

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

The history of our Group can trace back to 2000. Envisioning the rapid growth and surging demand for automotive lighting products, our founding shareholders, Ms. Zhou and her father, Mr. Zhou Bajin (周八斤), integrated their resources to establish Changzhou Xingyu Automotive Lighting Co., Ltd. (常州星宇車燈有限公司), the predecessor of the Company, focusing on manufacturing and sales of automotive lighting products. Ms. Zhou has served as the General Manager and the Director of our Company since the establishment and as the Chairperson of our Board since 2007, and Mr. Zhou Bajin served as the supervisor and the Chairperson of the board of supervisors of the Company from 2000 to 2010. Over 25 years of development, we have become China’s largest integrated provider of automotive lighting products and one of the major participants in the global automotive lighting market. According to Frost & Sullivan, in terms of revenue in 2025, we ranked first in China and seventh globally in the overall automotive lighting market, with market shares of 11.6% in China and 4.6% globally, respectively.

Our Company was converted into a joint stock limited company in October 2007, and subsequently listed on the Shanghai Stock Exchange (601799.SH) in February 2011 (“**A Share Listing**”).

OUR BUSINESS MILESTONES

The following sets out our major business development milestones since our inception and up to the Latest Practicable Date:

Year	Business Milestones
2000	Established under the name of Changzhou Xingyu Automotive Lighting Co., Ltd. (常州星宇車燈有限公司), the predecessor of our Group.
2006	We successfully obtained CNAS accreditation and Xingyu lamps laboratory has become a nationally recognized laboratory.
2007	We reformed into a joint stock company.
2008	We commenced mass production of HID lamps.
2010	Our technology center was recognized as a “National-level Technology Center” (國家級企業技術中心).
2011	Our Company became listed on the Shanghai Stock Exchange (601799.SH).
2015	We boosted the share of well-known joint venture automotive brands and mid-to-high-end vehicle models within our customer portfolio.
2016	We commenced mass production of our first LED headlamp.
2018	We established our first overseas R&D center - the Wolfsburg R&D Center in Germany.
2019	We commenced mass production of adaptive matrix LED headlamp and began the construction of our Serbian Manufacturing Base.
2021	We achieved increase in the proportion of new energy vehicle brands within our customer portfolio.

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Year	Business Milestones
2022	We commenced exploration in the embodied intelligence area, and spearheaded the launch of China’s first ISO standard project for automotive lighting industry.
2023	We commenced mass production of DLP intelligent projection headlamps. Our Company was awarded the title of “National Green Factory”, and we established a subsidiary in North America.
2024	Our automotive lighting business, in terms of revenue, achieved the No. 1 market share in China and ranked No. 7 globally, according to Frost & Sullivan.
2025	We commenced mass production of HD intelligent projection headlamps. We received CMMM (Level 4) certificate.

OUR CORPORATE DEVELOPMENT

(1) Incorporation of Our Company in May 2000

On May 18, 2000, our Company was incorporated under the name Changzhou Xingyu Automotive Lighting Co., Ltd. (常州星宇車燈有限公司) under the laws of the PRC as a limited liability company, with an initial registered capital of RMB1.00 million. At the time of incorporation, Ms. Zhou and Mr. Zhou Bajin held 60% and 40% of our registered capital and equity interest, respectively.

(2) Conversion into a Joint Stock Company in October 2007

Our Company undertook an equity interest transfer and a capital increase in August and September 2007, respectively. In preparation for the A Share Listing, pursuant to the resolution passed at the Shareholders’ meeting of our Company held on October 20, 2007, our Company was converted into a joint stock company with limited liability and renamed as Changzhou Xingyu Automotive Lighting Systems Co., Ltd. (常州星宇車燈股份有限公司). After this conversion, the shareholding structure of our Company was as follows:

Name of Shareholder	Number of Shares held	Shareholding percentage
Zhou Xiaoping	95,703,000	57.00%
Zhou Bajin	53,425,780	31.82%
Shenzhen Dongfangjiixin Venture Investment Co., Ltd. (深圳市東方嘉信創業投資有限公司)	5,037,000	3.00%
Shenzhen Capital Group Co., Ltd. (深圳市創新投資集團有限公司)	3,358,000	2.00%
Zhang Rongqian	3,190,100	1.90%
Geng Xiaohong	3,190,100	1.90%
Xu Huiyi	1,595,050	0.95%
Wang Zhanyin	1,595,050	0.95%
Ge Zhijian.	805,920	0.48%
Total	167,900,000	100.00%

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(3) Listing on the Shanghai Stock Exchange in February 2011

During the Period between 2008 to 2010, our Company undertook certain share transfer and capital increase. Then in February 2011, as approved by the CSRC, our Company completed the initial public offering and listing of our A Shares on the Shanghai Stock Exchange (601799.SH), pursuant to which a total of 60,000,000 new A Shares were issued, accounting for 25.34% of our Company’s then issued shares of 236,760,000 immediately following the A Share Listing.

(4) 2016 Non-public Offering

In August 2016, our Company completed a non-public offering, pursuant to which it privately placed an aggregate of 36,505,232 A shares to seven specified investors at an issue price of RMB41.09 per share, raising total gross proceeds of RMB1,499,999,982.88. Upon completion of the non-public offering, the total number of shares of our Company increased from 239,650,000 shares to 276,155,232 shares, with the newly issued shares representing 13.22% of our total issued share capital as enlarged by the non-public offering. The shareholding structure of our Company after the non-public offering was as follows:

Name of Shareholder	Before the non-public offering		After the non-public offering	
	Number of Shares held	Shareholding percentage	Number of Shares held	Shareholding percentage
Zhou Xiaoping	103,002,120	42.98%	103,002,120	37.30%
Zhou Bajin	37,535,380	15.66%	37,535,380	13.59%
Xingyu Investment	17,676,000	7.38%	17,676,000	6.40%
Seven specified investors ⁽²⁾	0	0%	36,505,232	13.22%
Other A shareholders	81,436,500	33.98%	81,436,500	29.49%
Total	239,650,000⁽¹⁾	100.00%	276,155,232	100.00%

Note:

- (1) The number of total issued shares of the Company changed from the A Share public listing in 2011 primarily due to issuance and cancellation of restricted incentive shares of employees from 2011 till 2016.
- (2) The seven specified investors include: ①Changzhou Industrial Investment Group Co. Ltd. (常州產業投資集團有限公司), a state-owned private equity company. ②Zhongrong Fund Management Co, Ltd. (now Guolian Fund Management Co, Ltd.) (中融基金管理有限公司，現國聯基金管理有限公司), a fund management limited liability company. ③Anhui Zhongan Capital Investment Fund·Co. Ltd. (安徽中安資本投資基金有限公司), a private equity fund. ④GF Securities Asset Management (Guangdong) Co. Ltd. (廣發證券資產管理(廣東)有限公司), a private equity fund. ⑤China Fortune Securities Co., Ltd. (華鑫證券有限責任公司), a securities limited liability company. ⑥Qingdao Chengtou Financial Holding Group Co., Ltd. (now Qingdao Chengtoun Holding Group Co. Ltd.) (青島城投金融控股集團有限公司，現青島城投金控股集團有限公司), a stated-owned private equity fund. ⑦China Great Wall Asset Management Co., Ltd. (中國長城資產管理公司，現中國長城資產管理股份有限公司), a stated-owned private equity fund. All of seven specified investors are the Independent Third Parties.

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(5) Issuance of Convertible Bonds

In October 2020, our Company conducted a public issuance of convertible bonds (the “**Bonds**”) in the principal amount of RMB1,500,000,000 with a maturity period of six years to invest in, among others, the tooling facility of the Intelligent Manufacturing Industrial Park, etc. The Bonds were listed on the Shanghai Stock Exchange on November 16, 2020 (bond code: 113040.SH). The conversion period of the Bonds was from April 28, 2021 to October 21, 2026. The initial conversion price of the Bonds was RMB158.00 per Share, which was determined after taking the average trading price of the Bonds into account and was subject to the adjustment mechanism as disclosed in the offering circular. The Bonds were redeemed and deregistered from the Shanghai Stock Exchange on August 3, 2021. As of the redemption date, the Bonds representing a total principal amount of RMB1,492,650,000 had been converted into shares of the Company, accounting for 99.51% of the total principal amount of the Bonds.

(6) Shareholding Change in relation to our Controlling Shareholders

Mr. Zhou Bajin directly held 12.22% interest of our Company, and 40.00% in Xingyu Investment, which held 6.19% shares of our Company. Upon his departure in February 2025 and following the division of marital property and inheritance procedure, his interest in our Company were equally reallocated to Ms. Zhou, and Ms. Sun Exiao, his only child and his spouse, and the 40.00% interest of Xingyu Investment was eventually transferred to Ms. Zhou. Ms. Zhou, Xingyu Investment and Ms. Sun Exiao are regarded as a group of controlling shareholders of our Company (“**Controlling Shareholders**”). As of the Latest Practicable Date, Ms. Zhou directly held 42.00% interest of our Company and indirectly held 6.19% interest of our Company through Xingyu Investment. Ms. Sun Exiao (孫娥小) also directly held 6.11% interest of our Company. For details, see “Relationship with our Controlling Shareholders.”

CAPITALIZATION OF OUR COMPANY

As of the Latest Practicable Date, the shareholding structure of our Company was as follows:

Name of Shareholder	Number of Shares held	Shareholding percentage
Zhou Xiaoping	119,977,973	42.00%
Xingyu Investment	17,676,000	6.19%
Sun Exiao	17,457,654	6.11%
Other A Shareholders.	130,567,792	45.70%
Total	285,679,419⁽¹⁾	100.00%

Note:

- (1) Including 2,470,765 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.8649% of the total number of A Shares in issue as of the Latest Practicable Date.

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OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, we had 16 PRC and overseas subsidiaries in total, the major functions of which include, among other things, production, sales, marketing and research and development. The following table sets forth the principal business activities, date and place of establishment of our major subsidiaries as of the Latest Practicable Date:

Name of Entities	Equity Interest Attributable to our Group	Principal Business Activities	Date and Place of Establishment
Foshan Xingyu . . .	100%	R&D, manufacturing and sales of automotive lighting products	January 16, 2013 PRC
Xingyu Serbia	100%	R&D, manufacturing and sales of automotive lighting products	October 30, 2019 Republic of Serbia

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We had not carried out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

EMPLOYEE STOCK SCHEME

For the purpose to attract, retain and motivate the employees of the Company, and to align the interests of the Company, the Shareholders and the employees of the Company, the Company has adopted a variety of employee incentive plans and schemes since the A Share Listing in 2011. Currently we have three effective Employee Stock Schemes, i.e. the 2024 Employee Stock Scheme adopted on December 2, 2024, the 2025 Employee Stock Scheme adopted on November 20, 2025 and the 2026 Employee Stock Scheme adopted on June 10, 2026, respectively.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

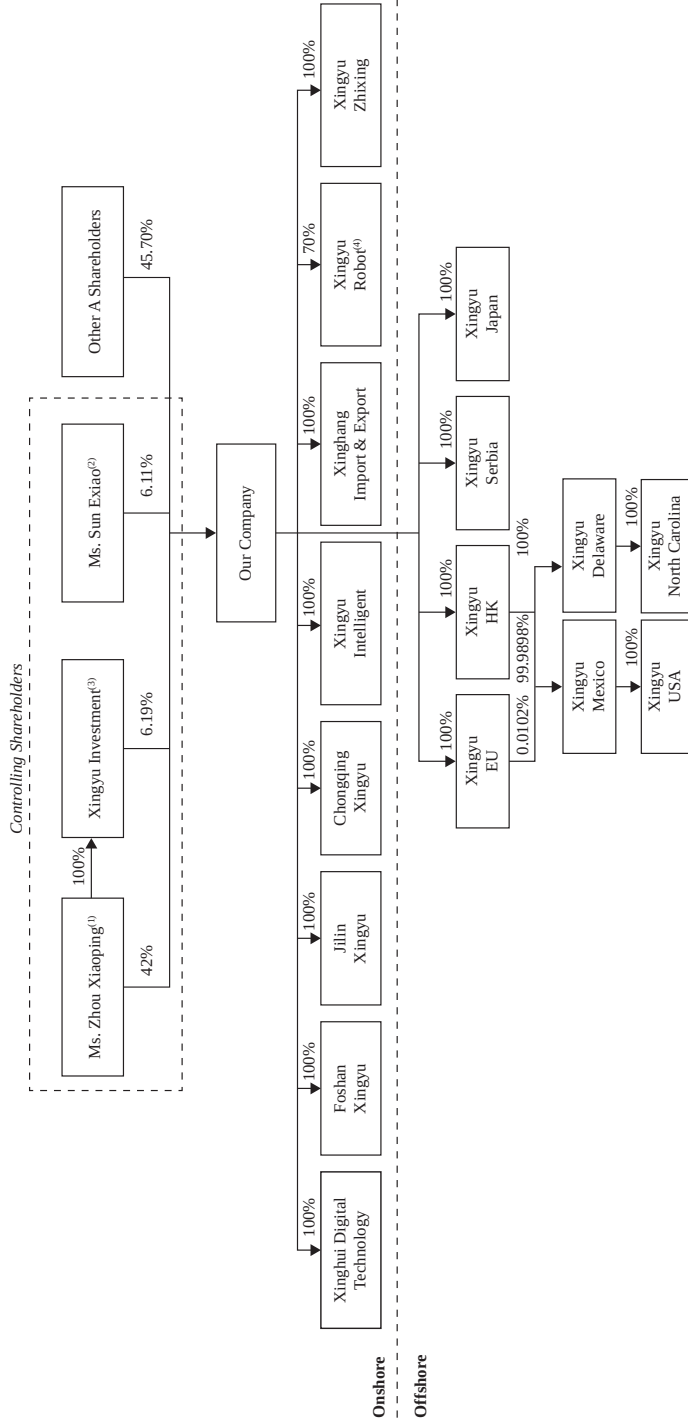
Our Company is currently listed on the Shanghai Stock Exchange. Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, we have complied with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in all material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the [REDACTED] attention in relation to our compliance record on the Shanghai Stock Exchange. Our PRC legal advisor is of the view that, during the Track Record Period and up to the Latest Practicable Date, we were not subject to any material administrative penalties or regulatory measures imposed by the CSRC or the Shanghai Stock Exchange, and the Company has complied with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC, in all material respects. Based on the independent due diligence conducted by the Sole Sponsor, nothing has come to the Sole Sponsor’s attention that would cause it to disagree with the Directors’ confirmation with regard to the compliance records of the Company on the Shanghai Stock Exchange during the Track Record Period and up to the Latest Practicable Date.

Our Company seeks to [REDACTED] on the Stock Exchange in order to advance our globalization strategy, enhance the international influence of our brand, leverage international capital markets, diversify financing channels, and support our high-quality development. See “Business — Our Strategies” and “Future Plans and [REDACTED]” for more details.

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CORPORATE STRUCTURE IMMEDIATELY PRIOR TO THE [REDACTED]

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



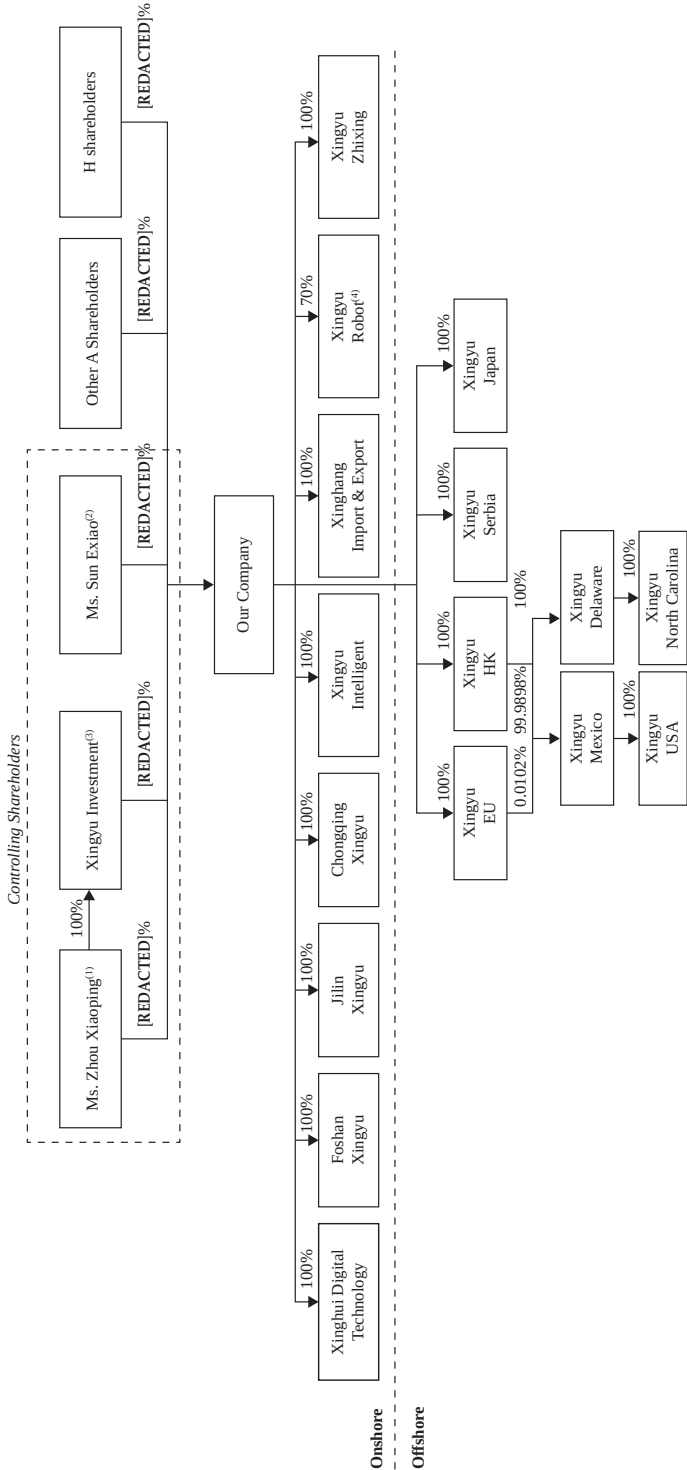
Notes:

1. Ms. Zhou is an Executive Director, the Chairperson of our Board and the General Manager of our Company.
2. Ms. Sun Exiao is the mother of Ms. Zhou and acts in concert with Ms. Zhou. See "Relationship with our Controlling Shareholders" for details.
3. As of the Latest Practicable Date, Xingyu Investment was 100% owned by Ms. Zhou, and is one of our Controlling Shareholders. Apart from holding interest in our Company, Xingyu Investment and its controlled subsidiaries have not engaged in any business that is the same or similar to our Company's principal business.
4. The Company transferred 30% equity interest in Xingyu Robot to JAKA Robotics Ltd. (簡卡機器人股份有限公司, "JAKA Robotics") in January 2026, one supplier of our Company. As of the Latest Practicable Date, the controlling ultimate beneficial owner of JAKA Robotics is Mr. Li Mingyang, and our Company held 1.0495% interest of JAKA Robotics. As Xingyu Robot is an insignificant subsidiary newly established in October 2025, JAKA Robotics is an independent third party under Chapter 14A of the Listing Rules.

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CORPORATE STRUCTURE IMMEDIATELY AFTER THE [REDACTED]

The following chart illustrates the shareholding and corporate structure of our Group immediately following the completion of the [REDACTED] (assuming that 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]):



Note: See “— Corporate Structure Immediately prior to the [REDACTED]” in this section for Notes (1) to (4).

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PUBLIC FLOAT

Rules 19A.13A of the Listing Rules require 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. Immediately following the completion of the [REDACTED] and based on the [REDACTED], the [REDACTED] of our H Shares to be held by the [REDACTED] is expected to be approximately HK\$[REDACTED] million (applying the [REDACTED] of HK\$[REDACTED] per H Share), HK\$[REDACTED] million (applying the [REDACTED] of HK\$[REDACTED] per H Share) and HK\$[REDACTED] million (applying the [REDACTED] of HK\$[REDACTED] per H Share), respectively. [REDACTED].

To the best knowledge and belief of our Directors and on the basis of the current shareholding structure, none of the H Shares are expected to be held by our core connected person. As a result, the [REDACTED] H Shares will represent approximately [REDACTED]% of our total issued share capital immediately following completion of the [REDACTED] (assuming that 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 treasury shares as of the Latest Practicable Date). On such basis, we will be able to satisfy the requirements in respect of the public float upon [REDACTED] under Rule 19A.13A(2) of the Listing Rules.

FREE FLOAT

Under Rule 19A.13C of the Listing Rules, a PRC issuer with other listed shares at the time of listing must ensure that the portion of H shares for which listing is sought that are held by the public and that are not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of listing (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 capitalization of not less than HK\$600,000,000.

It is expected that immediately following completion of the [REDACTED], the [REDACTED] of the [REDACTED] on the Stock Exchange that are held by the public and are not subject to any disposal restrictions at the time of the [REDACTED] is not less than HK\$[REDACTED] (based on the [REDACTED] and assuming the [REDACTED] is not exercised). Accordingly, our Company will be able to satisfy the requirements under Rule 19A.13C of the Listing Rules.