shareholders(3)	22,500,000	15.00%
Total	**150,000,000**	**100.00%**

Notes:

(1) Daohe Tongda, a limited partnership established in the PRC on December 21, 2012, was the then share incentive platform of our Company, which was subsequently deregistered on May 12, 2021.

(2) Mr. Li Hong was a then director of our Company and was an Independent Third Party as of the Latest Practicable Date.

(3) Other Shareholders represent six Shareholders at the time of our conversion into a joint stock limited company, each of which held no more than 5% of our issued share capital and was an Independent Third Party as of the Latest Practicable Date.

2. Listing on the STAR Market of the Shanghai Stock Exchange

On February 13, 2020, our A Shares were listed on the STAR Market of the Shanghai Stock Exchange. In connection with the A Share Listing, we issued an aggregate of 50,000,000 A Shares, accounting for approximately 11.11% of our then enlarged share capital, and raised net proceeds of approximately RMB1,099,249,400. The shareholding structure of our Company immediately following the completion of the A Share Listing was as follows:

Shareholder	Number of Shares	Shareholding Percentage
Mr. Li	169,745,000	37.72%
Daohe Tongda	44,010,000	9.78%
Mr. Li Hong	28,125,000	6.25%
Other Shareholders(1)	208,120,000	46.25%
Total	**450,000,000**	**100%**

Note:

(1) Other Shareholders represent Shareholders holding no more than 5% of our issued share capital upon the listing of our A Shares.

3. Other Major Shareholding Changes

Since our A Share Listing in 2020 and during the Track Record Period, there were changes in the shareholding structure of our Company as a result of, among others, implementation of share incentive plans, issuance and conversion of convertible bonds, share repurchase, and capitalization of capital reserve. Set out below are the major shareholding changes of our Company since our A Share Listing and up to the Latest Practicable Date.

Issuance of 2022 Convertible Bonds

In July 2022, our Company conducted public issuance of the 2022 Convertible Bonds in an aggregate principal amount of RMB1,280 million at a par value of RMB100, and the 2022 Convertible Bonds were listed on the Shanghai Stock Exchange (bond code: 118013) on July 28, 2022. Existing holders of ordinary A Shares as at the close of market on July 7, 2022 were given the preferential right to subscribe for the 2022 Convertible Bonds. The remaining principal amount of the 2022 Convertible Bonds was issued to public subscribers subscribing through the Shanghai Stock Exchange's online system or underwritten by the underwriters.

The maturity date for the 2022 Convertible Bonds is July 7, 2028 (the "**Maturity Date**"), and interest is to be paid annually. The coupon rate is 0.30% for the first year, 0.50% for the second year, 1.00% for the third year, 1.50% for the fourth year, 1.80% for the fifth year and 2.00% for the sixth year. The conversion period (the "**Conversion Period**") is from the first trading day after six months from the date of completion of the issuance of the 2022 Convertible Bonds to the Maturity Date of the 2022 Convertible Bonds, i.e. from January 16, 2023 to July 7, 2028, with the initial conversion price as RMB34.73 per A Share, which has been adjusted from time to time with reference to our Company's distribution and dividend payments as well as changes in share capital of our Company. The 2022 Convertible Bonds and A Shares issuable upon conversion pursuant to an exercise of the conversion right by bondholders are not subject to any restrictions on transfer or lock-up arrangement, and the holders of the 2022 Convertible Bonds do not have any special rights attached thereto which are not generally available to other Shareholders upon the **[REDACTED]**.

All the outstanding 2022 Convertible Bonds as at the Maturity Date will be redeemed by our Company within five trading days of the Maturity Date, at a price of 115% of their face value (including the final installment of interest). During the Conversion Period, all the outstanding 2022 Convertible Bonds may be wholly or partially redeemed by our Company at the price of their face value plus the relevant annual installment of interest in the event that (i) the closing price of our Company's A Shares on at least 15 trading days in any 30 consecutive trading days is not less than 130% of the prevailing conversion price; or (ii) the aggregate principal amount underlying the outstanding 2022 Convertible Bonds decreases to less than RMB30,000,000. On January 24, 2026, the Board resolved not to exercise the right to redeem the 2022 Convertible Bonds from January 24, 2026 to July 23, 2026, even though the above redemption events had been or might be triggered.

For details of the conversion to A Shares since January 16, 2023, see "Statutory and General Information — A. Further Information about Our Group — 2. Changes in the Share Capital of Our Company" in Appendix IV to this document.

As of the Latest Practicable Date, an aggregate principal amount of RMB325,000 of the 2022 Convertible Bonds have been converted to 13,991 A Shares, and the aggregate principal amount underlying the outstanding 2022 Convertible Bonds was RMB1,279,675,000. Assuming a conversion price of RMB21.48 per A Share, which was the prevailing conversion price as of the Latest Practicable Date, the aggregate number of the A Shares which may be issued upon conversion of the outstanding 2022 Convertible Bonds would be approximately 59,575,186 A Shares, representing approximately 8.89% of the issued share capital of our Company as of the Latest Practicable Date, and approximately **[REDACTED]**% of the total number of Shares upon the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**). Assuming full conversion of all outstanding convertible bonds under the 2022 Convertible Bonds, the shareholding of our Shareholders immediately following completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**) will be diluted by a maximum of approximately **[REDACTED]**%.

To the best knowledge and belief of the Company, as of the Latest Practicable Date, none of the holders of the 2022 Convertible Bonds were core connected persons of the Company as defined under the Listing Rules.

Capitalization of Capital Reserve in 2025

The 2024 annual profit distribution plan in relation to, among others, the capitalization of capital reserve was approved in April 2025 and subsequently amended in May 2025, pursuant to which 4.9 additional Shares were issued for every 10 existing Shares to our Shareholders, based on 445,519,392 shares, being the then total issued share capital of 451,878,674 Shares excluding 6,359,282 Shares held in the share repurchase account. A total of 218,304,502 A Shares were issued through the capitalization of capital reserve.

As of the Latest Practicable Date, the total issued share capital of our Company consisted of 670,183,758 A Shares (including 3,651,617 A Shares as treasury Shares), all of which are listed on the STAR Market of the Shanghai Stock Exchange. For further details, see "Share Capital — Our Shares" in this document.

SHARE INCENTIVE PLAN AND EMPLOYEE STOCK OWNERSHIP SCHEME

In recognition of the contribution of our management and key personnel and to incentivize them to promote the development of our business, we have adopted the 2024 Restricted Share Incentive Plan and the 2024 Employee Stock Ownership Scheme. As the Company will not grant any restricted Shares under the 2024 Restricted Share Incentive Plan or the 2024 Employee Stock Ownership Scheme after the **[REDACTED]**, the terms of the 2024 Restricted Share Incentive Plan and the 2024 Employee Stock Ownership Scheme are not subject to Chapter 17 of the Listing Rules. For further details of the 2024 Restricted Share Incentive Plan and the 2024 Employee Stock Ownership Scheme, see "Statutory and General Information — D. 2024 Restricted Share Incentive Plan" and "Statutory and General Information — E. 2024 Employee Stock Ownership Scheme" in Appendix IV to this document. Prior to the 2024 Restricted Share Incentive Plan and the 2024 Employee Stock Ownership Scheme, we had adopted three share incentive plans, namely the 2018 employee equity incentive plan, the 2020 restricted share incentive plan and the 2021 restricted share incentive plan, all of which had expired or been fully settled as of the Latest Practicable Date.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Disposal of Skyfend Technology

Skyfend Technology is a company established in the PRC with limited liability on April 8, 2020 and was wholly owned by our Company at the time of its establishment. It was principally engaged in the research and development, design, production and sales of anti-drone equipment. Based on the audited financial statements of Skyfend Technology for the years ended December 31, 2022, 2023 and 2024 prepared in accordance with the PRC Accounting Standards and Accounting Regulations for Business Enterprises (中國企業會計準則), Skyfend Technology recorded revenue of approximately RMB14.3 million, RMB30.6 million and RMB137.6 million, respectively, and net loss of approximately RMB53.9 million, net loss of approximately RMB72.1 million and net profit of approximately RMB2.6 million, respectively. The total assets of Skyfend Technology amounted to approximately RMB78.7 million, RMB97.1 million and RMB122.8 million as of December 31, 2022, 2023 and 2024, respectively. In order to optimize our Company's asset structure and focus on the development of our core business operations, we disposed of 100% equity interests in Skyfend Technology through a series of equity transfers (the "**Disposal**").

On March 22, 2024, our Company entered into an equity transfer agreement with Mr. Li, Ms. Nong Yingbin (our former executive Director and vice general manager) ("**Ms. Nong**"), Shenzhen Daohe Tongliao Information Consulting Enterprise (Limited Partnership) (深圳市道合通瞭信息諮詢企業(有限合夥)) ("**Daohe Tongliao**"), Shenzhen Daohe Tongwang Information Consulting Enterprise (Limited Partnership) (深圳市道合通望信息諮詢企業(有限合夥)) ("**Daohe Tongwang**") and Shenzhen Daohe Tongxing Information Consulting Enterprise (Limited Partnership) (深圳市道合通星信息諮詢企業(有限合夥)) ("**Daohe Tongxing**"), pursuant to which our Company disposed of (i) 9% equity interest in Skyfend Technology to Mr. Li at a consideration of RMB11,025,000; (ii) 1% equity interest in Skyfend Technology to Ms. Nong at a consideration of RMB1,225,000; (iii) 19% equity interest in Skyfend Technology to Daohe Tongliao at a consideration of RMB23,275,000; (iv) 10% equity interest in Skyfend Technology to Daohe Tongwang at a consideration of RMB12,250,000; and (v) 10% equity interest in Skyfend Technology to Daohe Tongxing at a consideration of RMB12,250,000. The considerations were determined after arm's length negotiations with reference to the agreed valuation as assessed by an independent valuer. In light of the material adjustment to the business direction of Skyfend Technology, the eligible persons under its employee share incentive platforms have undergone multiple rounds of changes along with the business transformation. Since the ultimate payers are all individuals, including many core employees of Skyfend Technology who require a longer fund-raising cycle, the extended payment term serves to ease the funding pressure on them, therefore mitigating the risk of key talent attrition and strengthening the long-term interest alignment between the core employees and Skyfend Technology. In June 2024, the Company entered into a supplemental agreement with all of the above transferees to extend the payment schedule from three months to 24 months. All of the considerations had been fully settled by August 2025.

On April 19, 2024, our Company entered into an equity transfer agreement with Mr. Lin Zhongshan (林中山). Pursuant to the share transfer agreement, our Company disposed of 5% equity interest in Skyfend Technology to Mr. Lin Zhongshan at a consideration of RMB6,300,000, which was determined after arm's length negotiations with reference to the agreed valuation as assessed by an independent valuer, and was fully settled by cash on and before the same day. Upon the completion of this share transfer, Skyfend Technology is no longer our subsidiary and its financial results were no longer consolidated into those of our Group.

On October 21, 2025, our Company entered into an equity transfer agreement with Daohe Tongliao, Shenzhen Daohe Tongqiong Information Consulting Enterprise (Limited Partnership) (深圳市道合通穹信息諮詢企業(有限合夥)) ("**Daohe Tongqiong**"), Shenzhen Daohe Tongqing Information Consulting Enterprise (Limited Partnership) (深圳市道合通擎信息諮詢企業(有限合夥)) ("**Daohe Tongqing**"), Shenzhen Daohe Tonglie Information Consulting Enterprise (Limited Partnership) (深圳市道合通獵信息諮詢企業(有限合夥)) ("**Daohe Tonglie**"), Shenzhen Daohe Tongyu Information Consulting Enterprise (Limited Partnership) (深圳市道合通禦信息諮詢企業(有限合夥)) ("**Daohe Tongyu**"), Shenzhen Daohe Tongdun Information Consulting Enterprise (Limited Partnership) (深圳市道合通盾信息諮詢企業(有限合夥)) ("**Daohe Tongdun**"), Shenzhen Daohe Tongchi Information Consulting Enterprise (Limited Partnership) (深圳市道合通馳信息諮詢企業(有限合夥)) ("**Daohe Tongchi**"), Shenzhen Daohe Tongqi Information Consulting Enterprise (Limited Partnership) (深圳市道合通啓信息諮詢企業(有限合夥)) ("**Daohe Tongqi**"), and Mr. Zhao Guanjie (趙冠捷), pursuant to which our Company disposed of (i) 11% equity interest in Skyfend Technology to Daohe Tongliao at a consideration of RMB25,960,000; (ii) 5% equity interest in Skyfend Technology to each of Daohe Tongqiong, Daohe Tongqing, Daohe Tonglie, Daohe Tongyu, Daohe Tongdun, Daohe Tongchi at a consideration of RMB11,800,000; (iii) 4.5% equity interest in Skyfend Technology to Daohe Tongqi at a total consideration of RMB10,620,000; and (iv) 0.5% equity interest in Skyfend Technology to Mr. Zhao Guanjie at a consideration of RMB1,180,000. Save for Mr. Zhao Guanjie, all other transferees are share incentive platforms of Skyfend Technology. The considerations were determined after arm's length negotiations with reference to the agreed valuation as assessed by an independent valuer. According to the payment arrangement under the equity transfer agreement and considering the fund-raising arrangement of the share incentive platforms the Skyfend Technology, the considerations will be settled in two installments: (i) 30% of the total consideration should be fully paid by cash within three months after the conditions set out in the equity transfer agreement are satisfied, i.e. by January 20, 2026, and (ii) the remaining 70% of the total consideration should be fully settled by cash within 24 months after the date of the agreement, i.e. by October 20, 2027. As of the Latest Practicable Date, an amount of approximately RMB44 million, representing 40.54% of the total considerations, had been settled.

Notwithstanding the above outstanding considerations, as confirmed by our PRC legal advisor, our Group has obtained all regulatory approvals in connection with the Disposal as required under the relevant PRC laws and regulations, and the equity transfer of Skyfend Technology was completed in compliance with all applicable PRC laws and regulations on November 5, 2025, when the new shareholders and the relevant shareholding changes were recorded in the registry of shareholders of Skyfend Technology filed with the SAMR. Our Company has ceased to hold any equity interest in Skyfend Technology.

To the best knowledge and information of our Directors, Skyfend Technology has in all material respects complied with the relevant laws and regulations applicable to its operations during the Track Record Period and up to the date of completion of the Disposal.

Save as disclosed above, during the Track Record Period and up to the Latest Practicable Date, we did not conduct any other major acquisitions, disposals or mergers that we consider to be material to us.

OUR A SHARE LISTING

Since February 2020, our A Shares have been listed on STAR Market of the Shanghai Stock Exchange.

Our Company received a regulatory warning letter from the Shenzhen Bureau of the CSRC (中國證券監督管理委員會深圳監管局) and disciplinary decisions from the Shanghai Stock Exchange on December 5, 2025 (collectively, the "**Regulatory Letters**") in relation to (i) the failure to disclose a material change to a related party transaction; (ii) the failure to disclose an act-in-concert arrangement between certain Shareholders; and (iii) inadequate record in meeting minutes of Shareholders' meetings.

(i) The failure to disclose a material change to a related party transaction

On March 22, 2024, our Company entered into an equity transfer agreement with Mr. Li, Ms. Nong, Daohe Tongliao, Daohe Tongwang, Daohe Tongxing and Skyfend Technology (the "**Equity Transfer Agreement**"). See "— Major Acquisitions, Disposals and Mergers — Disposal of Skyfend Technology" above for details of the transaction. Pursuant to the Equity Transfer Agreement, the consideration should be fully paid to our Company within three months from the date of the Equity Transfer Agreement, and as of June 21, 2024, approximately RMB35.6 million, representing 59% of the total consideration, had been paid to our Company. In June 2024, taking into account the fund-raising arrangement of the employee share incentive platforms of Skyfend Technology, our Company entered into a supplemental agreement (the "**Supplemental Agreement**") with all of the transferees to extend the payment schedule from three months to 24 months (the "**Payment Extension**"). All of the outstanding considerations under the Equity Transfer Agreement had been fully settled by August 2025.

According to the Regulatory Letters, the Payment Extension constituted a material change of commercial terms of the Equity Transfer Agreement previously approved by the Board and the Shareholders. The Payment Extension and the Supplemental Agreement were not approved by a separate Board meeting and/or Shareholders meeting and were not disclosed as required by the relevant PRC laws and regulations, and the outstanding consideration resulted from the Payment Extension constituted an occupation of our Company's funds by related persons, which was not disclosed as required by the relevant PRC laws and regulations. This issue was identified by the PRC securities regulatory authority during an on-site routine regulatory inspection of our Company.

The failure to disclose the Payment Extension was mainly due to the Board office, the financing department and the legal department misconstruing the applicable PRC laws and regulations and mistakenly believing that an adjustment to the payment timeline would not constitute a material change requiring re-approval and disclosure. Our Company is of the view that there was no involvement of any fraudulent or dishonest act from Mr. Li, Ms. Nong, or any other Director or senior management in such non-compliance incident.

Our Group has promptly implemented comprehensive rectification measures, including:

(a) convening Board meeting on September 22, 2025 (with Mr. Li and Ms. Nong abstaining from voting on the relevant resolutions) and Shareholders meeting on October 10, 2025 (with Mr. Li abstaining from voting on the relevant resolutions) to approve and rectify the Supplemental Agreement and the Payment Extension arrangement, and disclosing such matters in the A share announcement of our Company dated September 23, 2025;

(b) reviewing and revising our internal policies on related party transactions and information disclosure, including Regulations on Related Party Transactions (關聯交易管理制度) and Regulations on Information Disclosure Management (信息披露事務管理制度), with enhanced procedures for identifying, supervising and reporting related party transactions, and expressly requiring that any change to pricing, payment schedule or other key terms of any such transactions be resubmitted for Board (and, where applicable, Shareholders') approval;

(c) strengthening coordination among the Board office, finance department and legal department, and establishing stricter internal review mechanisms for related party transactions, pursuant to which (1) the finance department is responsible for identifying related party transactions and monitoring the settlement of outstanding amounts; (2) the legal department reviews the applicable approval and disclosure requirements; and (3) the Board office arranges for the requisite Board and/or Shareholders' approvals;

(d) implementing a "pre-ongoing-post" supervision framework through the internal audit department, including (1) upfront review of transaction initiation documents and accuracy of related party identification; (2) on-going monitoring of any changes to transaction terms; and (3) periodic review of related transactions and report the results to the Board; and

(e) providing targeted training to Directors, senior management, Controlling Shareholder and key personnel by our retained legal advisor on disclosure obligations, related transaction rules and relevant case studies. On December 11, 2025, a training session on related party transactions and information disclosure requirements for listed companies was held for our Directors and senior management. Our Group will continue to provide regular training in this respect.

(ii) The failure to disclose the act-in-concert arrangement between certain Shareholders

According to the Regulatory Letters, our Company failed to disclose the act-in-concert arrangement between Mr. Li Hong (李宏), a then Director and senior management member of our Company, and Xuanyuan Kexin No. 46 Private Securities Investment Fund (玄元科新46號私募證券投資基金) ("**Kexin Fund**"), a Shareholder of our Company. To the best of the knowledge of our Directors, our Company became aware of such act-in-concert arrangement when Shenzhen Bureau of the CSRC verbally notified our Company in August 2025. According to Shenzhen Bureau of the CSRC, Mr. Li Hong had informed Mr. Fang Wenbin (方文彬), the then secretary to the Board, of the proposed share transfer.

According to the response provided by Mr. Fang Wenbin, to the Shenzhen Bureau of the CSRC, he was aware of Mr. Li Hong's intention to transfer certain Shares and was responsible for conducting follow-up communications with Mr. Li Hong regarding the relevant shareholding arrangements. However, due to an administrative oversight, Mr. Fang Wenbin failed to conduct further follow-up inquiries regarding the specific identity of the transferee or the concrete transfer details. Consequently, our Company was unaware that the transfer to Kexin Fund would give rise to an act-in-concert arrangement, and was therefore unable to make the requisite disclosure at the relevant time. Based on our Company's verification, Mr. Li Hong conducted a block transfer of part of his Shares to Kexin Fund around December 2022. Neither Mr. Li Hong nor Mr. Fang Wenbin currently holds any position with the Group, each having departed for personal reasons. Our Company is of the view that there was no involvement of any fraudulent or dishonest act from Mr. Li, Ms. Nong, or any other Director or senior management in such non-compliance incident.

Upon becoming aware of the relevant information, our Company promptly verified and disclosed the act-in-concert arrangement in the quarterly report for the third quarter of 2025. In addition, our Group has also promptly implemented other comprehensive rectification measures, including:

(a) reviewing our internal policies on the management of shareholdings of Directors and senior management, and based on the review results, enhancing internal processes for monitoring and verifying such shareholdings, including mandatory pre-clearance procedures. Specifically, our Company has further revised the Regulations on the Holding and Changes in Shareholdings by Directors and Senior Management (董事及高級管理人員持有公司股份及其變動管理辦法) to strengthen its oversight of their dealings in our Company's Shares and ensure compliance with the applicable requirements; and

(b) providing targeted training to the Controlling Shareholder, Directors, senior management and Board office conducted by our retained legal advisor on PRC laws and regulations governing shareholding changes, reductions of shareholdings and related disclosure obligations. Our Group will continue to provide regular training in this respect.

(iii) Inadequate record in meeting minutes of Shareholders' meetings

The Regulatory Letters further noted that the minutes of the Shareholders' meetings since our Company's A Share listing in February 2020 did not record the detailed descriptions of the deliberation process of the resolutions or summaries of the key remarks made by participants as required under the applicable PRC laws and regulations. This issue was identified by the PRC securities regulatory authority during an on-site routine regulatory inspection of our Company. Following this inspection, our Company duly rectified the relevant minutes of all Shareholders' meetings held since November 2025.

It was primarily because our Company's meeting procedures and documentation practices were not adequately implemented by the office of the secretary to the Board at the relevant time. As advised by our PRC Legal Advisor, under applicable PRC laws and regulations, including the requirements relating to the preparation of shareholders' meeting minutes, the omission of such details constituted a procedural record-keeping deficiency, which was considered a minor compliance irregularity and did not affect the validity of the shareholders' meetings or the resolutions adopted, and there was no involvement of any fraudulent or dishonest act from Mr. Li, Ms. Nong, or any other Director or senior management in such non-compliance incident.

Our Group has promptly implemented comprehensive rectification measures, including:

(a) reviewing the internal policies on our Group's meeting procedures and the completeness of relevant meeting minutes, and based on the review results, improving the documentation practices. Specifically, our Group has standardized our templates to address the minor deficiencies previously identified, and to ensure that all details required to be recorded under the applicable PRC laws and regulations are properly included. Our Group will continue to conduct regular compliance reviews on the meeting procedures and documentation practices; and

(b) conducting targeted training sessions for staff of the Board office on meeting procedures and minute-taking requirements. On December 11, 2025, a training session on corporate governance requirements for listed companies was held for our Directors and senior management. Our Group will continue to conduct periodic training to ensure ongoing adherence to the required meeting documentation standards.

Our PRC Legal Advisor is of the view that the above non-compliance incidents are not material and do not have an adverse impact on our Group. According to the applicable PRC laws and regulations, a "material violation of laws and regulations" refers to an act that violates laws, administrative regulations, or rules and results in criminal punishment or severe administrative penalties. Where the violation is minor in nature, the amount of the fine is relatively small, the relevant penalty decision does not determine the violation to be serious in nature, and the competent authority certifies that such act does not constitute a material violation of laws and regulations, it may be determined not to constitute a material violation of laws and regulations. As confirmed by our PRC Legal Advisor, in light of the regulatory measures imposed on our Company by the Shenzhen Regulatory Bureau and the Shanghai Stock Exchange, the aforementioned non-compliance incidents do not constitute material violations of laws or regulations. Our PRC Legal Advisor further confirmed that our Company has complied with all laws and regulations, in all material respects, applicable to our A-share listing throughout the two full financial years immediately preceding our new **[REDACTED]** dated December 19, 2025 and up to the Latest Practicable Date.

Our Directors are of the view that the above non-compliance incidents are not material, having considered that (i) there was no involvement of any fraudulent or dishonest act in the above matters; (ii) neither our Company nor our Shareholders' interest was materially and adversely impacted as a result of the matters as set out in the Regulatory Letters; (iii) our Company has completed the rectification of all matters as set out in the Regulatory Letters in the prescribed timeframe and submitted a rectification report to the Shenzhen Bureau of CSRC on December 18, 2025. As of the Latest Practicable Date, there has not been any other regulatory request to or action against our Company from the Shanghai Stock Exchange, the CSRC or other competent authorities as to such incidents; (iv) as advised by our PRC Legal Advisor, the Regulatory Letters constituted regulatory measures, which are less severe in legal nature as compared with administrative penalties and legal actions, and the matters in the Regulatory Letters are not regarded as material non-compliance incidents; and (v) no monetary fine or other penalty was imposed on our Group or any of our Directors as a result of the incidents identified in the Regulatory Letters and hence such incidents have not resulted in material adverse impacts on our Group's financial condition, business operations, Shareholders' interests or reputation, nor reflected negatively on the suitability of Mr. Li and Ms. Nong during her tenure as the Company's directors under Rules 3.08 and 3.09.

Based on the independent due diligence work conducted by the Sole Sponsor, and taking into account the rectification and internal control measures implemented by the Group, as well as the views and basis of the Directors and the PRC Legal Advisor as disclosed above, nothing has come to the attention of the Sole Sponsor that would reasonably cause the Sole Sponsor to cast doubt on the Directors' view that the above non-compliance incidents have not resulted in material adverse impacts on the Group's financial condition, business operations, Shareholders' interest or reputation, nor reflected negatively on the suitability of Mr. Li and Ms. Nong during her tenure as the Company's directors under Rules 3.08 and 3.09.

Save for the Regulatory Letters, since the A Share Listing and up to the Latest Practicable Date, we had not received any notification from the Shanghai Stock Exchange or the CSRC indicating that we were involved in any material non-compliance issues. For the same period, our Directors confirm that we had no instances of non-compliance with the relevant laws and regulations in the PRC in all material respects, and to the best knowledge of our Directors after having made all reasonable enquiries, there is no matter that should be brought to **[REDACTED]** attention in relation to our compliance record on the Shanghai Stock Exchange.

Our PRC Legal Advisor is of the view that since the A Shares have been listed on the STAR Market of the Shanghai Stock Exchange on February 13, 2020 and up to the Latest Practicable Date, there had been no instances of any material non-compliance of our Group with the applicable rules of the Shanghai Stock Exchange and other applicable PRC securities laws and regulations.

Our Directors confirm that the Company has complied with all the relevant laws and regulations in the PRC in all material respects since our A Shares have been listed on the STAR Market of the Shanghai Stock Exchange on February 13, 2020 and up to the Latest Practicable Date, and there are no any other matters relating to the Company published in the A-share market since the beginning of the Track Record Period that should be brought to the Stock Exchange's attention in this regard.

Based on the independent due diligence conducted by the Sole Sponsor and our PRC Legal Advisor's view, nothing has come to the Sole Sponsor's attention that would reasonably cause it to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shanghai Stock Exchange in any material respect.

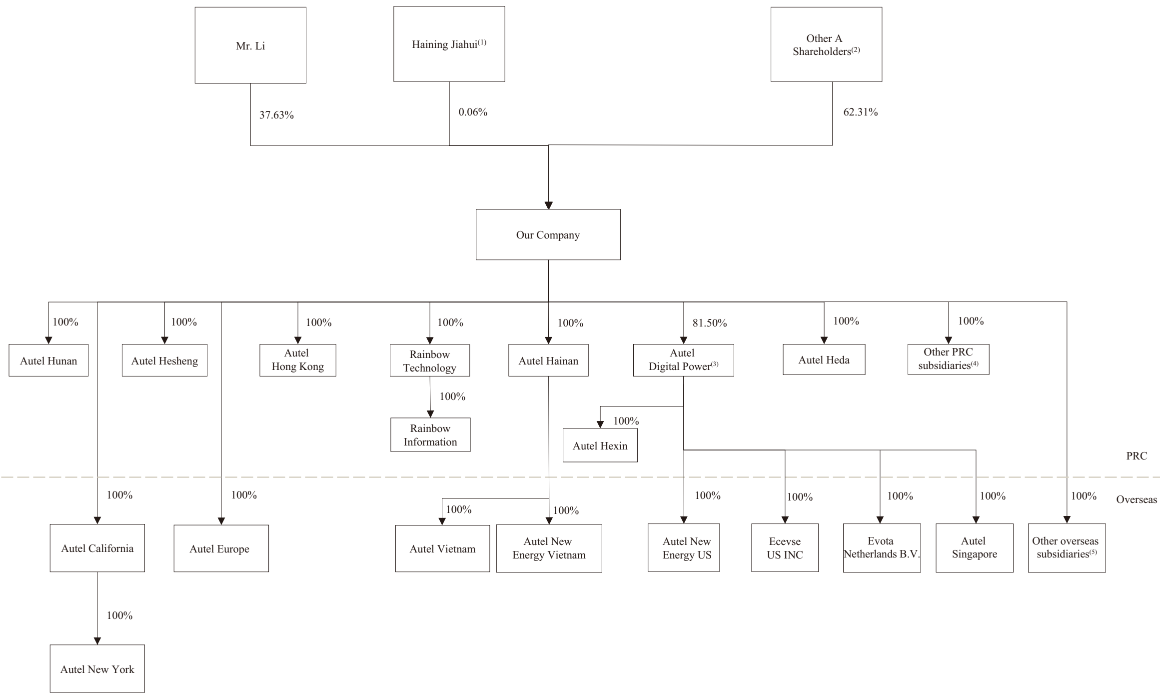
REASONS FOR THE H SHARE [REDACTED]

We seek to **[REDACTED]** our H Shares on the Stock Exchange to raise additional capital for business innovation and expansion, diversify our fundraising channels, enhance global brand awareness and competitiveness, and optimize our capital structure and shareholder composition to support sustainable development. See "Business — Our Strategies" and "Future Plans and Use of **[REDACTED]**" in this document for more details.

CORPORATE STRUCTURE

Corporate Structure Immediately Before the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately before the **[REDACTED]**, assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**, and excluding any A Shares issuable upon conversion of the outstanding 2022 Convertible Bonds.



Notes:

(1) Zhejiang Haining Jiahui Investment Partnership (Limited Partnership) (浙江海寧嘉慧投資合夥企業(有限合夥)) ("**Haining Jiahui**") is a limited partnership established in the PRC on November 21, 2013 as an investment holding platform. As of the Latest Practicable Date, Mr. Li was a limited partner of Haining Jiahui with 2.73% partnership interests. The largest limited partner of Haining Jiahui is Yan Junxu (嚴俊旭), an Independent Third Party, holding approximately 18.18% of the partnership interest therein. None of the limited partners of Haining Jiahui holds 10% or more of its partnership interest. Zhejiang Haode Jiahui Investment Management Co., Ltd. (浙江昊德嘉慧投資管理有限公司), an Independent Third Party, was the general partner of Haining Jiahui. Pursuant to the internal partnership arrangement of Haining Jiahui, the economic interests in all of our Company's A Shares held by Haining Jiahui belonged to Mr. Li, but the voting rights attached to such A Shares held by Haining Jiahui are controlled by its general partner.

(2) This includes 3,651,617 A Shares repurchased and held in our Company's share repurchase account as of the Latest Practicable Date. To the best knowledge of our Directors, none of such A Shareholders held more than 5% interests in our Company as of the Latest Practicable Date.

(3) As of the Latest Practicable Date, the remaining 18.50% equity interest in Autel Digital Power was held by the following parties: (i) approximately 4.78% by Shenzhen Daohe Tongcheng Information Consulting Partnership (Limited Partnership) (深圳市道合通成信息諮詢企業(有限合夥)) ("**Daohe Tongcheng**"); (ii) approximately 4.69% by Shenzhen Daohe Tongneng Information Consulting Partnership (Limited Partnership) (深圳市道合通能信息諮詢企業(有限合夥)) ("**Daohe Tongneng**"); (iii) approximately 4.27% by Shenzhen Daohe Tongxin Information Consulting Partnership (Limited Partnership) (深圳市道合通新信息諮詢企業(有限合夥)) ("**Daohe Tongxin**"); (iv) approximately 3.29% by Shenzhen Daohe Tonggong Information Consulting Partnership (Limited Partnership) (深圳市道合通功信息諮詢企業(有限合夥)) ("**Daohe Tonggong**"); and (v) approximately 1.47% by Shenzhen Daohe Tongyuan Information Consulting Partnership (Limited Partnership) (深圳市道合通源信息諮詢企業(有限合夥)) ("**Daohe Tongyuan**").

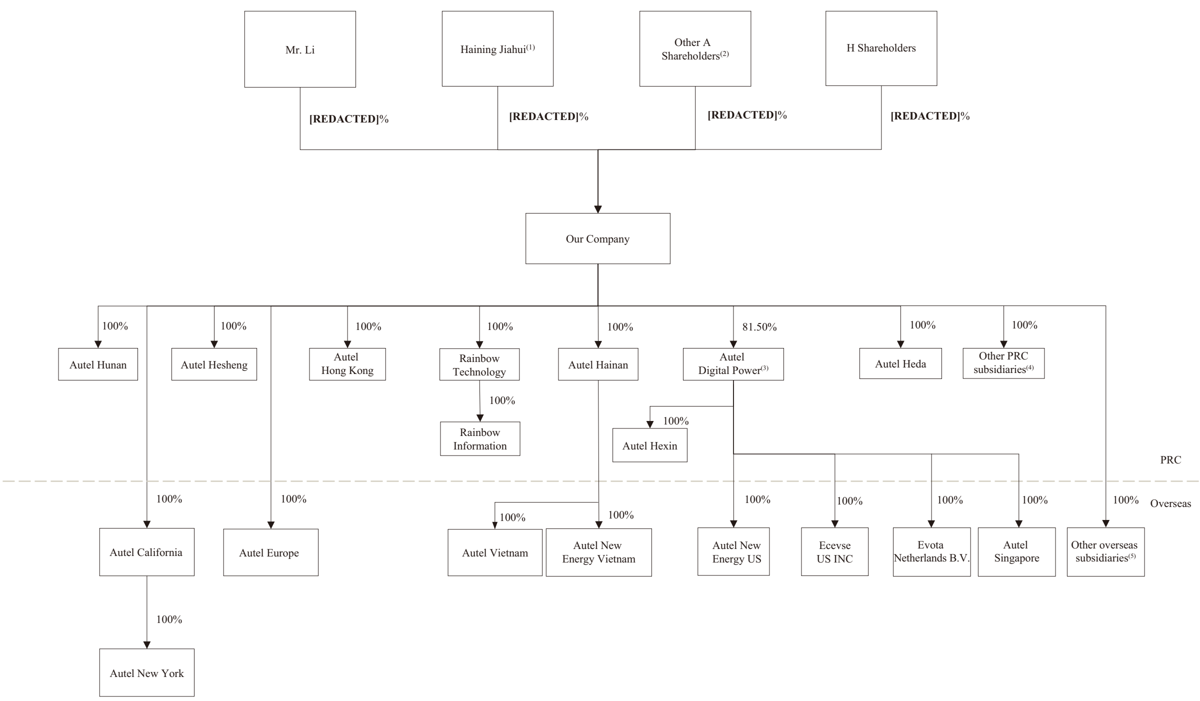
As confirmed by our PRC Legal Advisor, as of the Latest Practicable Date, the general partner of each of Daohe Tongcheng, Daohe Tongneng, Daohe Tongxin, Daohe Tonggong and Daohe Tongyuan was Shenzhen Daohe Tonghui Information Consulting Partnership (Limited Partnership) (深圳市道合通會信息諮詢企業(有限合夥) ("**Daohe Tonghui**")), which is controlled by its general partner, Ms. Gao Yuwei (高雨葳), a supervisor of Autel Digital Power, holding approximately 44.17% of the partnership interest therein. Ms. Nong, our former executive Director, is the sole limited partner of Daohe Tonghui holding approximately 55.83% partnership interests in it.

(4) Other PRC subsidiaries consisted of 9 wholly-owned subsidiaries established in the PRC as of the Latest Practicable Date.

(5) Other overseas subsidiaries consisted of 14 wholly-owned subsidiaries established in Japan, Mexico, the United States, Brazil, Italy, the United Kingdom, Spain, France, Sweden, the Netherlands, the United Arabic Emirates and Australia as of the Latest Practicable Date.

Corporate Structure Immediately After the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately after the completion the **[REDACTED]**, assuming the **[REDACTED]** is not exercised, no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**, and excluding any A Shares issuable upon conversion of the outstanding 2022 Convertible Bonds.



Notes (1) to (5), see "— Corporate Structure — Corporate Structure Immediately Before the **[REDACTED]**" in this section.

PUBLIC FLOAT

Rule 19A.13A(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, at the time of listing, must (a) represent at least 10% of the 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$3,000,000,000.

Our A Shares are listed on the Shanghai Stock Exchange. So far as our Directors are aware, immediately following the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**, and excluding any A Shares issuable upon conversion of the outstanding 2022 Convertible Bonds), the total number of the H Shares expected to be held by the public represents approximately **[REDACTED]**% of the total issued share capital of our Company (excluding treasury shares), which is higher than the prescribed percentage of H Shares required to be held in public under Rule 19A.13A(2)(a) of the Listing Rules, thereby satisfying Rule 19A.13A(2) of the Listing Rules.

FREE FLOAT

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$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Based on an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the low-end of the indicative **[REDACTED]**, the Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules at the time of **[REDACTED]**.