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You should read the following discussion and analysis in conjunction with our audited consolidated financial statements, including the notes thereto included in the Accountants’ Report set out in Appendix I to this document. You should read the entire Accountants’ Report in Appendix I to this document and not rely merely on the information contained in this section. The Accountants’ Report has been prepared in accordance with the International Financial Reporting Standards (“IFRSs”), which may differ in material aspects from generally accepted accounting principles in other jurisdictions.

Our historical results do not necessarily indicate results expected for any future periods. The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in the sections headed “Forward-looking Statements” and “Risk Factors” in this document.

OVERVIEW

We are a high-speed industrial robotics enterprise dedicated to the research and development, production, sales and service of high-speed and highly reliable robots. Our product portfolio consists of parallel robots, high-speed SCARA robots, high-payload cobots as well as embodied intelligent robots. Leveraging our wide spectrum of robots, we also offer automated and smart robotics solutions tailored to the demands of our customers. We focus on the automation and intelligent upgrade of core application scenarios, such as high-speed sorting, precision assembly and accurate handling. Our products and solutions are extensively deployed across multiple industries, including food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive.

We are a key participant in the high-speed industrial robot industry and have established a leading position in the parallel robot market. According to Frost & Sullivan, (i) in the domestic parallel robot market, we have captured the largest market share among Chinese robotics enterprises and global robotics enterprises since 2020 and 2023, respectively; (ii) in terms of shipment volume in 2025, we ranked first among parallel robot companies in China with a market share of 20.4% and second among global parallel robot companies with a market share of 7.7%; and (iii) in terms of shipment volume of high-speed industrial robots in 2025, we ranked first in the high-speed industrial robot market in China with a market share of 13.4% and fourth in the global high-speed industrial robot market with a market share of 5.2%.

We generate revenue primarily from the sales of robotics, and to a lesser extent, from the sales of our robotics solutions and services. Our revenue amounted to RMB93.5 million, RMB135.3 million, RMB252.7 million, RMB94.6 million and RMB135.1 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively. We recorded gross profit of RMB15.9 million, RMB30.9 million, RMB76.9 million, RMB23.6 million and RMB36.7 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively. We recorded net loss of RMB39.3 million and RMB47.1 million in 2023 and 2024, respectively, and net profit of RMB0.7 million in 2025, reflecting an improvement in our overall financial performance. We recorded net loss of RMB28.8 million in the six months ended June 30, 2026.

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KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We believe that the most significant factors affecting our results of operations and financial condition include the following:

Growth Trends in Industrial Robots and the Overall Demand Environment

We operate in the rapidly growing industrial robot and solution market. Our business, financial performance and future growth are affected by the development of this industry, including the general factors affecting the global and China’s industrial robot and solution market, macroeconomic conditions, regulatory environment, as well as the market acceptance, adoption and demand of robots and robotics solutions.

To navigate market volatility and capture emerging opportunities, we have established a differentiated competitive advantage. Our strategy centers on the high-value segment of high-reliability robots, with a product portfolio covering parallel robots, high-speed SCARA robots, high-payload cobots and embodied intelligent robots. According to Frost & Sullivan, our high-speed industrial robots ranked first nationwide and fourth globally in terms of shipment volume, while our parallel robots maintained a leading position as the top-ranked product in China and the second globally in terms of shipment volume in 2025. Rather than relying on rapid growth from any single downstream sector, we meet the rising automation and intelligent manufacturing needs of the food and beverage, pharmaceutical and consumer goods industries. At the same time, we have deeply expanded into advanced manufacturing industries such as renewable energy and consumer electronics, which demand superior speed, precision and reliability. Backed by our long-term accumulation in core technologies such as high-speed motion control, we convert structural industry trends into sustainable business growth. This “focus on high-end segments + technology-driven leadership” model not only validates the effectiveness of our strategic roadmap but also reinforces our resilience and visibility for growth amid broader market fluctuations.

Driven by industry-specific demands, customization for various applications, technology integration such as AI and enhanced safety measures, there is a trend towards a wider range of application scenarios and use cases of robotics. The continued development of companies within the industrial chain is generating new industry demands and laying a solid foundation for the industry’s sustainable growth.

Our Capability in Building An Extensive Robotic Portfolio to Seize Market Opportunity

The industrial robot industry is characterized as a technology-intensive sector with rapid technological iterations. This dynamic landscape requires us to sustain substantial R&D investment to maintain the competitiveness of our products and to respond swiftly to evolving market trends. At the same time, to address the increasingly diversified downstream application scenarios and the fast-changing needs of our customers, we will continue to expand and refine our product portfolio.

We have accumulated extensive experience in this field and have developed a comprehensive portfolio of robots and robotics solutions that cater to a broad range of application scenarios. During the Track Record Period, our revenue increased by 44.7% from RMB93.5 million in 2023 to RMB135.3 million in 2024 and by 86.8% to RMB252.7 million in 2025 and increased by 42.8% from RMB94.6 million in the six months ended June 30, 2025 to RMB135.1 million in the six months ended June 30, 2026. Going forward, we intend to further strengthen our existing advantages, broaden our product portfolio and drive sustainable business expansion.

We have established an efficient, pragmatic and market-oriented R&D system that supports our ability to respond to technological developments and customer requirements. Our R&D investments have consistently remained at a relatively high level within the industry and have been closely aligned with clearly defined customer needs and technology roadmaps. Our multidisciplinary R&D team has capabilities spanning core algorithm development, mechanical design and application-level system integration. During the Track Record Period, a number of our R&D projects were commercialized into new products and deployed to the production lines of key customers, demonstrating our ability to progress from demand identification to development and commercialization in an effective and timely manner.

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Since our inception, we have focused on the in-house R&D of robotics technologies and have gradually established a solid technological foundation. Sustained and relatively sizable R&D investments are necessary to support our long-term competitiveness, though such investments may place pressure on our short-term profitability. Our R&D expenses were RMB19.4 million, RMB29.8 million, RMB21.4 million, RMB9.7 million and RMB24.0 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively, representing 20.7%, 22.0%, 8.5%, 10.3% and 17.8% of our revenue and 31.9%, 35.1%, 26.3%, 34.4% and 38.5% of our total operating expenses during the same periods.

Our continued investments in technology development have enabled the steady launch of new robots and robotics solutions that effectively address customer pain points in application scenarios and industry sectors. In particular, we provide customers with advanced robots applicable to a variety of use cases. While we strive to optimize R&D efficiency, R&D activities in the robots and robotics solutions inherently involve uncertainties in both the development process and the eventual outcome. Such uncertainties may lead to fluctuations in our expenses, and the timing and scale of returns from R&D projects may vary, which could in turn impact our operating results.

Our Capability in Robust Sales and Marketing to Expand Customer Base

Our business growth relies substantially on the continued expansion of our sales network and the successful engagement of new customers. We adopt a global, integrated direct-sales-plus distribution model that enables us to balance deep customer engagement with broad market reach. This approach has strengthened our market coverage and drove the steady growth of our customer base. In 2023, 2024 and 2025 and the six months ended June 30, 2026, we had 363, 475, 674 and 493 direct sales customers who contributed revenue and nil, eight, 15 and 22 distributors in the relevant period, respectively.

We believe that our marketing approach has enabled us to tap into both the benefits of direct sales in customer engagement and product enhancements, and the benefits of distributorship in market outreach and technical support. However, our efforts to acquire new customers or introduce new products may require relatively higher upfront costs, including longer on-site implementation lead time for onboarding customers to our robotics solutions, as well as mold development or production line adjustments necessary for the mass production of new robot models. Our ability to expand our customer base, extend market coverage and drive revenue growth will therefore continue to rely on the efficiency and scale of our sales network.

To support sustained revenue growth, we have committed and expect to continue to commit, resources to sales and marketing activities, primarily enhancing brand visibility through participation in industry exhibitions and technology forums. Our selling and marketing expenses were RMB24.7 million, RMB34.5 million, RMB34.4 million, RMB10.9 million and RMB12.5 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively, accounting for 26.5%, 25.5%, 13.6%, 11.5% and 9.3% of our revenue.

We expect that proactive customer acquisition efforts may continue to result in relatively higher initial expenses required to meet specific customer needs. Our ability to further expand our customer base, broaden market reach and achieve continued business growth will remain dependent on the effectiveness and coverage of our sales and marketing network.

Our Ability to Control Costs and Improve Operational Efficiency

Our ability to achieve profitability and sustainable growth depends in part on our management of cost of sales. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our cost of sales was RMB77.6 million, RMB104.4 million, RMB175.7 million, RMB71.1 million and RMB98.4 million, accounting for 83.0%, 77.2%, 69.5%, 75.1% and 72.9% of our revenue for the same periods, respectively. Our cost of sales primarily consisted of cost of direct materials, direct labor costs and overhead costs. Changes in any major components of our cost of sales and our overall cost structure could have an impact on our gross profit and gross profit margin. For instance, our cost of direct materials accounted for 83.0%, 80.7%, 81.9%, 82.4% and 81.4% of our total cost of sales in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively. The procurement costs for such direct materials may fluctuate due to a number of factors beyond

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our control, such as supply chain disruptions and inflation, and we are susceptible to significant changes in the availability, price and standard of critical direct materials. We have implemented risk management measures to mitigate such potential disruptions to our supply chain.

Our results of operations and profitability are also significantly affected by our operating expenses, which primarily comprised selling and marketing expenses, administrative expenses and research and development expenses during the Track Record Period. Our total operating expenses (consisting of selling and marketing expenses, administrative expenses and research and development expenses) as a percentage of our total revenue decreased from 65.0% in 2023 to 62.9% in 2024 and decreased to 32.2% in 2025, mainly due to economies of scale driven by our business growth and improvements in operational efficiency. Our total operating expenses further increased from 30.0% in the six months ended June 30, 2025 to 46.2% in the six months ended June 30, 2026, mainly due to the significant increase in (i) research and development expenses due to our continued efforts in developing new products and (ii) administrative expenses driven by the increased [REDACTED] in relating to the [REDACTED]. We expect our operating expenses to continue to increase as the number of our employees increases and our operating expenditures grow in line with our expanding business needs. Our profitability depends on our capability to enhance operational efficiency, maintain sufficient business scale and achieve operating leverage, thereby keeping our costs at a reasonable level and aligned with the pace of our business growth. However, we cannot guarantee that such improvement will be sustained in the future, as our operating expenses may fluctuate due to changes in our business scale, market conditions, strategic investments, or other factors beyond our control, which may adversely affect our profitability.

Supportive Regulatory Climate for Robots and Robotics Solutions

Governments around the world are implementing policies to support the industrial robot and solution market, offering policy assurance and resource backing to advance R&D manufacturing and industrial applications. For instance, the PRC government in recent years has been implementing a number of preferential policies and development plans to encourage the development of the industrial robot and solution market, such as the Implementation Plan for Advancing Equipment Modernization in the Industrial Sector (推動工業領域設備更新實施方案), the 14th Five Year Plan for the Development of the Robot Industry and the Implementation Plan for “Robot+” Application Action. During the Track Record Period, we received government grants in connection with, among others, our R&D efforts and business achievements, which in turn facilitated our business expansion. However, to the extent that any such favorable government policies were discontinued or reduced in the future, the industrial robot industry may be affected, which may also affect our financial performance and growth prospects.

BASIS OF PREPARATION

The historical financial information has been prepared in accordance with IFRSs, which comprise all standards and interpretations approved by the International Accounting Standards Board (“IASB”). All IFRSs effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, have been early adopted by us in the preparation of the historical financial information throughout the Track Record Period.

The historical financial information has been prepared under the historical cost convention, except for certain financial assets which have been measured at fair value. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the historical financial information are disclosed in note 3 to the Accountants’ Report in Appendix I to this document.

For shares issued to Pre-[REDACTED] Investors, pursuant to the supplemental agreements entered into between our Company and the Pre-[REDACTED] Investors in relation to the termination of certain of special rights granted by our Company, including redemption rights, which are *void ab initio* as described in note 31 to the Accountants’ Report in Appendix I to this document, having taking into account the legal and regulatory framework of our Company’s jurisdiction and the governing law of the supplementary agreements, our Directors considered that it is appropriate to present the pre-[REDACTED] investments as equity throughout the Track Record Period. See note 31 of the Accountants’ Report in Appendix I to this document for the details of financial impacts.

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MATERIAL ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

We have identified certain accounting policies that are significant to the preparation of our consolidated financial statements. Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and operational results. Results may differ from these estimates under different assumptions and conditions.

Our management continually evaluates such estimates, assumptions and judgments based on historical experience and other assumptions which our management believes to be reasonable under the circumstances. There has not been any material deviation between our management’s estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future.

See notes 2.3 and 3 to the Accountants’ Report in Appendix I to this document for details of our material accounting policy information and key sources of estimation uncertainty, which are critical and/or involve the most important estimates and judgments we used in preparing our financial statements.

Impairment Testing of Non-financial Assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and contract assets), the asset’s recoverable amount is estimated. An asset’s recoverable amount is the higher of the asset’s or cash-generating unit’s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

RESULTS OF OPERATIONS

The following table sets forth a summary of our consolidated results of operations for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands, except for percentages)									
	(unaudited)									
Revenue	93,491	100.0	135,260	100.0	252,653	100.0	94,607	100.0	135,086	100.0
Cost of sales	(77,612)	(83.0)	(104,399)	(77.2)	(175,720)	(69.5)	(71,054)	(75.1)	(98,430)	(72.9)
Gross profit	15,879	17.0	30,861	22.8	76,933	30.5	23,553	24.9	36,656	27.1
Other income and gains . . .	8,314	8.9	8,964	6.6	12,542	5.0	5,094	5.4	1,798	1.3
Selling and marketing expenses	(24,749)	(26.5)	(34,465)	(25.5)	(34,368)	(13.6)	(10,895)	(11.5)	(12,518)	(9.3)
Administrative expenses . . .	(16,631)	(17.8)	(20,752)	(15.3)	(25,499)	(10.1)	(7,709)	(8.1)	(25,816)	(19.0)
Research and development expenses	(19,364)	(20.7)	(29,799)	(22.0)	(21,387)	(8.5)	(9,746)	(10.3)	(24,015)	(17.8)
Impairment losses on financial assets and contract assets	(1,032)	(1.1)	(694)	(0.5)	(6,534)	(2.6)	(4,403)	(4.7)	(4,235)	(3.1)
Other expenses	(1,290)	(1.4)	(175)	(0.1)	(119)	(0.0)	(207)	(0.2)	(357)	(0.3)
Finance costs	(380)	(0.4)	(1,008)	(0.8)	(829)	(0.3)	(437)	(0.5)	(315)	(0.2)
Profit/(Loss) before tax . . .	(39,253)	(42.0)	(47,068)	(34.8)	739	0.3	(4,750)	(5.0)	(28,802)	(21.3)
Income tax expenses	—	—	—	—	—	—	—	—	—	—
Profit/(Loss) for the year/period	(39,253)	(42.0)	(47,068)	(34.8)	739	0.3	(4,750)	(5.0)	(28,802)	(21.3)

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Non-IFRS Measure

To supplement our consolidated financial statements which are presented in accordance with the IFRSs, we also use adjusted net profit/(loss) (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with, the IFRSs. We believe that such non-IFRS measure facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net profit/(loss) (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under the IFRSs.

We define adjusted net profit/(loss) (non-IFRS measure) as profit/(loss) for the year/period adjusted for [REDACTED] which related to the [REDACTED] and share-based payment expenses. Share-based payment expenses are non-cash expenses arising from share award schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations. The following table reconciles this non-IFRS measure to profit/(loss) for the year/period which is presented in accordance with the IFRSs.

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			(unaudited)	
Profit/(Loss) for the year/period	(39,253)	(47,068)	739	(4,750)	(28,802)
Non-IFRS adjustments:					
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Share-based payment expenses	—	10,622	4,443	1,987	2,874
Adjusted net profit/(loss) (non-IFRS measure)	(39,253)	(36,446)	10,233	(2,763)	(10,530)

Our adjusted net loss (non-IFRS measure) decreased from RMB39.3 million in 2023 to RMB36.4 million in 2024, primarily due to an increase of RMB15.0 million in gross profit, as adjusted by share-based payment expenses of RMB10.6 million. We recorded adjusted net profit (non-IFRS measure) of RMB10.2 million in 2025, mainly due to an increase of RMB46.0 million in gross profit for the year, as adjusted by share-based payment expenses of RMB4.4 million. We recorded adjusted net loss of RMB39.3 million in 2023, and RMB36.4 million in 2024, reflecting our continued investment in strengthening our product offerings and expanding our market presence. The adjusted net loss in 2023 was primarily attributable to increased research and development efforts to expand our robot portfolio, including high-speed SCARA robots and high-payload cobots, as well as higher selling and marketing expenses to support market expansion and sales growth. As we remained at an early stage of business development, revenue generated from our robots and robotics solutions had not yet reached a level sufficient to cover our operating costs. The adjusted net loss in 2024 was mainly driven by further investment in research and development as certain products progressed into the hardware testing and refinement stage, together with higher selling and marketing expenses associated with our expansion into overseas markets, including increased employee compensation, travel, and advertising and promotion expenses. Our adjusted net loss (non-IFRS measure) increased from RMB2.8 million in the six months ended June 30, 2025 to RMB10.5 million in the six months ended June 30, 2026, primarily attributable to an increase of RMB14.3 million in research and development expenses driven by our development of new products such as embodied intelligent robots and space robotic arms to expand our robot portfolio.

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DESCRIPTION OF KEY COMPONENTS OF OUR RESULT OF OPERATIONS

Revenue

During the Track Record Period, we primarily generated revenue from the sales of our robotics, and to a lesser extent, from the sales of our robotics solutions and services. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our revenue was RMB93.5 million, RMB135.3 million, RMB252.7 million, RMB94.6 million and RMB135.1 million, respectively.

Revenue by Offering Type

During the Track Record Period, our revenue from robotics was generated from sales of robots and spare parts. Robots we offer are generally standardized products which mainly included parallel robots, high-speed SCARA robots, high-payload cobots and embodied intelligent robots during the Track Record Period.

Robotics solutions are modularly constructed on the foundation of our product portfolio. By employing standardized, modular components, such as input units, output units, vision units and end-effectors, we enable rapid system deployment, flexible layout configuration as well as subsequent swift optimization and continuous iteration. Such design effectively meets our customers’ need for automated and smart production line upgrade across various industries, assisting them in enhancing product quality and improving operational efficiency.

Services are primarily maintenance services we provide after the warranty period. The services we offered during the Track Record Period were typically regular inspections, component replacement for routine wear-and-tear items and technical support to ensure continued stable operation.

Our revenues in all offering types increased during the Track Record Period, primarily driven by the expansion of our robotic portfolio, the increase in the demand for our offerings and the growth of our customer base. The following table sets forth a breakdown of our revenue by offering type for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)										
(unaudited)										
Robotics										
Parallel robots	60,048	64.2	70,477	52.1	119,024	47.1	51,730	54.7	58,061	43.0
High-speed SCARA robots . .	—	—	805	0.6	6,065	2.4	2,041	2.2	2,109	1.6
High-payload cobots	1,382	1.5	13,067	9.7	28,140	11.1	8,443	8.9	13,638	10.1
Embodied intelligent robots .	—	—	—	—	351	0.1	—	—	4,689	3.5
Spare parts	3,536	3.8	5,033	3.7	9,735	4.0	3,312	3.5	8,418	6.2
Subtotal	64,966	69.5	89,382	66.1	163,315	64.7	65,526	69.3	86,915	64.4
Robotics solutions	27,831	29.8	44,415	32.8	86,719	34.3	28,025	29.6	46,937	34.7
Services	694	0.7	1,463	1.1	2,619	1.0	1,056	1.1	1,234	0.9
Total	93,491	100.0	135,260	100.0	252,653	100.0	94,607	100.0	135,086	100.0

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Revenue by Industry Sector

We continued to diversify the application scenarios for our offerings, with a particular focus on the food and beverage, renewable energy, consumer electronics, consumer goods, pharmaceutical, automotive and education industries during the Track Record Period. The following table sets forth a breakdown of our revenue by industry sector for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands, except for percentages)						(unaudited)			
Food and beverage	41,513	44.4	70,353	52.0	129,570	51.3	31,643	33.5	63,395	46.9
Renewable energy	3,305	3.5	9,443	7.0	29,309	11.6	17,390	18.4	22,956	17.0
Consumer electronics	7,591	8.1	7,169	5.3	24,319	9.6	13,814	14.6	11,926	8.8
Consumer goods	8,617	9.2	15,337	11.3	20,235	8.0	6,540	6.9	9,497	7.0
Pharmaceutical	21,270	22.8	23,547	17.4	25,025	9.9	16,374	17.3	8,927	6.6
Automotive	2,216	2.4	6,501	4.8	11,935	4.7	4,955	5.2	4,942	3.7
Education	6,092	6.5	642	0.5	8,191	3.2	1,826	1.9	3,698	2.7
Others ⁽¹⁾	2,887	3.1	2,268	1.7	4,069	1.7	2,065	2.2	9,745	7.3
Total	93,491	100.0	135,260	100.0	252,653	100.0	94,607	100.0	135,086	100.0

(1) Mainly included component processing and environmental protection industries.

Our revenue across different industry segments fluctuated during the Track Record Period primarily in line with customers’ annual demand. For instance, revenue from the consumer electronics and education industries was relatively low in 2024 as compared to 2023 and 2025 and revenue from pharmaceutical industry was relatively low in the six months ended June 30, 2026 as compared to 2023 to 2025, reflecting normal variations in customers’ procurement cycles in a particular year.

Revenue by Geographical Market

During the Track Record Period, we generated revenue from multiple countries and regions, primarily including Chinese Mainland, and to a lesser extent, overseas markets such as the United Arab Emirates, South Korea and Thailand. The following table sets forth a breakdown of our revenue by geographic market for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands, except for percentages)						(unaudited)			
Chinese Mainland	90,139	96.4	123,476	91.3	226,151	89.5	92,356	97.6	126,476	93.6
Other countries/regions	3,352	3.6	11,784	8.7	26,502	10.5	2,251	2.4	8,610	6.4
Total	93,491	100.0	135,260	100.0	252,653	100.0	94,607	100.0	135,086	100.0

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Revenue by Sales Channel

We primarily sell our robots and robotics solutions through direct sales, and to a much lesser extent, sell our robots to distributors. The following table sets forth a breakdown of our revenue by sales channel for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)										
(unaudited)										
Direct sales	93,491	100.0	132,630	98.1	239,888	94.9	92,612	97.9	131,771	97.5
Distributors	—	—	2,630	1.9	12,765	5.1	1,995	2.1	3,315	2.5
Total	93,491	100.0	135,260	100.0	252,653	100.0	94,607	100.0	135,086	100.0

Cost of Sales

Our cost of sales primarily consisted of (i) direct materials, primarily including gear reducer, motor and non-standard parts; (ii) overhead costs, mainly including depreciation and amortization, outsourced processing fees, utility expenses for production facilities and freight expenses; and (iii) direct labor costs, primarily including employee compensation relating to production personnel. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our cost of sales was RMB77.6 million, RMB104.4 million, RMB175.7 million, RMB71.1 million and RMB98.4 million, representing 83.0%, 77.2%, 69.5%, 75.1% and 72.9% of our revenue for the same periods, respectively. The following table sets forth a breakdown of our cost of sales by nature for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)										
(unaudited)										
Direct materials	64,436	83.0	84,278	80.7	143,914	81.9	58,546	82.4	80,120	81.4
Overhead	5,392	7.0	10,216	9.8	17,609	10.0	6,559	9.2	9,771	9.9
Direct labor costs	7,784	10.0	9,905	9.5	14,197	8.1	5,949	8.4	8,539	8.7
Total	77,612	100.0	104,399	100.0	175,720	100.0	71,054	100.0	98,430	100.0

Gross Profit and Gross Profit Margin

In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our gross profit was RMB15.9 million, RMB30.9 million, RMB76.9 million, RMB23.6 million and RMB36.7 million, representing gross profit margin of 17.0%, 22.8%, 30.5%, 24.9% and 27.1%, respectively. The following table sets forth a breakdown of our gross profit and gross profit margin by offering type for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	GP	GPM	GP	GPM	GP	GPM	GP	GPM	GP	GPM
(RMB in thousands, except for GPM in percentages)										
(unaudited)										
Robotics										
Parallel robots	13,319	22.2	19,886	28.2	41,302	34.7	14,867	28.7	15,747	27.1
High-speed SCARA robots . .	—	—	(1,007)	(125.1)	(1,107)	(18.3)	(1,351)	(66.2)	(487)	(23.1)
High-payload cobots	(2,749)	(198.9)	779	6.0	2,568	9.1	(560)	(6.6)	2,249	16.5
Embodied intelligent robots .	—	—	—	—	238	67.8	—	—	1,561	33.3
Spare parts	260	7.4	1,245	24.7	2,053	21.1	826	24.9	2,245	26.7

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	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	GP	GPM	GP	GPM	GP	GPM	GP	GPM	GP	GPM
	(RMB in thousands, except for GPM in percentages) (unaudited)									
Subtotal/Overall	10,830	16.7	20,903	23.4	45,054	27.6	13,782	21.0	21,315	24.5
Robotics solutions	4,781	17.2	8,556	19.3	29,974	34.6	8,889	31.7	14,251	30.4
Services	268	38.6	1,402	95.8	1,905	72.7	882	83.5	1,090	88.3
Total/Overall	15,879	17.0	30,861	22.8	76,933	30.5	23,553	24.9	36,656	27.1

The gross profit and gross profit margin of our robots and robotics solutions improved during the Track Record Period.

Our high-payload cobots recorded gross loss in 2023 and our high-speed SCARA robots recorded gross loss in 2024, 2025 and the six months ended June 30, 2026, mainly because (i) the high-payload cobots and the high-speed SCARA robots were newly developed at the relevant stages and hence scale efficiencies had not been realized; (ii) we gradually transitioned from third-party procurement to in-house R&D and manufacturing with respect to components for robots. As our in-house R&D and manufacturing capabilities have continued to strengthen over time, the cost structure of our high-payload cobots and high-speed SCARA robots improved, driving the subsequent improvement in their gross profit margins; and (iii) we gradually engaged more distributors for the sales of the high-payload cobots and the high-speed SCARA robots during the initial rollout of the distributorship model. We implemented favorable pricing policies to incentivize distributors to support market penetration, resulting in relatively low gross profit margin during the relevant periods. Our high-payload cobots recorded gross loss in the six months ended June 30, 2025, primarily because (i) we transitioned our in-house production to our Wuxi production facility in early 2025, and the initial stage of such transition resulted in relatively high production costs; and (ii) we engaged more distributors for the sales of the high-payload cobots with favorable pricing policies.

The following table sets forth a breakdown of our gross profit and gross profit margin by geographic market for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	GP	GPM	GP	GPM	GP	GPM	GP	GPM	GP	GPM
	(RMB in thousands, except for GPM in percentages) (unaudited)									
Chinese Mainland	14,404	16.0	26,015	21.1	62,758	27.8	22,224	24.1	32,405	25.6
Other countries/regions	1,475	44.0	4,846	41.1	14,175	53.5	1,329	59.0	4,251	49.4
Total	15,879	17.0	30,861	22.8	76,933	30.5	23,553	24.9	36,656	27.1

Our gross profit from both Chinese Mainland and other countries and regions generally increased during the Track Record Period, primarily driven by revenue growth from increased sales of robots and robotics solutions. Our gross profit margin for Chinese Mainland increased from 16.0% in 2023 to 21.1% in 2024 to 27.8% in 2025 and further from 24.1% in the six months ended June 30, 2025 to 25.6% in the six months ended June 30, 2026, primarily due to (i) the economies of scale from higher sales volumes, improved supply chain and procurement efficiency; and (ii) a greater proportion of in-house research, development and manufacturing of hardware components. Our gross profit margin for other countries and regions decreased from 44.0% in 2023 to 41.1% in 2024, primarily due to (i) the initial commercialization of newly developed high-payload cobots; and (ii) our early-stage overseas market expansion and enhance market penetration, during which we offered more favorable commercial terms to distributors to support market penetration. Our gross profit margin for other countries and regions decreased from 59.0% in the six months ended June 30, 2025 to 49.4% in the six months ended June 30, 2026, primarily due to certain projects with relatively high gross profit margins in the six months ended June 30, 2025, supported by our efforts to expand into global markets.

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The following table sets forth a breakdown of our gross profit and gross profit margin by sales channel for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	GP	GPM	GP	GPM	GP	GPM	GP	GPM	GP	GPM
	(RMB in thousands, except for GPM in percentages)									
	(unaudited)									
Direct sales	15,879	17.0	31,288	23.6	77,487	32.3	23,709	25.6	36,498	27.7
Distributors	–	–	(427)	(16.2)	(554)	(4.3)	(156)	(7.8)	158	4.8
Total	15,879	17.0	30,861	22.8	76,933	30.5	23,553	24.9	36,656	27.1

We recorded gross losses for sales to distributors in 2024 and 2025, primarily because we were at an early stage of developing our distributorship model and provided our distributors with favorable commercial terms to facilitate market expansion and penetration. The decrease in our gross loss margin was in line with the improvement in the gross profit margin of our products.

Other Income and Gains

Our other income and gains primarily consisted of (i) government grants; (ii) net fair value gain on financial assets at fair value through profit or loss; and (iii) other income, primarily relating to the sale of scrap materials and rental income. See note 5 to the Accountants’ Report in Appendix I to this document. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our other income and gains were RMB8.3 million, RMB9.0 million, RMB12.5 million, RMB5.1 million and RMB1.8 million, representing 8.9%, 6.6%, 5.0%, 5.4% and 1.3% of our revenue for the same periods, respectively.

Selling and Marketing Expenses

Our selling and marketing expenses primarily consisted of employee compensation, travel expenses, advertising and promotion expenses and share-based payment expenses. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our selling and marketing expenses were RMB24.7 million, RMB34.5 million, RMB34.4 million, RMB10.9 million and RMB12.5 million, representing 26.5%, 25.5%, 13.6%, 11.5% and 9.3% of our revenue for the same periods, respectively. The following table sets forth a breakdown of our selling and marketing expenses for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands, except for percentages)									
	(unaudited)									
Employee compensation . . .	15,356	62.0	18,426	53.5	21,821	63.5	6,738	61.8	7,989	63.8
Travel expenses	4,823	19.5	6,003	17.4	6,582	19.2	1,885	17.3	1,427	11.4
Advertising and promotion expenses	3,552	14.4	4,770	13.8	3,312	9.6	1,271	11.7	1,377	11.0
Share-based payment expenses	–	–	3,903	11.3	1,584	4.6	760	7.0	836	6.7
Others ⁽¹⁾	1,018	4.1	1,363	4.0	1,069	3.1	241	2.2	889	7.1
Total	24,749	100.0	34,465	100.0	34,368	100.0	10,895	100.0	12,518	100.0

(1) Primarily included consulting service fees, depreciation and amortization and office expenses.

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Administrative Expenses

Our administrative expenses primarily consisted of [REDACTED], employee compensation, share-based payment expenses, depreciation and amortization, service fees for professional consulting services, office expenses and travel expenses. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our administrative expenses were RMB16.6 million, RMB20.8 million, RMB25.5 million, RMB7.7 million and RMB25.8 million, respectively, representing 17.8%, 15.3%, 10.1%, 8.1% and 19.0% of our revenue for the same periods, respectively. The following table sets forth a breakdown of our administrative expenses for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)										
(unaudited)										
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Employee compensation . . .	9,803	58.9	10,195	49.1	10,974	43.0	4,766	61.8	5,182	20.1
Share-based payment expenses	—	—	3,360	16.2	1,794	7.0	695	9.0	1,506	5.8
Depreciation and amortization	2,330	14.0	2,827	13.6	2,548	10.0	1,098	14.2	1,322	5.1
Service fees	1,432	8.6	1,313	6.3	1,523	6.0	240	3.1	718	2.8
Office expenses	988	5.9	1,444	7.0	457	1.8	141	1.8	321	1.2
Travel expenses	482	2.9	494	2.4	680	2.7	159	2.1	173	0.7
Others ⁽¹⁾	1,596	9.7	1,119	5.4	2,472	9.7	610	8.0	1,196	4.7
Total	16,631	100.0	20,752	100.0	25,499	100.0	7,709	100.0	25,816	100.0

(1) Primarily included taxes and surcharges.

Research and Development Expenses

Our research and development expenses primarily consisted of material costs, employee compensation, service fees relating to collaborative research and development activities and intellectual property right application, depreciation and amortization and share-based payment expenses. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our research and development expenses were RMB19.4 million, RMB29.8 million, RMB21.4 million, RMB9.7 million and RMB24.0 million, representing 20.7%, 22.0%, 8.5%, 10.3% and 17.8% of our revenue for the same periods, respectively. The decrease in our research and development expenses as a percentage of revenue from 2024 to 2025 was primarily attributable to (i) a decrease in the absolute amount of our research and development expenses alongside a significant increase in revenue during the same period and (ii) a decrease in share-based payment expenses in 2025. In particular, our research and development expenses decreased mainly due to reduced material costs and employee compensation, as well as the relatively high share-based payment expenses recorded in 2024 incurred in connection with incentive arrangements implemented in that year. The reduction in material costs was in line with the progression of our research and development plan, as our research and development activities in 2025 primarily focused on software-related development, which generally requires lower material consumption compared to hardware-focused research and development. By contrast, in 2024, our research and development efforts were concentrated on the hardware testing and refinement stage for high-speed SCARA robots and high-payload cobots, which involved higher material usage. Our R&D follows a stage-by-stage hardware-first, software-following development approach. This type of development requires relatively stable hardware platforms as a prerequisite and was therefore primarily undertaken in 2025. By 2025, after hardware platforms were largely complete, we shifted focus to primarily software iteration including algorithm optimization, system integration and intelligent control software enhancement, while hardware teams continued lower-material maintenance and adaptation work, with such shift reflecting the specific development stage and project requirements at the time. The rise in software R&D in 2025 was driven by the development of a unified control system built on established hardware platforms, with such development being aligned with the relevant stage of the R&D cycle and varying depending on the development phase and technical requirements of different product lines. In addition, the share-based payment expenses were relatively high in 2024 due to the one-off recognition of cumulative expenses relating to prior periods in accordance with the applicable

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accounting standards. As a result, the decrease in the research and development expense ratio in 2025 reflected the timing and nature of our research and development activities as well as revenue growth, rather than a reduction in our research and development efforts. Our research and development expenses as a percentage of revenue increased from 10.3% in the six months ended June 30, 2025 to 17.8% in the six months ended June 30, 2026 was primarily attributable to our focused effort on development new products, resulting in the significantly increased material costs and increased service fees for collaborating with universities and enterprises. The following table sets forth a breakdown of our research and development expenses for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands, except for percentages)									
	(unaudited)									
Material costs	4,902	25.3	9,166	30.8	4,110	19.2	1,323	13.6	10,394	43.3
Employee compensation . . .	12,544	64.8	15,462	51.9	14,077	65.8	7,065	72.5	6,975	29.0
Service fees	928	4.8	756	2.5	563	2.6	23	0.2	5,158	21.5
Depreciation and amortization	756	3.9	947	3.2	1,311	6.1	619	6.4	747	3.1
Share-based payment expenses	–	–	3,340	11.2	945	4.4	472	4.8	472	2.0
Others ⁽¹⁾	234	1.2	128	0.4	381	1.9	244	2.5	269	1.1
Total	19,364	100.0	29,799	100.0	21,387	100.0	9,746	100.0	24,015	100.0

(1) Primarily included travel expenses and office expenses.

Other Expenses

Our other expenses primarily comprised donation expenses incurred in 2023 and losses from disposal of non-current assets, mainly relating to production, R&D and office equipment. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our other expenses were RMB1.3 million, RMB0.2 million, RMB0.1 million, RMB0.2 million and RMB0.4 million, respectively.

Finance Costs

Our finance costs primarily consisted of interest on lease liabilities and interest on interest-bearing bank borrowings. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our finance costs were RMB0.4 million, RMB1.0 million, RMB0.8 million, RMB0.4 million and RMB0.3 million, respectively. See note 7 to the Accountants’ Report in Appendix I to this document.

Profit/(Loss) for the Year/Period

In 2023 and 2024, we incurred loss for the year of RMB39.3 million and RMB47.1 million, respectively. We recorded a turnaround in 2025, with profit for the year of RMB0.7 million. We recorded net loss of RMB4.8 million and RMB28.8 million for the six months ended June 30, 2025 and 2026, respectively.

We recorded an accumulated loss as of January 1, 2023, primarily attributable to our early stage of business development prior to that time. During this period, we made sustained investments in research and development, market expansion and capacity build-up, while our operations had not yet reached a sufficient scale and revenue contribution remained relatively limited. As a result, our revenue was insufficient to cover our fixed operating costs, leading to accumulated losses in 2023 and 2024. Although our revenue increased during the Track Record Period, we continued to incur relatively high expenses relating to research and development, selling and marketing activities and business expansion. Accordingly, the benefits of operating leverage and economies of scale had not yet been fully realized, which continued to exert pressure on our results of operations. In 2025, we recorded a turnaround. Such improvement was primarily attributable to (i) increased technological maturity and further commercialization of our products; (ii) the expansion and optimization of our product portfolio; and (iii) revenue growth reaching a level sufficient to absorb fixed operating costs, resulting in improved operating leverage. We recorded loss for the period of RMB28.8

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million in the six months ended June 30, 2026, primarily attributable to (i) the increased [REDACTED] recognized under administrative expenses in connection with the [REDACTED]; and (ii) the increased research and development expenses driven by our development of new products such as embodied intelligent robots and space robotic arm.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Six months ended June 30, 2026 Compared to six months ended June 30, 2025

Revenue

Our revenue increased by 42.8% from RMB94.6 million in the six months ended June 30, 2025 to RMB135.1 million in the six months ended June 30, 2026, primarily driven by (i) our existing customers continued to repurchase our robots and robotics solutions, driven by the increased customer demand and enhanced brand recognition and market acceptance of our robots and robotics solutions; (ii) an expansion of our customer base, with the number of direct sales customers that contributed revenue increased from 351 in the six months ended June 30, 2025 to 493 in the six months ended June 30, 2026; and (iii) the increased sales in food and beverage and renewable energy industries driven by our continued efforts to achieve deeper market penetration.

Revenue by Offering Type

Revenue across all our offerings increased in the six months ended June 30, 2026, compared to the six months ended June 30, 2025, particularly robotics solutions and parallel robots, primarily driven by our continued effort to scale up our sales and enhanced brand recognition and market acceptance.

Revenue by Industry Sector

Our revenue from food and beverage and renewable energy industries increased in the six months ended June 30, 2026, primarily driven by our continued effort to diversify the application scenarios for our offerings and achieve deeper market penetration.

Cost of Sales

Our cost of sales increased by 38.5% from RMB71.1 million in the six months ended June 30, 2025 to RMB98.4 million in the six months ended June 30, 2026, primarily attributable to the increased direct material costs driven by the increased sales of robots and robotics solutions.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 55.6% from RMB23.6 million in the six months ended June 30, 2025 to RMB36.7 million in the six months ended June 30, 2026. Our gross profit margin increased from 24.9% in the six months ended June 30, 2025 to 27.1% in the six months ended June 30, 2026, primarily attributable to (i) the significant increase in the gross profit margin of our high-payload cobots as they gradually achieved economies of scale, driven by the continued maturation of the relevant technologies and production capability and enhanced market recognition; and (ii) the growth of our overseas sales with relatively high gross profit margin.

Other Income and Gains

Our other income and gains decreased by 64.7% from RMB5.1 million in the six months ended June 30, 2025 to RMB1.8 million in the six months ended June 30, 2026, primarily due to the decrease in government grants, as we gained relatively high government grants in the same period in 2025.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 14.9% from RMB10.9 million in the six months ended June 30, 2025 to RMB12.5 million in the six months ended June 30, 2026, primarily due to the increased employee compensation driven by the expansion of our sales team to support our business growth.

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Administrative Expenses

Our administrative expenses increased significantly from RMB7.7 million in the six months ended June 30, 2025 to RMB25.8 million in the six months ended June 30, 2026, primarily due to the increased [REDACTED] recognized in connection with the [REDACTED].

Research and Development Expenses

Our research and development expenses increased significantly from RMB9.7 million in the six months ended June 30, 2025 to RMB24.0 million in the six months ended June 30, 2026, primarily attributable to (i) the increase in material costs, mainly due to our development of new products such as space robotic arms and embodied intelligent robots; and (ii) the increase in service fees in connection with our collaborations with universities and enterprises on new product development projects.

Other Expenses

We recorded other expenses of RMB0.2 million in the six months ended June 30, 2025 and RMB0.4 million in the six months ended June 30, 2026.

Finance Costs

Our finance costs decreased by 27.9% from RMB0.4 million in the six months ended June 30, 2025 to RMB0.3 million in the six months ended June 30, 2026, primarily attributable to the decrease in interest on interest-bearing bank borrowings due to our decreased bank borrowings.

Loss for the Period

As a result of the foregoing, we incurred net loss of RMB4.8 million in the six months ended June 30, 2025 and RMB28.8 million in the six months ended June 30, 2026.

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased by 86.8% from RMB135.3 million in 2024 to RMB252.7 million in 2025, primarily driven by (i) our existing customers continued to repurchase our robots and robotics solutions, driven by the increased customer demand and enhanced acceptance of our robotics and robots solutions; (ii) an expansion of our customer base, with the number of direct sales customers that contributed revenue increased from 475 in 2024 to 674 in 2025; and (iii) the growth of our overseas sales, including increased sales to South Korea and Thailand, as well as entry into new markets such as the United Arab Emirates.

Revenue by Offering Type

Revenue across all our offerings increased in 2025, compared to 2024. This growth was primarily driven by the increased sales of parallel robots and robotics solutions, supported by our ongoing efforts to scale our overall business and drive revenue growth.

Revenue by Industry Sector

Our revenue generated from all industry sectors, particularly from the food and beverage, renewable energy, pharmaceutical and consumer electronics industries in 2025, increased in absolute amounts, primarily driven by our continued efforts to broaden the application scenarios of our robots and robotics solutions.

Cost of Sales

Our cost of sales increased by 68.3% from RMB104.4 million in 2024 to RMB175.7 million in 2025. This increase was primarily attributable to an increase in direct material costs, driven by the increased sales of robots and robotics solutions.

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Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased significantly from RMB30.9 million in 2024 to RMB76.9 million in 2025.

Our gross profit margin increased from 22.8% in 2024 to 30.5% in 2025, mainly driven by (i) increased sales of parallel robots, whose gross profit margin improved over the years, with the gross profit margin of parallel robots increasing from 28.2% to 34.7%; and (ii) increased sales of robotics solutions, whose gross profit margin grew from 19.3% to 34.6% in the respective years. The overall gross profit margin improvement was mainly attributable to (i) economies of scale as our sales increased alongside improvements in supply chain planning and procurement efficiency; (ii) our transition from third-party procurement to greater in-house R&D and manufacturing of hardware components; and (iii) an increase in overseas sales which entailed relatively high gross profit margin.

Other Income and Gains

Our other income and gains increased by 39.9% from RMB9.0 million in 2024 to RMB12.5 million in 2025, primarily due to an increase in government grants in connection with our R&D efforts and business achievements.

Selling and Marketing Expenses

Our selling and marketing expenses remained relatively stable at RMB34.5 million in 2024 and RMB34.4 million in 2025.

Administrative Expenses

Our administrative expenses increased by 22.9% from RMB20.8 million in 2024 to RMB25.5 million in 2025, primarily due to the increased [REDACTED] in connection with the [REDACTED].

Research and Development Expenses

Our research and development expenses decreased by 28.2% from RMB29.8 million in 2024 to RMB21.4 million in 2025, primarily attributable to the decrease in material costs. The decrease in material costs was because, in accordance with the progression of our R&D plan, our R&D mainly focused on software development during the relevant years, resulting in reduced consumption of materials. The decrease in the percentage of our research and development to our revenue from 2024 to 2025 was primarily due to our R&D plan in 2025 focusing on software development. Our R&D activities are inherently cyclical in nature, with periodic emphasis alternating between hardware intensive and software focused development phases. In 2023 and 2024, a larger portion of our R&D efforts was directed towards hardware-related development, which typically entails higher materials and testing costs. In 2025, our R&D plan primarily focused on software-related development, including algorithm optimization, system integration and intelligent control software enhancement, which generally requires significantly less material input.

Other Expenses

Our other expenses remained relatively stable at RMB0.2 million and RMB0.1 million in 2024 and 2025.

Finance Costs

Our finance costs remained relatively stable at RMB1.0 million in 2024 and RMB0.8 million in 2025.

Profit/(Loss) for the Year

As a result of the foregoing, we incurred loss for the year of RMB47.1 million in 2024 and recorded a turnaround in 2025, with profit for the year of RMB0.7 million.

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Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased by 44.7% from RMB93.5 million in 2023 to RMB135.3 million in 2024, primarily driven by (i) the expansion of our robot portfolio; (ii) the growth of our overseas sales, including increased sales to South Korea and Indonesia and entry into new markets such as the United States, Australia, the United Kingdom and Thailand; and (iii) the expansion of our customer base, with the number of direct sales customers that contributed revenue increased from 363 in 2023 to 475 in 2024.

Revenue by Offering Type

Revenue across all our offerings increased in 2024, compared to 2023, primarily driven by the increase in sales of robotics solutions, high-payload cobots and parallel robots. This increase was supported by our ongoing efforts to scale our business operations and drive revenue growth, as exemplified by the mass production of our high-payload cobots in 2024.

Revenue by Industry Sector

Our revenue generated from all major industry sectors, particularly from the food and beverage, consumer goods and renewable energy industries, increased in absolute amounts, primarily driven by our continued effort to diversify the application scenarios for our offerings.

Cost of Sales

Our cost of sales increased by 34.5% from RMB77.6 million in 2023 to RMB104.4 million in 2024. This increase was primarily attributable to an increase in direct material costs, driven by sales growth.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 94.4% from RMB15.9 million in 2023 to RMB30.9 million in 2024.

Our gross profit margin increased from 17.0% in 2023 to 22.8% in 2024, mainly driven by the increased gross profit margins across all our offerings. This increase was particularly attributable to the increased gross profit margin of parallel robots and high-payload cobots, driven by economies of scale as our sales increased alongside improvements in supply chain planning and procurement efficiency.

Other Income and Gains

Our other income and gains were RMB8.3 million in 2023 and RMB9.0 million in 2024.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 39.3% from RMB24.7 million in 2023 to RMB34.5 million in 2024, primarily driven by (i) the recognition of share-based payment expenses in the fourth quarter of 2024; (ii) an increase of employee compensation driven by our sales growth; and (iii) an increase in travel expenses and advertising and promotion expenses attributable to expanded sales and marketing activities.

Administrative Expenses

Our administrative expenses increased by 24.8% from RMB16.6 million in 2023 to RMB20.8 million in 2024, primarily driven by the recognition of share-based payment expenses in the fourth quarter of 2024.

Research and Development Expenses

Our research and development expenses increased by 53.9% from RMB19.4 million in 2023 to RMB29.8 million in 2024, primarily due to the increase in material costs and share-based payment expenses. The increase in material costs was mainly because our R&D for high-speed SCARA robots and high-payload cobots entered the hardware testing and refinement stage in 2024, which required increased volume of components.

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Other Expenses

Our other expenses decreased by 86.4% from RMB1.3 million in 2023 to RMB0.2 million in 2024, primarily because donation expenses were incurred in 2023 but not in 2024.

Finance Costs

Our finance costs increased significantly from RMB0.4 million in 2023 to RMB1.0 million in 2024, primarily due to the increases in interest on lease liabilities and on interest-bearing bank and other borrowings.

Loss for the Year

As a result of the foregoing, our loss for the year increased by 19.9% from RMB39.3 million in 2023 to RMB47.1 million in 2024.

DISCUSSION OF KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
NON-CURRENT ASSETS				
Property, plant and equipment	12,772	16,146	20,862	17,600
Investment properties	1,125	1,025	925	875
Right-of-use assets	12,616	27,253	21,103	22,702
Other intangible assets	287	120	847	961
Contract assets	70	329	822	1,498
Prepayments, other receivables and other assets	—	2,977	1,057	707
Total non-current assets	26,870	47,850	45,616	44,343
CURRENT ASSETS				
Inventories	58,381	70,807	42,567	54,068
Trade and bills receivables	12,312	13,376	58,738	71,707
Contract assets	2,558	5,006	4,957	3,248
Prepayments, other receivables and other assets	6,553	10,135	10,344	16,514
Financial assets at fair value through profit or loss	116,924	151,987	122,210	94,356
Financial assets at fair value through other comprehensive income	1,534	540	1,927	1,238
Restricted cash	3,281	3,056	4,033	400
Cash and cash equivalents	27,468	17,443	114,200	99,944
Total current assets	229,011	272,350	358,976	341,475
Total assets	255,881	320,200	404,592	385,818
CURRENT LIABILITIES				
Trade and bills payables	53,162	80,082	76,486	79,142
Other payables and accruals	13,557	22,394	32,673	41,786
Interest-bearing bank and other borrowings	7,610	8,949	11,590	3,170
Lease liabilities	3,970	5,702	4,057	5,014
Contract liabilities	39,770	41,910	16,357	17,922
Provision-current	1,348	1,641	1,717	2,447
Total current liabilities	119,417	160,678	142,880	149,481
NET CURRENT ASSETS	109,594	111,672	216,096	191,994
TOTAL ASSETS LESS CURRENT LIABILITIES	136,464	159,522	261,712	236,337

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	As of December 31,			As of
	2023	2024	2025	June 30, 2026
	(RMB in thousands)			
NON-CURRENT LIABILITIES				
Lease liabilities	8,307	7,605	3,548	4,362
Provision	133	339	629	369
Total non-current liabilities .	8,440	7,944	4,177	4,731
Total liabilities	127,857	168,622	147,057	154,212
Net assets	128,024	151,578	257,535	231,606

Property, Plant and Equipment

Our property, plant and equipment primarily consisted of machineries, leasehold improvements, vehicles and electronic and office equipment. The following table sets forth the carrying amount of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of
	2023	2024	2025	June 30, 2026
	(RMB in thousands)			
Machineries	6,317	11,096	15,157	13,377
Leasehold improvements	1,905	2,301	3,505	2,395
Vehicles	850	1,269	1,240	1,007
Electronic and office equipment	856	870	899	760
Construction in progress	2,844	610	61	61
Total	12,772	16,146	20,862	17,600

Our property, plant and equipment increased by 26.4% from RMB12.8 million as of December 31, 2023 to RMB16.1 million as of December 31, 2024, primarily due to (i) an increase in machinery, mainly automatic production lines for high-speed SCARA robots, machine tools and production molds, reflecting the construction and ramp-up of our Wuxi production facility; and (ii) to a lesser extent, increases in leasehold improvements for additional leased properties in Wuxi and additional vehicles. Our property, plant and equipment increased by 29.2% from RMB16.1 million as of December 31, 2024 to RMB20.9 million as of December 31, 2025, primarily due to continued recognition of additional machinery and leasehold improvements in connection with the ramp-up of our Wuxi production facility. Our property, plant and equipment decreased by 15.6% to RMB17.6 million as of June 30, 2026, primarily due to the depreciation and amortization of machineries and leasehold improvements.

Investment Properties

During the Track Record Period, we recognized investment properties of RMB1.1 million, RMB1.0 million, RMB0.9 million and RMB0.9 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively, relating to buildings which we have leased out to third parties in Tianjin. See note 14 to the Accountants’ Report in Appendix I to this document.

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Right-of-use Assets

Our right-of-use assets primarily consisted of land use right in Tianjin we purchased in 2024, plant and properties and equipment we use for our business operations. The following table sets forth the carrying amount of our right-of-use assets as of the dates indicated:

	As of December 31,			As of
	2023	2024	2025	June 30, 2026
	<i>(RMB in thousands)</i>			
Land use right	–	14,252	13,964	13,820
Plant and properties	12,616	12,489	6,839	8,882
Equipment	–	512	300	–
Total	12,616	27,253	21,103	22,702

Our right-of-use assets increased significantly from RMB12.6 million as of December 31, 2023 to RMB27.3 million as of December 31, 2024, primarily attributable to (i) the purchase of a land use right in Tianjin in 2024 for the planned expansion of our production facilities and office premises; and (ii) the increase in plant and properties for the Wuxi production facility which was partially offset by the depreciation of plant and properties. Our right-of-use assets decreased by 22.6% from RMB27.3 million as of December 31, 2024 to RMB21.1 million as of December 31, 2025, primarily due to a decrease in plant and property as a result of depreciation during the year. Our right-of-use assets increased by 7.6% to RMB22.7 million as of June 30, 2026, primarily due to the increased right-of-use plant and properties driven by the renewal of certain lease agreements in Jiangsu and Shenzhen.

Other Intangible Assets

Our other intangible assets primarily consisted of software, patents and licenses during the Track Record Period. We had other intangible assets of RMB0.3 million, RMB0.1 million, RMB0.8 million and RMB1.0 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively.

Contract Assets

Our contract assets primarily consisted of warranty retention receivables for robotics solutions. Our contract assets increased from RMB2.6 million as of December 31, 2023 to RMB5.3 million as of December 31, 2024, further increased to RMB5.8 million as of December 31, 2025, primarily due to the increase in sales of robotics solutions. Our contract assets decreased by 17.9% to RMB4.7 million as of June 30, 2026, primarily due to lower warranty retention ratios under certain large-value robotics solutions contracts entered into in 2026, reflecting the relevant customers’ requirements and the commercially negotiated terms for such contracts. See note 21 to the Accountants’ Report in Appendix I to this document.

Inventories

Our inventories primarily consisted of raw materials, work in progress and finished goods, which were used for our business operations. Inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labor and an appropriate proportion of overheads. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

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The impairment of inventories to net realizable value is recorded to cost of sales. Net realizable value of an inventory item is the estimated selling price in the ordinary course of business, less estimated costs to be incurred to completion and disposal. We estimate the net realizable value based on the current market condition and the historical experience of selling products of a similar nature which could change significantly as a result of changes in customer demand or competitor actions. The estimation is reassessed at the end of each reporting period. Where the actual outcome or expectation in future is different from the original estimate, such difference will impact on the carrying value of inventories and the write-down of inventories recognized in the periods in which such estimates have been changed. See note 2.3 and note 19 to the Accountants’ Report in Appendix I to this document.

We had inventories of RMB58.4 million, RMB70.8 million, RMB42.6 million and RMB54.1 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. The following table sets forth the details of our inventories as of the dates indicated:

	As of December 31,			As of
	2023	2024	2025	June 30, 2026
	(RMB in thousands)			
Raw materials	14,360	30,533	23,165	25,218
Work in progress	227	3,571	10,563	14,286
Finished goods	44,719	38,709	9,875	15,944
Subtotal	59,306	72,813	43,603	55,448
Less: Provision for impairment loss	(925)	(2,006)	(1,036)	(1,380)
Total	58,381	70,807	42,567	54,068

Our inventories increased by 21.3% from RMB58.4 million as of December 31, 2023 to RMB70.8 million as of December 31, 2024, primarily due to increased raw materials driven by the increased stocking of raw materials in anticipation of the mass production of high-speed SCARA robots and high-payload cobots. Our inventories decreased by 39.9% from RMB70.8 million as of December 31, 2024 to RMB42.6 million as of December 31, 2025, primarily due to our improved production efficiency and inventory management, resulting in the decrease in raw materials and finished goods. Our inventories increased by 27.0% to RMB54.1 million as of June 30, 2026, primarily due to (i) our inventory build-up to support delivery arrangements; and (ii) our strategic stocking of key materials to mitigate potential supply chain fluctuations.

We had provision for impairment loss on inventories of RMB0.9 million, RMB2.0 million, RMB1.0 million and RMB1.4 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. We have implemented inventory management measures to mitigate inventory impairment risks, including preparing more granular sales forecasts, conducting regular inventory reviews and assessments, strengthening the review of contractual arrangements with customers and distributors and maintaining ongoing communication with customers and distributors. In assessing inventory impairment, we take into account factors such as inventory aging, inventory condition and subsequent utilization. Based on such assessments and subsequent utilization, no material inventory impairment issues were identified, and it is reasonably believed that appropriate impairment provisions have been made.

The following table sets forth our inventory turnover days for the periods indicated:

	Year ended December 31,			Six months ended
	2023	2024	2025	June 30, 2026
	(days)			
Inventory turnover days ⁽¹⁾	249	226	118	88

(1) Average turnover days of inventories is equal to the average of the beginning and ending net inventory balances of a period divided by cost of sales for that period and multiplied by 365 days for a given year and 180 days for the six-month period.

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We recorded relatively long inventory turnover days in 2023 and 2024 as we had not yet reached a large business scale and maintained a broad portfolio of robots and related materials to cater to diverse customer requirements. Our inventory turnover days decreased from 249 days in 2023 to 226 days in 2024 to 118 days in 2025 and further to 88 days in the six months ended June 30, 2026, primarily due to the improved inventory management efficiency, including regular monitoring of inventory age, clearing of aged inventory and enhanced efforts by local sales teams to shorten product delivery and acceptance cycle. In addition, we gradually transitioned from third party procurement to in house R&D and manufacturing with respect to components for robots, which also contributed to the improved inventory turnover.

The following table sets forth an aging analysis of our inventories as of the dates indicated:

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Within one year	55,614	67,467	39,259	50,298
One to two years	1,346	2,761	2,564	3,195
Two to three years	1,421	579	744	575
Total	58,381	70,807	42,567	54,068

Trade and Bills Receivables

We had trade and bills receivables of RMB12.3 million, RMB13.4 million, RMB58.7 million and RMB71.7 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. The following table sets forth the details of our trade and bills receivables as of the dates indicated:

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Trade receivables	12,816	14,946	61,921	81,172
Less: impairment	(4,097)	(4,548)	(10,200)	(15,029)
Trade receivables, net	8,719	10,398	51,721	66,143
Bills receivable	3,593	2,978	7,017	5,564
Total	12,312	13,376	58,738	71,707

Our trade and bills receivables increased by 8.6% from RMB12.3 million as of December 31, 2023 to RMB13.4 million as of December 31, 2024, primarily due to the increase in trade receivables driven by our increased sales of robotics and robotics solutions. Our trade and bills receivables increased significantly from RMB13.4 million as of December 31, 2024 to RMB58.7 million as of December 31, 2025 and further increased by 22.1% to RMB71.7 million as of June 30, 2026, primarily due to the increased trade receivables driven by the growth in sales of our robots and robotics solutions.

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We negotiate the credit terms with our customers on a case-by-case basis. We typically require the payment to be settled prior to delivery of our robotics products. For our robotics solutions, customers typically settle payments in instalments, with a deposit upon contract signing and subsequent milestone payments, each generally due within a credit term of five to 30 days after the relevant stage. We may offer longer credit terms and more flexible terms to strategically important customers in good standing.

The following table sets forth our trade and bills receivables turnover days for the periods indicated:

	Year ended December 31,			Six months ended June 30, 2026
	2023	2024	2025	
	(days)			
Trade and bills receivables turnover days ⁽¹⁾	71	35	51	87

(1) The trade and bills receivables turnover days are calculated by dividing the arithmetic mean of the opening and ending net balance of our trade and bills receivables in that period by revenue for the corresponding period and then multiplying by 365 days for a given year and 180 days for the six-month period.

Our trade and bills receivables turnover days decreased from 71 days as of December 31, 2023 to 35 days as of December 31, 2024, primarily due to the increased sales of robotics, which generally required payments prior to shipment, resulting in shorter trade and bills receivables turnover days. Our trade and bills receivables turnover days increased to 51 days as of December 31, 2025 and further increased to 87 days for the six months ended June 30, 2026, primarily driven by the expansion of our sales scale and the increased sales of robotics solutions, which generally involve a longer collection cycle. In addition, we expanded the distributor network, under which distributors were granted a certain credit period, resulting in relatively long turnover days. Thirdly, we adopt different credit terms based on the nature of our customers and business segments and have implemented credit control and collection procedures. We have established a provision matrix based on the historical credit loss experience, adjusted for forward-looking information relating to specific counterparties and the prevailing economic environment, and have made individual provisions for customers with identified credit risks. In addition, our trade and bills receivables turnover days in 2023, 2024 and 2025 and the six months ended June 30, 2026 were below the industry average of 141 days in 2025. Taking into account the subsequent settlement status of our trade and bills receivables, no material recoverability issues were identified, and it is reasonably believed that sufficient impairment provisions have been made. The following table sets forth an aging analysis of our trade receivables based on invoice date and net of loss allowance as of the dates indicated:

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Within 12 months	6,904	8,550	49,898	61,329
13 to 24 months	1,525	1,772	1,607	4,730
25 to 36 months	290	76	216	84
Total	<u>8,719</u>	<u>10,398</u>	<u>51,721</u>	<u>66,143</u>

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Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consisted of (i) prepayments; (ii) [REDACTED] in relation to the [REDACTED]; (iii) other receivables, including advances to employees for traveling expenses; and (iv) deposits, including tender and performance deposits and rental deposits. We had prepayments, other receivables and other assets of RMB6.6 million, RMB13.1 million, RMB11.4 million and RMB17.2 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. The following table sets forth our prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Prepayments	3,647	7,947	5,383	8,543
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other receivables	1,365	3,782	2,059	2,222
Deposits	1,541	1,383	2,574	1,922
Impairment allowance	—	—	—	—
Total	6,553	13,112	11,401	17,221

Our prepayments, other receivables and other assets increased significantly from RMB6.6 million as of December 31, 2023 to RMB13.1 million as of December 31, 2024, primarily due to an increase in prepayments primarily attributable to advance payments for equipment and materials in connection with the expansion of our Wuxi production facilities and expanded sales scale. Our prepayments, other receivables and other assets decreased by 13.0% from RMB13.1 million as of December 31, 2024 to RMB11.4 million as of December 31, 2025, primarily due to a decrease in prepayments due to our improved production efficiency and inventory management, resulting in lesser prepayments for direct materials. Our prepayments, other receivables and other assets increased by 51.0% to RMB17.2 million as of June 30, 2026, primarily due to (i) an increase in [REDACTED] in connection with the [REDACTED]; and (ii) an increase in prepayments resulting from our strategic procurement of more key materials to support business growth.

Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss consisted of wealth management products and structured deposits. Our financial assets at fair value through profit or loss increased by 30.0% from RMB116.9 million as of December 31, 2023 to RMB152.0 million as of December 31, 2024, primarily due to an increase in wealth management products we held. Our financial assets at fair value through profit or loss decreased by 19.6% to RMB122.2 million as of December 31, 2025, primarily due to a decrease in wealth management products we held, partially offset by an increase in structured deposits we held as of December 31, 2025. Our financial assets at fair value through profit or loss decreased by 22.8% to RMB94.4 million as of June 30, 2026, primarily due to a decrease in wealth management products we held.

We have established a prudent investment principle for wealth management products. In line with our continuous production expansion needs, we prefer holding cash or low-risk financial products, such as structured deposits and wealth management products. Our internal control approval process is multi-tiered, involving the cashier, financial manager and chief financial officer. Mr. Su Zhe, our chief financial officer with over 12 years of financial experience, is primarily responsible for overseeing financial management and internal control. Additionally, we have implemented a comprehensive monetary funds management system which sets out detailed internal control procedures over cash and bank deposits, payment approval processes and permitted categories of investment products. Investments in such permitted products after the [REDACTED] will comply with Chapter 14 of the Listing Rules.

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Financial Assets at Fair Value through Other Comprehensive Income

Our financial assets at fair value through other comprehensive income primarily related to bills receivable. Our financial assets at fair value through other comprehensive income decreased by 64.8% from RMB1.5 million as of December 31, 2023 to RMB0.5 million as of December 31, 2024, and subsequently increased to RMB1.9 million as of December 31, 2025. Our financial assets at fair value through other comprehensive income decreased by 35.8% to RMB1.2 million as of June 30, 2026. The changes corresponded to the principal amounts of our bills receivable, which generally carry low credit risk and were deposited with commercial banks.

Trade and Bills Payables

Our trade and bills payables primarily comprised payables for the procurement of raw materials and components. Our trade and bills payables increased by 50.6% from RMB53.2 million as of December 31, 2023 to RMB80.1 million as of December 31, 2024, primarily due to the increased stocking of raw materials in anticipation of the mass production of high-speed SCARA robots and high-payload cobots. Our trade and bills payables decreased by 4.5% to RMB76.5 million as of December 31, 2025, primarily due to the decrease in trade payables, resulting from improved efficiency and a reduced need for advance inventory stocking. This was partially offset by increased bills payables as we made greater use of bank acceptance bills to support short-term liquidity management. Our trade and bills payables remained relatively stable at RMB79.1 million as of June 30, 2026. The following table sets forth the details of our trade and bills payables as of the dates indicated:

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Trade payables	43,753	70,356	63,045	79,142
Bills payables	9,409	9,726	13,441	—
Total	53,162	80,082	76,486	79,142

The following table sets forth our trade and bills payables turnover days for the periods indicated:

	Year ended December 31,			Six months ended June 30, 2026
	2023	2024	2025	
	(days)			
Trade and bills payables turnover days ⁽¹⁾	247	233	162	142

- (1) The trade and bills payables turnover days are calculated by dividing the arithmetic mean of the opening and ending net balance of our trade and bills payables in that period by cost of sales for the corresponding period and then multiplying by 365 days for a given year and 180 days for the six-month period.

Our trade and bills payables turnover days decreased from 247 days in 2023 to 233 days in 2024, and further decreased to 162 days in 2025, primarily due to the improved production efficiency and inventory management, resulting in less stockings of raw materials. Our trade and bills payables turnover days further decreased to 142 days in the six months ended June 30, 2026, primarily due to our more timely settlement of payables to strengthen cooperation with strategic suppliers, and secure more competitive purchase prices.

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The following table sets forth an aging analysis of our trade payables based on invoice date as of the dates indicated.

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Within 12 months	33,189	58,779	52,959	70,162
13 to 24 months	8,062	5,971	5,663	3,752
25 to 36 months	1,831	4,784	2,440	3,115
Over 36 months	671	822	1,983	2,113
Total	43,753	70,356	63,045	79,142

Other Payables and Accruals

Our other payables and accruals during the Track Record Period consisted of (i) other payable; (ii) other tax payable; (iii) payroll and welfare payable; and (iv) deposits. Our other payables and accruals increased by 65.2% from RMB13.6 million as of December 31, 2023 to RMB22.4 million as of December 31, 2024, primarily due to (i) the increased other payables, mainly for equipment procurement and renovation works for the Wuxi production facility; and (ii) an increase in payroll and welfare payables driven by a larger employee base. Our other payables and accruals increased by 45.9% to RMB32.7 million as of December 31, 2025, mainly due to the increase in other tax payables, mainly due to increased value-added tax and related surcharges driven by business growth. Our other payables and accruals increased by 27.9% to RMB41.8 million as of June 30, 2026, primarily due to (i) the increase in other payables relating to logistics and rental expenses; and (ii) the increase in other tax payable in line with our business growth. The following table sets forth the details of our payables and accruals as of the dates indicated:

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Other payable	7,034	11,992	16,267	21,054
Other tax payable	2,661	2,872	10,465	14,682
Payroll and welfare payable . .	3,832	6,157	5,653	5,782
Deposits	30	1,373	288	268
Total	13,557	22,394	32,673	41,786

Contract Liabilities

Our contract liabilities represented advances received to deliver robots and robotics solutions. Our contract liabilities increased by 5.4% from RMB39.8 million as of December 31, 2023 to RMB41.9 million as of December 31, 2024, primarily due to our business growth. Our contract liabilities decreased by 61.0% to RMB16.4 million as of December 31, 2025, primarily due to the accelerated contract fulfillment which effectively lowered the balance of unfulfilled liabilities. Our contract liabilities increased by 9.6% to RMB17.9 million as of June 30, 2026, primarily due to our increased sales of robots and robotics solutions.

Provision

We typically provide warranties of 12 months for our robots and robotics solutions. Our provisions increased by 33.7% from RMB1.5 million as of December 31, 2023 to RMB2.0 million as of December 31, 2024, primarily due to our increased sales of robots and robotics solutions. Our provisions increased by 18.5% to RMB2.3 million as of December 31, 2025 and further increased by 20.0% to RMB2.8 million as of June 30, 2026, mainly due to the increased operational performance and robustness of our robots and robotics solutions, which have been validated and enhanced through market adoption.

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SHARE CAPITAL/PAID-IN CAPITAL AND TOTAL EQUITY

Our share capital/paid-in capital was RMB17.8 million, RMB18.7 million, RMB20.3 million and RMB20.3 million as of December 31, 2023 and 2024 and 2025 and June 30, 2026, respectively.

In 2023, 2024 and 2025 and the six months ended June 30, 2026, paid-in capital increased by RMB1.0 million, RMB0.9 million, RMB1.6 million and nil, respectively, with the capital injection by our Shareholders.

Pursuant to the shareholders’ resolution dated September 28, 2025, our Shareholders agreed to convert our Company into a joint stock company with limited liability with registered capital of RMB19,468,253 (19,468,253 shares with a nominal value of RMB1.00 each).

Pursuant to the pre-[REDACTED] investment agreements entered into among our Company and the Pre-[REDACTED] Investors, our Company issued 12,574, 892 shares to the Pre-[REDACTED] Investors for a total net cash proceed of approximately RMB307,000,000. Pursuant to the shareholders’ agreement entered in connection with the Pre-[REDACTED] Investments among our Company and the Pre-[REDACTED] Investors, the Pre-[REDACTED] Investors had been granted certain special rights in relation to our Company, which included redemption rights. No Pre-[REDACTED] Investors had exercised their redemption rights during the Track Record Period. On August 6, 2025, our Company and the Pre-[REDACTED] Investors entered into a termination agreement, agreeing that the redemption rights granted by our Company to the Pre-[REDACTED] Investors have been irrevocably terminated on September 9, 2025 and shall be *void ab initio*. Taking into account the legal and regulatory framework of our Company’s jurisdiction and the governing law of the termination agreement, our Directors considered that it is appropriate to present the Pre-[REDACTED] Investments as equity throughout the Track Record Period. See “History, Development and Corporate Structure — Pre-[REDACTED] Investments” in this document.

Had the redemption rights granted by our Company to the Pre-[REDACTED] Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the termination agreement, the redemption financial liabilities, total current liabilities, net current assets/(liabilities) and net assets/(liabilities) would have been:

	As of December 31,			As of
	2023	2024	2025	June 30, 2026
	(RMB in thousands)			
Redemption financial liabilities	302,617	389,312	—	—
Total current liabilities	422,034	549,990	142,880	149,481
Net current assets/(liabilities)	(193,023)	(277,640)	216,096	191,994
Net assets/(liabilities)	(174,593)	(237,734)	257,535	231,606

The financial cost associated with the redemption financial liabilities, the net loss for the period and basic and dilutive loss per share would have been:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
Financing cost associated with the redemption financial liabilities	24,252	26,695	18,270	15,169	—
Total net losses	63,505	73,763	17,531	19,919	28,802
Basic loss per share	3.60	4.08	0.92	1.07	1.42
Diluted loss per share	3.60	4.08	0.92	1.07	1.42

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For the details of the redemption rights granted by Mr. Liu Songtao, Mr. Song Tao, Chenxing Partners, Chenxing Brothers and Chenxing Friends, see note 36(d) to the Accountants’ Report in Appendix I to this document.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period and up to the Latest Practicable Date, we had historically funded our cash requirements principally from cash generated from our business operations, capital contributions from shareholders and bank and other borrowings. After the [REDACTED], we intend to finance our future capital requirements through cash generated from our business operations and the net [REDACTED] from the [REDACTED]. We do not anticipate any changes in the availability of financing to fund our operations in the future.

Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	<i>(RMB in thousands)</i>				
	<i>(unaudited)</i>				
Net cash flows used in operating activities	(14,862)	(6,592)	(23,156)	(20,241)	(28,564)
Net cash flows (used in)/from investing activities	(57,497)	(59,698)	23,448	24,495	27,902
Net cash flows (used in)/from financing activities	43,144	56,236	96,325	(4,386)	(13,440)
Net (decrease)/increase in cash and cash equivalents	(29,215)	(10,054)	96,617	(132)	(14,102)
Cash and cash equivalents at beginning of the year/period . .	56,633	27,468	17,443	17,443	114,200
Cash and cash equivalents at end of the year/period	27,468	17,443	114,200	17,522	99,944

Net Cash Flows Used in Operating Activities

Going forward, we plan to enhance our sustainability and achieve profitability by driving steady revenue growth, expanding our business scale and managing our costs and expenses effectively. In particular, we intend to strengthen our technological capabilities, accelerate product iterations, expand our manufacturing and sales network, and deepen our market penetration. We also aim to continuously improve our net operating cash outflow position by (i) driving rapid revenue growth through continuous technological advancement and product iteration, broadening customer base and maintaining strong customer loyalty and continuous expansion in overseas markets; (ii) ongoing cost optimization; and (iii) continuous improvement in operational efficiency. See “Business — Path to Profitability.”

Net cash flows used in operating activities were RMB14.9 million in 2023, primarily due to loss before tax of RMB39.3 million, as adjusted for (i) certain non-cash and non-operating items, primarily including (a) depreciation of right-of-use assets of RMB3.7 million and (b) depreciation of property, plant and equipment of RMB3.2 million; and (ii) changes in working capital that negatively affected the cash flow from operating activities, primarily including a decrease in other payables and accruals of RMB54.9 million, primarily due to the settlement of other payables and the payment of tax, partially offset by (iii) changes in working capital that positively affected the

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cash flow from operating activities, primarily consisted of (a) an increase in contract liabilities of RMB39.8 million, primarily due to our business growth; and (b) a decrease in prepayments, other receivables and other assets of RMB34.9 million, primarily attributable to (1) prepayments incurred in 2022 for raw materials and components in light of increased research and development activities and business growth, which were subsequently settled or utilized in 2023; and (2) the settlement of deposits and advances from prior years.

Net cash flows used in operating activities were RMB6.6 million in 2024, primarily due to loss before tax of RMB47.1 million, as adjusted for (i) certain non-cash and non-operating items, primarily including (a) share-based payment expenses of RMB10.6 million related to employee incentive grants, (b) depreciation of right-of-use assets of RMB4.9 million, and (c) depreciation of property, plant and equipment of RMB4.6 million; and (ii) changes in working capital that negatively affected the cash flow from operating activities, primarily including an increase in inventories of RMB13.5 million, partially offset by (iii) changes in working capital that positively affected the cash flow from operating activities, primarily including an increase in trade payables of RMB26.9 million. The increases in inventories and trade payables were primarily due to the increased raw materials driven by the increased stocking of raw materials in anticipation of the mass production of high-speed SCARA robots and high-payload cobots.

Net cash flows used in operating activities were RMB23.2 million in 2025, primarily due to profit before tax of RMB0.7 million, as adjusted for (i) certain non-cash and non-operating items, primarily including (a) impairment losses on financial assets and contract assets of RMB6.5 million and (b) depreciation of right-of-use assets of RMB6.2 million; and (ii) changes in working capital that negatively affected the cash flow from operating activities, primarily including (a) an increase in trade and bills receivables of RMB52.4 million, mainly driven by the growth in sales of our robotics and robotics solutions; and (b) a decrease in contract liabilities of RMB25.6 million, primarily due to the accelerated of contract fulfillment driven by our management efficiency, partially offset by (iii) changes in working capital that positively affected the cash flow from operating activities, primarily including a decrease in inventories of RMB29.2 million, mainly due to our improved production efficiency and inventory management.

Net cash flows used in operating activities were RMB28.6 million for the six months ended June 30, 2026, primarily due to loss before tax of RMB28.8 million, as adjusted for (i) certain non-cash and non-operating items, primarily including (a) impairment losses on financial assets and contract assets of RMB4.2 million and (b) depreciation of right-of-use assets of RMB3.1 million; and (ii) changes in working capital that negatively affected the cash flow from operating activities, primarily including (a) an increase in trade and bills receivables of RMB17.1 million, mainly driven by the growth in sales of our robots and robotics solutions; (b) an increase in inventories of RMB11.8 million, primarily due to increased stocking of raw materials and components to support anticipated production and delivery needs; and (c) an increase in prepayments, other receivables and other assets of RMB4.3 million, partially offset by (iii) changes in working capital that positively affected the cash flow from operating activities, primarily including (a) an increase in other payables and accruals of RMB8.9 million; and (b) a decrease in restricted cash of RMB3.6 million.

Net Cash Flows (Used in)/from Investing Activities

Net cash flows used in investing activities were RMB57.5 million in 2023, primarily attributable to purchases of financial assets at fair value through profit or loss of RMB95.0 million representing our purchase of wealth management products, partially offset by proceeds from maturity of financial assets at fair value through profit or loss of RMB45.0 million.

Net cash flows used in investing activities were RMB59.7 million in 2024, primarily attributable to purchases of financial assets at fair value through profit or loss of RMB50.0 million representing our purchase of wealth management products, partially offset by proceeds from maturity of financial assets at fair value through profit or loss of RMB17.0 million.

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Net cash flow from investing activities were RMB23.4 million in 2025, primarily attributable to proceeds from maturity of financial assets at fair value through profit or loss of RMB260.0 million, partially offset by purchases of financial assets at fair value through profit or loss of RMB228.0 million representing our purchase of structured deposits.

Net cash flows from investing activities were RMB27.9 million for the six months ended June 30, 2026, primarily attributable to proceeds from maturity of financial assets at fair value through profit or loss of RMB188.6 million, partially offset by purchases of financial assets at fair value through profit or loss of RMB160.0 million.

Net Cash Flows (Used in)/from Financing Activities

Net cash flows from financing activities were RMB43.1 million in 2023, primarily attributable to capital contribution by shareholders of RMB45.0 million, partially offset by repayment of interest-bearing bank borrowings of RMB5.0 million.

Net cash flows from financing activities were RMB56.2 million in 2024, primarily attributable to capital contribution by shareholders of RMB60.0 million, partially offset by repayment of interest-bearing bank borrowings of RMB13.3 million.

Net cash flows from financing activities were RMB96.3 million in 2025, primarily attributable capital contribution by shareholders of RMB100.8 million, partially offset by (i) repayment of interest-bearing bank borrowings of RMB7.7 million and (ii) lease payment of RMB6.2 million.

Net cash flows used in financing activities were RMB13.4 million for the six months ended June 30, 2026, primarily attributable to (i) repayment of interest-bearing bank borrowings of RMB14.0 million and (ii) lease payments of RMB3.2 million, partially offset by new bank loans and other borrowings of RMB5.6 million.

Cash Conversion Cycle

Our cash conversion cycle, as calculated by inventory turnover days plus trade and bills receivables turnover days minus trade and bills payables turnover days, decreased from 73 days in 2023 to 28 days in 2024, further decreased to seven days in 2025. Such improvement was primarily driven by a notable decrease in inventory turnover days, attributable to enhanced inventory management efficiency, including regular monitoring of inventory aging, the clearing of aged inventories and other efficiency-enhancing measures. The relatively long inventory turnover days in 2023 and 2024 was primarily attributable to the fact that we had not yet reached a large business scale and maintained a broad portfolio of robots and related materials to cater to diverse customer requirements. We expect the inventory turnover days to decrease in the long term driven by the standardization of the robots and the increased distributor shipments. Such trend may be influenced by certain large-scale robotics solutions projects, depending on order requirements. Our cash conversion cycle increased to 33 days in the six months ended June 30, 2026, primarily due to (i) the increase in our trade and bills receivables turnover days, primarily due to the expansion of our sales scale and the increased sales of robotics solutions, which generally involve a longer collection cycle; and (ii) the decrease in our trade and bills payables turnover days, primarily due to our more timely settlement of payables to strengthen cooperation with strategic suppliers and secure more competitive purchase prices.

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CURRENT ASSETS AND LIABILITIES

The following table sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Current assets				
Inventories	58,381	70,807	42,567	54,068
Trade and bills receivables	12,312	13,376	58,738	71,707
Contract assets	2,558	5,006	4,957	3,248
Prepayments, other receivables and other assets	6,553	10,135	10,344	16,514
Financial assets at fair value through profit or loss	116,924	151,987	122,210	94,356
Financial assets at fair value through other comprehensive income	1,534	540	1,927	1,238
Restricted cash	3,281	3,056	4,033	400
Cash and cash equivalents	27,468	17,443	114,200	99,944
Total current assets	229,011	272,350	358,976	341,475
Current liabilities				
Trade and bills payables	53,162	80,082	76,486	79,142
Other payables and accruals . . .	13,557	22,394	32,673	41,786
Interest-bearing bank and other borrowings	7,610	8,949	11,590	3,170
Lease liabilities	3,970	5,702	4,057	5,014
Contract liabilities	39,770	41,910	16,357	17,922
Provision-current	1,348	1,641	1,717	2,447
Total current liabilities	119,417	160,678	142,880	149,481
Net current assets	109,594	111,672	216,096	191,994

Our net current assets position decreased by 11.2% from RMB216.1 million as of December 31, 2025 to RMB192.0 million as of June 30, 2026, primarily due to (i) a decrease in financial assets at fair value through profit or loss of RMB27.9 million due to a decrease in wealth management products we held; and (ii) a decrease in cash and cash equivalents of RMB14.3 million due to the increased [REDACTED] in relation to the [REDACTED], partially offset by (i) an increase in trade and bills receivables of RMB13.0 million, mainly due to the increased trade receivables driven by our sales of robots and robotics solutions; and (ii) an increase in inventories of RMB11.5 million, mainly due to our inventory build-up to support delivery arrangements and our strategic stocking of certain key materials to mitigate potential supply chain fluctuations.

Our net current assets position increased by 93.5% from RMB111.7 million as of December 31, 2024 to RMB216.1 million as of December 31, 2025, primarily due to (i) an increase in cash and cash equivalents of RMB96.8 million, mainly due to the capital injection as the settlement of subscription consideration by TEDA Haihe IM Fund in October 2025; (ii) an increase in trade and bill receivables of RMB45.4 million, mainly due to the increased trade receivables driven by the growth in sales of our robots and robotics solutions; and (iii) a decrease in contract liabilities of RMB25.6 million, mainly due to the acceleration of contract fulfillment, partially offset by (i) a decrease in financial assets at fair value through profit or loss of RMB29.8 million, mainly due to a decrease in wealth management products we held; and (ii) a decrease in inventories of RMB28.2 million, mainly due to our improved production efficiency and inventory management, resulting in the decrease in raw materials and finished goods.

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Our net current assets position remained relatively stable at RMB109.6 million as of December 31, 2023 and RMB111.7 million as of December 31, 2024.

CASH OPERATING COSTS

The following table sets forth key information relating to our cash operating costs for the periods indicated:

	Year ended December 31,			Six months ended June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Workforce employment ⁽¹⁾	40,690	48,518	56,196	29,829
Direct production costs, including materials ⁽²⁾	51,774	74,619	131,029	84,049
Research and development costs ⁽³⁾	7,335	11,066	6,304	16,055
Product and solution marketing ⁽⁴⁾	7,875	8,660	9,288	6,555
Non-income taxes, royalties and other governmental charges	3,045	2,456	5,456	3,051
Total	110,719	145,319	208,273	139,539

- (1) Represents the sum of employee compensation expenses under research and development expenses, administrative expenses, costs of sales and selling and marketing expenses (excluding share-based payments expenses which are non-cash in nature).
- (2) Represents the costs of sales (excluding direct labor costs and non-cash items under costs of sales).
- (3) Represents research and development expenses, excluding employee compensation, share-based payment expenses and non-cash items under research and development expenses.
- (4) Represents selling and marketing expenses, excluding employee compensation and non-cash items under selling and marketing expenses, such as share-based payment expenses and depreciation and amortization.

INDEBTEDNESS

Our indebtedness during the Track Record Period mainly consisted of lease liabilities and interest-bearing bank and other borrowings. The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Current portion:				
Lease liabilities	3,970	5,702	4,057	5,014
Interest-bearing bank and other borrowings	7,610	8,949	11,590	3,170
Subtotal	11,580	14,651	15,647	8,184
Non-current portion:				
Lease liabilities	8,307	7,605	3,548	4,362
Total	19,887	22,256	19,195	12,546

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Lease Liabilities

Our lease liabilities increased by 8.4% from RMB12.3 million as of December 31, 2023 to RMB13.3 million as of December 31, 2024, primarily attributable to our new lease in Wuxi in 2024. The balance of lease liabilities then decreased by 42.8% to RMB7.6 million as of December 31, 2025, which was mainly driven by lease payments settled in the interim period. Our lease liabilities increased by 23.3% to RMB9.4 million as of June 30, 2026, primarily due to the renewal of certain lease agreements in Jiangsu and Shenzhen.

Interest-Bearing Bank and Other Borrowings

We had guaranteed interest-bearing bank and other borrowings of RMB7.6 million, RMB8.9 million, RMB11.6 million and RMB3.2 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. Our bank loans bore interest rates ranging from 3.15% to 4.0% per annum, 2.9% to 3.65% per annum, 2.88% to 3.5% per annum and 2.7% to 2.9% per annum as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. See note 29 to the Accountants’ Report in the Appendix I to this document. As of June 30, 2026, we had committed unutilised banking facilities of RMB33.0 million.

Our bank loans contain standard terms, conditions and covenants that are customary for commercial bank loans in China. Our Directors confirmed that we did not experience any difficulty in obtaining bank loans or other borrowings, default in payment of bank loans or other borrowings or breach of covenants during the Track Record Period.

Indebtedness Statement

Except as disclosed above, as of the Latest Practicable Date, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees. Our Directors confirm that there has not been any material change in our indebtedness since the Latest Practicable Date and up to the date of this document.

CONTINGENT LIABILITIES OR GUARANTEES

As of the Latest Practicable Date, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against any member of our Group.

CAPITAL EXPENDITURES AND COMMITMENTS

Our capital expenditures primarily consisted of purchase of land use rights, property, plant and equipment and other intangible assets during the Track Record Period. The following table sets forth our capital expenditure for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	<i>(RMB in thousands)</i>				
Purchase of land use rights . . .	–	14,420	–	–	–
Purchases of items of property, plant and equipment	7,211	11,278	8,681	2,870	563
Purchase of other intangible assets	286	–	880	10	150
Total	7,497	25,698	9,561	2,880	713

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Our capital expenditures were RMB7.5 million, RMB25.7 million, RMB9.6 million, RMB2.9 million and RMB0.7 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively.

Commitments

We did not have any commitment during the Track Record Period.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

During the Track Record Period, Mr. Liu and Mr. Song provided guarantee for our borrowings. These guarantees have been released in January 2026. See note 36 to the Accountants’ Report in Appendix I to this document. With respect to the related party transactions set forth in the Accountant’s Report to this document, our Directors confirm that these transactions were conducted on normal commercial terms or such terms that were no less favorable to our Group than those available to Independent Third Parties and were fair and reasonable and in the interest of our Shareholders as a whole.

WORKING CAPITAL SUFFICIENCY

The Directors are of the opinion that, taking into account of the financial resources available to us described below, we have sufficient working capital for our requirements for at least the next 12 months from the date of this document: (i) our estimated future operating cash flows; (ii) cash and cash equivalents on hand; and (iii) estimated net [REDACTED] from the [REDACTED]. Our Directors confirm that we had no material defaults on trade and other payables during the Track Record Period.

Our cash burn rate refers to the average monthly outflow of (i) net cash used in operating activities; (ii) cash paid for the purchases of property, plant and equipment, right-of-use assets and other intangible assets; and (iii) cash paid for lease liabilities.

Our historical cash burn rate was RMB2.2 million, RMB3.1 million, RMB3.2 million, RMB4.4 million and RMB5.4 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively. Our historical cash burn rate increased during the Track Record Period primarily because our net cash used in operating activities increased in line with our business growth.

We had cash and cash equivalents, restricted cash and current financial assets at fair value through profit or loss of RMB194.7 million as of June 30, 2026. We estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] after deducting the [REDACTED] fees and expenses payable by us in the [REDACTED], assuming that no [REDACTED] is exercised and an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the low end of the indicative [REDACTED] in this document. Assuming that our business operations remain relatively stable compared with the Track Record Period and an average cash burn rate going forward of RMB[REDACTED] per month, which is consistent with our average cash burn rate level in 2024, 2025 and six months ended June 30, 2026 and considered representative of our future cash burn rate based on our recent historical operating level, and taking into account the underlying assumptions that (i) our historical cash burn rate remained relatively stable at RMB[REDACTED] per month in 2024 and RMB[REDACTED] per month in 2025, representing our most recent and operationally relevant data; (ii) we had a relatively stable operational workforce of 356 employees in 2025 and approximately 400 employees in 2026, with the increase in headcount primarily attributable to expansion of our sales team and we do not expect any significant increase in our

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overall headcount; (iii) any expected increase in R&D expenses will be offset by anticipated cash inflows from the sales of robots and robotics solutions; (iv) we do not expect to incur substantial capital expenditures; and (v) we do not expect to make significant acquisitions of fixed assets, although the above assumptions remain subject to change due to various factors including but not limited to business development, industry dynamics and customer demand, we estimate that our cash and cash equivalents and current financial assets at fair value through profit or loss as of June 30, 2026 will be able to maintain our financial viability for (i) approximately [REDACTED] months until [REDACTED]; (ii) approximately [REDACTED] months until [REDACTED] we take into account [REDACTED] of the estimated net [REDACTED] from the [REDACTED] for our working capital and other general corporate purposes; or (iii) approximately [REDACTED] months until [REDACTED], if we also take into account the estimated net [REDACTED] from the [REDACTED]. We will continue to monitor our cash flows from operations closely and maintain our financial viability through a variety of means, including, among others, banking facilities and external financings.

KEY FINANCIAL RATIOS

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

	As of/For the year ended December 31,			As of/ For the six months ended June 30, 2026
	2023	2024	2025	
Gross profit margin (%) ⁽¹⁾	17.0	22.8	30.5	27.1
Current ratio (<i>times</i>) ⁽²⁾	1.92	1.70	2.51	2.28

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

(2) Current ratio equals to total current assets divided by total current liabilities as of the end of the period.

Gross Profit Margin

See “— Period to Period Comparison of Results of Operations” for a discussion of the factors affecting our gross profit margin during the Track Record Period.

Current Ratio

Our current ratio decreased from 1.92 times as of December 31, 2023 to 1.70 times as of December 31, 2024, primarily due to an increase in current liabilities resulting from an increase in trade and bills payables due to larger-scale purchase of direct materials and components. Our current ratio increased from 1.70 times as of December 31, 2024 to 2.51 times as of December 31, 2025, primarily due to an increase in current assets resulting from an increase in trade and bills receivables due to the increased sales and a decrease in current liabilities resulting from a decrease in trade and bills payables. Our current ratio decreased to 2.28 times as of June 30, 2026, primarily due to (i) an increase in trade and bills payables driven by our increased sales and expanded business scale; and (ii) a decrease in financial assets at fair value through profit or loss driven by the decreased wealth management products we held.

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R&D EXPENDITURE AND TOTAL OPERATING EXPENDITURE

During the Track Record Period, our R&D expenditure primarily consisted of research and development expenses and we did not capitalize any R&D expenses. During the Track Record Period, all of our research and development expenses were incurred for both robots and robotics solution. We do not allocate them by robotics and robotics solutions. The following table sets forth our annual and total R&D expenditure for the periods indicated:

	Year ended December 31,			Six months ended June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Research and development expenses	19,364	29,799	21,387	24,015
Annual R&D expenditure . . .	19,364	29,799	21,387	24,015
Total R&D expenditure		49,163	70,550	94,565

The following table sets forth our annual and total operating expenditure for the periods indicated:

	Year ended December 31,			Six months ended June 30, 2026
	2023	2024	2025	
	(RMB in thousands)			
Research and development expenses	19,364	29,799	21,387	24,015
Administrative expenses	16,631	20,752	25,499	25,816
Selling and marketing expenses	24,749	34,465	34,368	12,518
Annual operating expenditure	60,744	85,016	81,254	62,349
Total operating expenditure		145,760	227,014	289,363

The following table sets forth our annual R&D expenditure ratio and total R&D expenditure ratio for the periods indicated:

	Year ended December 31,			Six months ended June 30, 2026
	2023	2024	2025	
Annual R&D expenditure ratio ⁽¹⁾ (%)	31.9	35.1	26.3	38.5
Total R&D expenditure ratio ⁽²⁾ (%)	31.9	33.7	31.1	32.7

(1) Calculated by dividing annual R&D expenditure by annual total operating expenditure.

(2) Calculated by dividing total R&D expenditure over the Track Record Period by total operating expenditure over the Track Record Period.

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MARKET RISKS

The main risks arising from our financial instruments are credit risk and liquidity risk. Our principal financial instruments, comprise interest-bearing bank and other borrowings, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for our operations. We have various other financial assets and liabilities such as trade and bills receivables, prepayments, other receivables and other assets, trade and bills payables and other payables and accruals, which arise directly from our operations.

Credit Risk

We trade only with recognized and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. See note 39 to the Accountants’ Report in Appendix I to this document for details of the credit quality and the maximum exposure to credit risk based on our credit policy.

Liquidity Risk

We monitor and maintain a level of cash and cash equivalents deemed adequate by our management to finance the operations and mitigate the effects of fluctuations of cash flows. Our objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings and lease liabilities. See note 39 to the Accountants’ Report in Appendix I to this document for details of the maturity profile of our financial liabilities.

Capital Management

The primary objectives of our capital management are to safeguard our ability to continue as a going concern and to maintain healthy capital ratios in order to support our business and maximize shareholders’ value.

We manage our capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, we may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. We are not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Track Record Period.

DIVIDENDS

We are a holding company incorporated under PRC laws. During the Track Record Period and up to the Latest Practicable Date, we did not declare or pay any dividends, nor did we have any dividend policy in place. Pursuant to our Articles of Association, our Board will formulate the dividends distribution plan after taking into account our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors which our Directors consider relevant. Any declaration and payment as well as the amount of dividends will be subject to our Articles of Association, applicable PRC law and approval by our Shareholders. We did not have any pre-determined dividend payout ratio and any formal dividend policy as of the Latest Practicable Date. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. As advised by our PRC Legal Advisors, no dividend shall be declared or payable, unless we have profits and reserves lawfully available for distribution. Any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

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DISTRIBUTABLE RESERVES

As of June 30, 2026, we had no distributable reserves.

[REDACTED]

The [REDACTED] represent professional fees, [REDACTED] commission and other fees incurred in connection with the [REDACTED]. Assuming the [REDACTED] is not exercised and based on the [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED]), [REDACTED] to be borne by us are estimated to be approximately RMB[REDACTED] (HK\$[REDACTED]), comprising: (i) [REDACTED] commission of approximately HK\$[REDACTED]; and (ii) [REDACTED] related expenses of approximately HK\$[REDACTED], which consist of (a) fees and expenses of legal advisors and accountant approximately HK\$[REDACTED] and (b) other fees and expenses of approximately HK\$[REDACTED], approximately RMB[REDACTED] (HK\$[REDACTED]) of which is expected to be charged to our consolidated statements of profit or loss, and approximately RMB[REDACTED] (HK\$[REDACTED]) of which is expected to be deducted from equity upon the completion of the [REDACTED]. The [REDACTED] are expected to represent approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED]) and that the [REDACTED] is not exercised. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED [REDACTED] ADJUSTED NET TANGIBLE ASSETS

See Appendix II to this document for details.

DISCLOSURE REQUIRED UNDER CHAPTER 13 OF THE LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirmed that, subsequent to the Track Record Period and up to the Latest Practicable Date, there had been no material adverse change in our financial or trading position, and there had been no event which would materially affect the information in the Accountants’ Report in Appendix I to this document.

In considering the sustainability of our business, our Directors have assessed our business model, operational progress and growth trajectory based on currently available information and our demonstrated performance to date, our Directors expect to record net loss of approximately RMB21.4 million in 2026, primarily due to the increased [REDACTED] in 2026. After excluding the [REDACTED], we expected to record an adjusted net profit of approximately RMB6.9 million in 2026. In the view of our Directors, such adjusted financial performance better reflects our underlying operating results and our core business profitability and sustainability. Firstly, the forecast revenue growth in 2026 was primarily driven by (i) the deepening cooperation with existing customers across core application industries; (ii) the continuous refinement of the product portfolio; and (iii) the focus on overseas market expansion. Secondly, we expected our gross profit margin to remain relatively stable because: (i) the gross profit margins of our high-speed SCARA robots and high-payload cobots increased as they gradually achieved economies of scale; (ii) our procurement costs for robot components decreased as our in-house R&D and manufacturing capabilities continue to improve, resulting in an increase in the self-developed substitution rate; and (iii) our sales in overseas markets increased, which generally yield higher gross profit margins. Therefore, we expect to record an adjusted net profit in 2026. In addition, we expect to record a shift from net operating cash outflows in 2025 to net operating cash inflows in 2026. Such improvement would be primarily attributable to the increase in collections of trade and bills receivables driven by our business expansion. Therefore, our Directors are of the view, and nothing has come to the attention of the Sole Sponsor to cast doubt on such Directors’ view, that the Company’s business is sustainable notwithstanding the forecast net loss in 2026.